

### Equality Impact Analysis (EIA) of Local Council Tax Support Scheme 2020/21

#### **(A) Overview and Summary**

Since 2013, the council has been obliged to set a local scheme to award council tax support (CTS) for residents on a low income. From then, the council has adopted a scheme that reflects the benefit regulations and nobody in the authority has been worse off. As this meant that there was no change for claimants, there was no requirement to complete an equalities impact assessment.

#### **Universal Credit**

Universal Credit (UC) was introduced in October 2013 for a very specific cohort of out of work claimants. Initially, the take up was slow but from June 2016, The DWP have introduced the full digital service to the borough. This means everyone of working age within the borough should claim UC.

For out of work claims, the CTS assessment is simple. Maximum support is awarded the same as a passported legacy benefit (such as Jobseekers Allowance).

The authority decided for the 2016/17 scheme to assess in work claims for UC as it was not possible to rely on legacy benefit regulations as UC was not introduced when these were rescinded.

The council has decided that for in-work UC claimants, the CTS will be assessed using the UC applicable amounts rather than the applicable amounts taken from the housing benefit regulations (as we normally do). This meant that these claimants received more CTS as the UC rates higher.

The council decided in 2019/20 to enhance the assessment process in by

- adding a threshold of £5 to the notifications we receive from the Department of Works and Pensions that tell us of changes to Universal Credit any increases of £5 or less will be ignored.
- Since 019/20 We allow a dormant council tax support form to be valid for up to 6 months after the claim date. This is in line with Universal Credit regulations where a claim can remain open for 6 months in case the claimant becomes entitled during that period there is entitlement to housing benefit, we have now reflected this in to our scheme.
- If there is entitlement to housing benefit, we have introduced that our scheme should treat this as an intention to claim. We are suggesting this to ensure that anyone on receipt of housing benefit, who becomes entitled to council tax support does not lose out if they do not claim in time.

A public authority must, in the exercise of its functions, comply with the requirements of the Equality Act 2010 and section 149 (the Public Sector Equality Duty). This EIA is intended to assist the Council in fulfilling its public sector equality duty ("PSED"). It assesses, so far as is possible on the information currently available, the equality impact of our decision to assess in work UC claims based on the UC rates rather than the rates used for non UC cases.

## **(B) Methodology**

There is little difference in the way that we have decided to calculate UC claims as the UC applicable amount are similar to those used in legacy benefits. Our proposals to enhance our assessment process will facilitate CTS claims and awards for our customers.

### **Analysis of the impact of the assessment of UC claims for CTS**

Local Council Tax Support (LCTS) came into effect on 01 April 2013, and replaced Council Tax Benefit which was abolished as part of the Government's Welfare Reforms (which include the introduction of Universal Credit). H&F decided for the following years to absorb the cost of the changes, which means that people receive the same or very similar help to pay their council tax as they did under council tax benefit.

At present, there are 14116 persons receiving Council Tax Support , 5016 of these are pensionable age and therefore are protected in this scheme, leaving 9100 of working age customers. Of these 9100, 3198 are in receipt of Universal Credit which equates to 35.14%.

The original cohort selected by the DWP as part of the take up of UC largely focused on single claimants but has now extended to all new claims throughout the whole borough.

Because of the historical focus on single claimants, the UC caseload on CTS is still heavily biased towards single people.

Our latest evidence suggest couples make up 9.54% of the Working Age UC cohort.

The split of male / female customers receiving CTRS shows 61.51 are female and 3.49% are male

In terms of Customers in receipt of CTRS where one or more has a disability we now have 750 recipients which represents 23.45%. This is an increase on previous years, which is understandable as the UC migration programme moved from single customers to couples and families over the last 12 months.

It is not possible to extract meaningful ethnicity data from the caseload.

From the limited information that we hold, there is little impact on CTS recipients.

However, we can see that there is a positive impact on those affected as the authority's scheme for UC is more generous during this transitional period of the Welfare Reforms.

The authority does not select the claimants who receive UC as this is done by the DWP.

### **(C) Conclusion**

For the claimants affected by our assessment of UC, the change has a positive impact because it awards them more council tax support than if we used legacy benefit rates. For any other claimant, the overall affect is neutral as they are not affected by the change in anyway.

Also, all protected groups are not disproportionately represented in this change. Those who receive UC are not selected disproportionately from any group.

We have chosen the option that benefits those affected rather than puts them at a disadvantage so there are no further mitigating actions that the authority can take.

Because UC is a new benefit and an emerging part of the government's welfare reform agenda, the affects to the CTS caseload will need to be monitored and subject to review.

Based on current information we feel that this is the fairest way forward but we will monitor any impacts as more people are affected to ensure that no group is impacted adversely. It will also be important though to also monitor how this affects the value of CTS awards to ensure that this more generous scheme is not too expensive for the council to implement.

The scheme will run for a year so there will be further opportunities to review for 2021/22. If change is required, then further work will be needed to assess its impact on the protected groups.