

Equality Impact Assessment

Service:	Revenues
Officer(s) completing the assessment:	Janice Broomfield
Date:	August 2018
Name of service, strategy, policy, project or function being assessed:	Council Tax Reduction Scheme for Working Age Applicants (Also referred to as Council Tax Support)

1.	<p>What are the aims, objectives, outcomes, purpose of the service, strategy, policy, project or function that you are assessing?</p>	<p>The Council Tax Reduction scheme provides support for certain taxpayers who have a low income. Where entitled, the scheme provides a reduction in liability for Council Tax. The replacement scheme is designed to:</p> <ul style="list-style-type: none"> • provide savings for the authority to offset the impact of reductions in grants from Central Government; and • overcome the significant administrative complications for applicants who are in receipt of Universal Credit within the area. <p>The main issues are;</p> <ul style="list-style-type: none"> • The current level of support needs to be adjusted • The current scheme is too reactive to the constant changes in Universal Credit. With the frequent changes in liability, taxpayers receive multiple Council Tax demands which in turn has a negative effect on the taxpayer's ability to manage their finances and on collection levels; <p>The intention is to introduce the new scheme for working age applicants from 1st April 2019 The changes will NOT affect Pension Age applicants</p>
2.	<p>Who implements or delivers the service, strategy, policy, project or function? State if this is delivered by more than one service or team, including any external partners.</p>	<p>Revenues Service</p>

3.	Who will be affected by the service, strategy, policy, project or function?	All working age Council Tax Reduction applicants. The changes will NOT affect Pension Age applicants who are protected under the Central Government Prescribed Scheme
4.	What are the likely positive impacts for the protected groups (see above)? Are any particular groups more affected and why?	Pensioners will not be affected by any changes. Working Age applicants could be affected positively as follows: <ul style="list-style-type: none"> • Changes in circumstance which reduce their entitlement to Council Tax Reduction will not be effected unless the change (or accumulation of changes) were £30 or more per week. • In effect this could mean that a person who would normally receive a reduction in their Council Tax Reduction will not have their entitlement changed if their income change is below the £30 per week ‘tolerance’ level
5.	What are the likely negative impacts for the protected groups (see above)? Are any particular groups affected more and why?	Working Age applicants could be affected negatively as follows: <ol style="list-style-type: none"> 1. Working age applicants who are not protected will be required to pay a minimum amount (to be decided) towards their Council Tax. This will affect applicants who currently receive 100% support towards their Council Tax or those applicants who currently receive more than any proposed maximum entitlement; 2. The scheme will be amended to only grant Council Tax reduction where the entitlement is at least £1 per week. The current minimum payment is 50p per week. Any working age applicant whose entitlement would receive less than £1 per week will not receive any support; and 3. Changes in circumstance which increase their entitlement to Council Tax Reduction will not be effected unless the change (or accumulation of changes) were £30 or more per week. In effect this could mean that a person who would normally receive an increase in their Council Tax Reduction will not have their entitlement changed if it is below the £30 per week ‘tolerance’ level

6.	What consultation and engagement has taken place (or is planned) with the affected groups and other interested parties?	<p>Consultation is to be carried out in accordance with the legislation. Major preceptors will be consulted as well as the public and interested groups. Consultation will be carried out from late Summer and the results will be analysed and taken into account when the scheme is decided by full Council.</p>
7.	What plans do you have in place, or are developing, to mitigate the likely negative impacts, i.e. how will you reduce the impact on the protected groups?	<p>The scheme will include the development of an Exceptional Hardship Scheme which will allow additional support to be provided to any applicant who suffers exceptional hardship through changes in support.</p>
8.	Please summarise or provide links to the information, data, research used in this assessment	<p>Outcome of the original consultation which sets out the Government priorities for Council Tax Reduction Schemes https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/8467/2053712.pdf</p> <p>Previous Council Tax Reduction Schemes - Also know as Council Tax Support are published on the Council's website http://www.testvalley.gov.uk/benefitsandcounciltax/benefits/test-valley-borough-councils-council-tax-support-s</p> <p>Council Tax Reduction Schemes for near neighbours. https://www.counciltaxsupport.org</p> <p>When considering the CTS Schemes for Hampshire and Wiltshire the Panel noted that the information did not reflect the national picture. From 1 April 2017, only 37 councils (out of 326) were continuing to provide the levels of support available under the former Council Tax Benefit scheme. From April 2017, 264 schemes include a minimum payment, up from 259 in April 2016 and 229 in April 2013.</p>

What course of action does this EQIA suggest that you take? (tick one of the following options)	
Outcome 1: No major change required The EQIA has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken.	
Out come 2: Adjust the policy to remove barriers identified by the EQIA or better promote equality. Are you satisfied that the policy adjustments will remove the barriers identified?	
Outcome 3: Continue the policy despite potential for adverse impact or missed opportunities to promote equality identified. You should ensure that the EQIA clearly sets out the justifications for continuing with the policy. You should consider whether there are sufficient plans to reduce negative impact and/or plans to monitor the actual impact	X
Outcome 4: Stop and rethink the policy when the EQIA shows actual or potential unlawful discrimination	

Summary of your proposals - copy and paste into any report for Cabinet, Council or General Purposes Committee	
What are the key impacts - positive and negative?	
What course of action are you advising as a result of this EQIA?	
Are there any particular groups affected more than others?	
<p>It is proposed that the current Council Tax Reduction scheme for working age applicants is changed with effect from 1st April 2019 as follows:</p> <ol style="list-style-type: none"> 1. That all working age applicants who are not protected will be required to pay a minimum level of Council Tax. The level is to be decided by full Council. Consideration will be given as to whether the amount should be 10%, 15% or 20%. This will only affect those cases who currently receive more than the proposed maximum level of support. It will only affect working age applicants as pension age applicants are protected under the Central Government prescribed scheme; 2. The scheme will be amended to only grant Council Tax reduction where the entitlement is at least £1 per week. The current minimum payment is 50p per week. Any working age applicant whose entitlement would receive less than £1 per week will not receive any support; and 3. The current scheme is too reactive to the rolling reassessment of entitlement in Universal Credit. With the frequent changes in liability, taxpayers receive multiple Council Tax demands which in turn has a negative effect on the taxpayer's ability to manage their finances and on collections levels. To avoid this the 	

Council will introduce a 'tolerance level'. Changes in circumstance which affect an entitlement to Council Tax Reduction will not be applied unless the change (or accumulation of changes) increases or decreases by £30 or more per week. In effect this could mean that a person who would normally receive an increase or decrease in their Council Tax Reduction will not have their entitlement changed if it is below the £30 per week 'tolerance' level. Where an applicant has multiple changes (of under £30), a single change will be made to their entitlement when the total number of changes reach the tolerance (£30) level.

Head of Service sign off (name):

Janice Broomfield

Acting Head of Revenues (Benefits & Customer Services)

Date: August 2018