

Equality Impact Assessment

Service Area: RESOURCES REVENUES AND BENEFITS

Head of Service: JON TRIGGS

Lead Officer: JULIE DARK

Date: 25 NOVEMBER 2020

Name of policy/function/project/service area to be assessed:

COUNCIL TAX REDUCTION SCHEME 2021/22

Brief description of proposals to be assessed:

To introduce amendments to the Council Tax Reduction Scheme for 2021/22

The Government announced as part of its spending review in 2010 that it would abolish Council Tax Benefit and replace it with localised support for Council Tax by 2013-14.

This change did not affect Pension Age claimants whose scheme is prescribed by Central Government in line with the 2012/13 Council Tax Benefit scheme.

Each year we have to review our scheme. Changes have been made over recent years to bring schemes in line with the changes being made by Central Government in Housing Benefit and Universal Credit.

The current CTR banded scheme for working age claimants was introduced in April 2020. We are proposing to make four changes to this scheme from 1 April 2021.

These changes are intended to bring the scheme in line with the changes being made by Central Government in Housing Benefit and Universal Credit. They will also enable the Council to alter the scheme within the financial year should it be deemed necessary. The need for us to be able to do this has been highlighted during the current Covid-19 situation.

Who will this affect?

Working age households in the Council's area who currently receive or will apply for Council Tax Reduction.

Pension age households will not be affected as Central Government prescribe the scheme.

North Devon Council is aiming to make this change from April 2021.

Date of Assessment:

25 November 2020

Person responsible for completing the assessment:

JULIE DARK

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Brief description of the anticipated outcomes of the proposal:

Provision	Current Arrangement	Proposed Arrangement	Comment
To allow the Council to increase the levels of incomes within each Band to allow for any changes made by Government to other benefits	Under the current scheme, the Council is only able to increase the income levels within each discount band annually by inflation.	To allow the Council to increase the levels of incomes within each Band to allow for any changes made by Government to other benefits	<p>The benefits of this are:</p> <ul style="list-style-type: none">• more flexibility within the scheme; and• prevent applicants having their Council Tax Reduction award reduced when the Government increases any welfare benefits• This measure can only increase the level of support <p>The drawback of doing this is:</p> <ul style="list-style-type: none">• There may be a slight increase in the cost of the scheme should the change be made
To allow the Council to suspend the use of the Minimum Income Floor for the Self-Employed in exceptional circumstances	The Minimum Income Floor is a provision within both Universal Credit and Council Tax Reduction which assumes a level of income for self-employed applicants after they have been in business for one year or more. Due to the COVID-19 crisis, the Department for Work and Pensions (DWP) suspended the use of the Minimum Income Floor in Universal Credit but the	This option would allow the Council flexibility to 'suspend' the Minimum Income Floor in exceptional circumstances, such as the COVID-19 crisis. The Council feels that this would be fairer to applicants who are self-employed and unable to trade normally due to the crisis.	<p>The benefits of this are:</p> <ul style="list-style-type: none">• it allows the Council more flexibility in dealing with self-employed applicants in exceptional circumstances, such as the COVID-19 crisis; and• it would allow the Council to make the change automatically for all cases affected. <p>The drawback of doing this is:</p> <ul style="list-style-type: none">• there may be a small additional cost to the scheme where the Minimum Income Floor is suspended.

	Council was unable to change the Council Tax Reduction scheme in the same way.		
To remove the two child restriction where the claimant or partner or any dependent child in the household receives a disability benefit	Within the current scheme, applicants who have children are awarded a dependent's addition within the calculation of their needs. This is currently limited to a maximum of two children additions for all applicants.	The change would allow the Council not to restrict any applicants' child additions to two where the applicant, their partner or any dependent child is in receipt of any disability benefit.	<p>The benefit of this is:</p> <ul style="list-style-type: none"> it would make the scheme fairer to our disabled customers. <p>The drawback of doing this is:</p> <ul style="list-style-type: none"> there may be a slight increase to the cost of the scheme.
To amend the scheme to allow for Shared Parental Leave, Parental Bereavement Leave and the Grenfell Tower Residents' Discretionary Fund	Currently, there is no provision for these	<p>In the case of Shared Parental Leave and Parental Bereavement Leave, the payments would be treated as earned income and could allow for child care disregards to be given.</p> <p>The Grenfell Tower Residents' Discretionary Fund payments would be totally disregarded for Council Tax Reduction purposes.</p> <p>These changes would align the working age scheme with the pension age scheme.</p>	<p>The benefits of this are:</p> <ul style="list-style-type: none"> all working age applicants would be treated the same way as pensioner applicants; and the change would make the scheme simpler to administer. <p>The drawback of doing this is:</p> <ul style="list-style-type: none"> There are no drawbacks to this change

