

Appendix 2

EQUALITY IMPACT ASSESSMENT

(Please note, this will form part of a public facing document. If you have any questions about this, please contact Equality@wiltshire.gov.uk)

Title: What are you completing an Equality Impact Assessment on?
<p>Changes to the Council Tax reduction Scheme in Wiltshire, which could affect up to 10,000 working age households currently in receipt of council tax reduction.</p> <p>(Council Tax Reduction is a means tested benefit, currently claimed by 25,000 households across Wiltshire but the latest amendments will impact those whose income is subject to change. Pensioners and those in protected groups on fixed incomes will not be affected).</p> <p>The proposals for change are to limit the impact of minor fluctuations in monthly income on those households currently in receipt of Council Tax Reduction.</p>

Why are you completing the Equality Impact Assessment? (please tick any that apply)			
<u>Proposed New Policy or Service</u>	Change to Policy or Service	MTFS (Medium Term Financial Strategy)	Service Review
	Yes	Yes	NO

Version Control					
Version control number	1	Sept 2019		Reason for review (if appropriate)	Policy review post public consultation

Risk Rating Score (use Equalities Risk Matrix and guidance)		
<p>**If any of these are 3 or above, an Impact Assessment must be completed. Please check with equality@wiltshire.gov.uk for advice</p>		
Criteria	Inherent risk score on proposal	Residual risk score after mitigating actions have been identified
Legal challenge	2	2
Financial costs/implications	9	6
People impacts	6	4
Reputational damage	4	2

Section 1

Description of what is being analysed

Wiltshire Council must deliver an equitable and efficient council tax reduction scheme for its working age residents who are liable to pay council tax and who are either reliant on other welfare benefits and or are on a low income. They need a flexible support scheme whereby those on the lowest income are awarded a partial reduction in council tax.

The current means test used to determine entitlement to council tax reduction is sensitive to minor fluctuations in income, particularly earned income, resulting in frequent recalculation of entitlement, the adjustment of council tax accounts and the dispatch of amended bills. This was deemed to be a disincentive to work, generating uncertainty for the household and growing administration for the all those concerned with the assessment of council tax reduction.

Whilst the scheme generally offers most protection to those least able to work, particularly those of pensionable age, this latest review focuses on those of working age, particularly those in receipt of Universal Credit, and able to work. The consultation focuses on whether a move away from the traditional means test and the introduction of an income grid would simplify administration, reducing uncertainty for the claimant.

Section 2

People or communities that are currently **targeted or could be affected** by any change

Those in receipt of Council Tax Reduction are generally those households in receipt of an income that is below the national average and reliant on other welfare benefits to support them, specifically universal credit. However around 10,000 households in receipt of council tax reduction are able to work. It is estimated that 6,500 of those are currently in receipt of Universal Credit. The number incorporates a range of household types that include single occupant households, loan parents and couples with and without children.

The proposed changes will not affect those of pensionable age. The scheme also accommodates those who are unable to work, specifically those entitled to PIP and Disabled Living Allowance.

Section 3

People who are **delivering** the policy or service that are targeted or could be affected (i.e. staff, commissioned organisations, contractors)

The administration of the changes is within the control of the local authority and specifically the Housing Benefit Team who have to manage around 5,000 notification of changes per of benefit entitlement and income each month. Notification are a by-product of the Department of work and Pensions (DWP) amending the entitlement of those in receipt of UC. The changes to the Council Tax Reduction scheme will not turn this exchange of data off, rather the number of changes to entitlement to CTR resulting from the data exchanges could be fewer if changes to the current scheme are accepted.

Section 4

The underpinning **evidence and data** used for the analysis (Attach documents where appropriate)

- In order to claim council tax reduction a claim must be made providing details of the household make-up, family, children age, sex and similar details of anyone living in the property.
- The application process captures details of such as ethnicity
- In order to claim evidence has to be provided of benefit that may be linked to a disability or someone within the household with a disability.
- Details of the claim are then stored on bespoke software enabling analysis in a number of ways. Claims may be analysed at a parish level or by age or sex of the claimant or by the number of children in the household or by postcode.
- Claims are also determined by whether the claimant works or not and the nature of their employment, whether self-employed or not.
- Claims are subject to frequent review and notification of change, from a variety of sources including the claimant, their employer, their landlord, the DWP etc
- The caseload is managed and reports shared with the Department of work and Pensions.
- Where changes are necessary to any council tax reduction scheme then the council must instigate a consultation process to gather the views of a range of stakeholders. The latest consultation process took place in August 2019.

Section 5

Conclusions drawn about the impact of the proposed change or new service/policy

- The Council tax Reduction Schemes operated by the council to support those on a low income are complex and difficult to understand.
- Proposals to simplify the scheme were welcomed as part of the consultation conducted with stakeholders however through scenario testing, it transpires that the approach may leave a significant number of households worse off.
- It was felt that the benefits of simplifying the scheme were outweighed by the potential reduction in council tax that some households would face if an income table were introduced and the nature of the change may in fact increase speculative claims from those who may be on the margins of qualification. This would lead to a possible rise in the costs of administering the scheme that the original proposal had hoped to reduce.
- The scheme already supports those of pensionable age to a greater degree than those of working age and those in protected groups but concern was also raised that those households with more children and a higher theoretical income, including the childcare element of universal credit, would be detrimentally affected by the proposed changes.
- On this basis it was felt that the proposals to change the scheme were not wholly equitable based on the current method of determining a household income.
- An alternative arrangement has been proposed to promote greater equality, determining entitlement to CTR to better accommodate all those of working age, but particularly those whose income varies. The report now proposes that a rise in the level at which changes of income are incorporated and impact upon a claim, a change which can accommodate a variation in income of up to £50.00 per week.
- The scheme is subject to regular review and if the proposals are agreed but do not deliver a reduction in the number of changes then the scheme will be subject to further revision. in 2020-21.

Section 6

How will the outcomes from this equality analysis be **monitored, reviewed and communicated?**

- The levels of council tax reduction and the number of households receiving this benefit are measured each month.
- The caseload is broken down in a number of ways as part of the reporting process and this data is shared widely across the organisation, again on a monthly basis.
- Phone calls and enquiries made at council offices are monitored on a weekly basis and it is hoped that fewer revisions to bills will reduce the number of callers. Call numbers will continue to be carefully monitored
- Monitoring caseload and engagement with customers is relatively straight forward, The challenge is ensuring that the changes to the scheme do reduce the number of changes made to live claims. By avoiding the recalculation of council tax bills and offering a degree of certainty that once a bill is issued it will not be amended as a result of a minor change in income should reduce the level of demand currently faced by the team who typically deal with 2,200 phone calls per week
- New methods will be introduced to monitor the number of changes made to each claim over a six month period.
- The outcomes will be discussed with interested parties and stakeholders including Wiltshire Citizens Advice and at Forums like Wiltshire Money
- If the changes to the scheme are not successful and claim continue to be repeatedly adjusted then further proposals will be prepared and changes will be introduced for the following financial year.
- The progress of the scheme will be monitored by the Council Revenues and Benefits Manager.



***Copy and paste sections 5 & 6 into any Committee, CLT or Briefing papers as a way of summarising the equality impacts where indicated**

Please send a copy of this document to Equality@wiltshire.gov.uk

Completed by:	Ian P Brown	
Date	21 st October 2019	
Signed off by:		
Date		
To be reviewed by:	Ian P Brown	
Review date:	September 2020	
For Corporate Equality Use only	Compliance sign off date:	

Equality Impact Issues and Action Table (for more information on protected characteristics, see risk assessment document)

Identified issue drawn from your conclusions (only use those characteristics that are relevant)	Actions needed	Who is responsible	Date	Expected outcome
Age				
Disability				
Gender Reassignment				
Marriage and Civil Partnership				
Pregnancy and Maternity				
Race (including ethnicity or national origin, colour, nationality and Gypsies and Travellers)				
Religion and Belief				
Sex				
Sexual Orientation				
Other (including caring responsibilities, rurality, low income, Military Status etc)				