Impact:

Summarise any positive impacts or benefits, any negative impacts (i.e. potential for discrimination, disadvantage or disproportionate treatment) and any neutral impacts and the evidence you have taken into account to reach this conclusion. Be aware that there may be positive, negative and

neutral impacts within each characteristic. (NOTE: please refer to the Equality Strategy for the characteristics) Where an impact is unknown, state so, and identify what steps will be taken to address any gaps in data:

Age

Positive The council needs to take into account the Child Poverty Act. There will be an allowance for certain incomes not to be included in the financial assessment of CTR e.g. Child Benefit etc. The decision to protect pensioners is a national one and will be reflected in legislation. Central Government is therefore responsible for conducting their own EIA on this aspect. This is available at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/8464/2063707.pdf

Negative None

Disability

Positive The change would allow the Council not to restrict any applicants' child additions to two where the applicant, their partner or any dependent child is in receipt of any disability benefit.

Negative None

Gender Reassignment

Neutral No information is collected on the gender reassignment status of CTR claimants and gender has no impact on the claiming or calculation of CTR.

Marriage and Civil Partnership

Neutral Marriage and civil partnership status of CTR claimants will have no impact on claiming or the calculation of CTR.

Pregnancy and Maternity

Neutral No information is collected on the pregnancy and maternity status of CTR claimants and this characteristic will have no impact on claiming or the calculation of CTR.

Race

Neutral No information is collected on the race of CTR claimants and this characteristic will have no impact on claiming or the calculation of CTR.

Religion or Beliefs

Neutral No information is collected on the religion or beliefs of CTR claimants and this characteristic will have no impact on claiming or the calculation of CTR.

Sex/Gender

Neutral All Working Age people will be eligible to apply for support, and this characteristic will have no impact on claiming or the calculation of CTR..

Sexual Orientation

Neutral No information is collected on the sexual orientation of CTR claimants and this characteristic will have no impact on claiming or the calculation of CTR.

Consideration of Alternatives

Describe what alternatives have been considered and/or what actions will be taken to remove or minimise any potential negative effect identified above (attach evidence or provide link to appropriate data, reports, etc):

We have considered;

Continuing with the current scheme:

- The Council could decide to continue with the current scheme but the risk of this is that applicants may lose entitlement if the Government increases other benefits or continues to make changes to the welfare benefit system.
- Due to the COVID-19 crisis, the Department for Work and Pensions (DWP) suspended the use of the Minimum Income Floor in Universal Credit but the Council was unable to change the Council Tax Reduction scheme in the same way. This would mean that self employed customers affected by exceptional circumstances such as Covid-19 would be unable to receive financial support from the CTR scheme.
- The current scheme would not be up to date and in line with changes to Universal Credit and Housing Benefit

Consultation

Brief description of any consultation with stakeholders and summarise how it has influenced the proposal. Please attach evidence or provide link to appropriate data or reports:

The Council undertook a comprehensive consultation from the 2 November 2020 – 13 December 2020. 33 responses were received. The consultation was promoted in the following ways :

- Press release in local newspaper
- North Devon Council website
- Social Media (Facebook and Twitter) with ongoing posts/tweets.
- 2000 mail shots included in Council Tax bills and Benefit notification letters.

- Advertising posters displayed in our three community offices.

Our precepting authorities were also asked for their comments and input. These are : Devon County Council, Devon Fire Authority, Devon and Cornwall Police. We also wrote to Citizens Advice TNMWD.

Monitoring Arrangements

Briefly describe the monitoring arrangements/systems that will be put in place to monitor the effects of this proposal:

The scheme will be reviewed annually using a new software module purchased for this purpose. Throughout the year, regular monitoring of how our customers are affected will take place and Exceptional Hardship applications will be offered where such affects are negative.

Reporting and Publication

Equality Impact Assessments will be published on North Devon Council's website.

Date published:

NOTE: The completion of an Equality Impact Assessments is an ongoing process. Impacts will be continually reviewed during projects and the decision making process and the Assessment will be updated accordingly and published. A further assessment will also be undertaken between 6 to 12 months following the implementation of the policy, project, decision or service change has been implemented.

Proposed implementation date of project/proposal: 01 April 2021.

Date approved by Head of Service:

Corporate and Community Services Use Only:

Date of publication to NDC Website:

Date of Feedback (if required):

Feedback:

