

**Impact Assessment Form**

This template sets out questions for the full IIA. The sections you must complete are **sections 1, 2, 3 and 6**. The other sections on local economy and sustainability must only be completed if they are relevant to your proposal. Use any qualitative or quantitative data where possible, including any financial data in the latter sections.

**Section 1: Aims and demographics**

a. Is this a new policy or a review of an existing policy or service?
This is a review of the Localised Council Tax Reduction (CTR) Scheme, which was introduced 1 April 2013.
b. What are the aims and purpose of this proposal?
All working age customers pay towards Council Tax even if they had previously paid none.  To reduce the ongoing costs of the Council's Council Tax Reduction scheme while still providing a level of support to help residents on low incomes or out of work to meet their Council Tax liability.
c. Which of the geographic areas does this proposal affect?
Borough Wide

**Section 2: Equality and diversity**

a. Which stakeholder group or groups does this proposal affect? (e.g. Staff at LBS, residents, third and voluntary sector)
Residents.
b. Whose needs is the proposal designed to meet? (e.g. include any specific impact on protected group members e.g. older people, disabled people, Black Minority Ethnic (BME)),
The Council CTR scheme has three protected categories: <ul style="list-style-type: none"> <li>• Pensioners</li> <li>• Families with Children under 2 years old</li> </ul>

- Disabilities

c. What evidence has been collected to inform this proposal?

The CTR scheme supported the following groups:

<b>Analysis of CTR scheme April 2014 to May 2014</b>		
<b>Age</b>	<b>Percentage</b>	<b>Number</b>
Under 25	4.20%	507
25-59	55.15%	6674
60 or Over	40.65%	4919
		12100
	Percentage:	100.00%
<b>Sex</b>		
Female	65.47%	7922
Male	34.53%	4178
<b>Children in household</b>		
Yes	35.21%	4260
No	64.79%	7840
<b>Household makeup</b>		
<b>Single Parent</b>	23.97%%	2900
<b>Single Person</b>	54.28%	6568
<b>Couple without Children</b>	10.51%	1272
<b>Couple with Children</b>	11.24%	1360
<b>Partner in household</b>		
Yes	21.75%	2632
No	78.25%	9468

NB. Numbers may fluctuate against other data as drawn from the live benefit system and the

claims count is changing all the time.

- d. What equality-related information, for example through consultation with stakeholders, has been gathered on this proposal? (indicate the type of information gathered and ensure you address ethnicity, disability, gender, age, religion and sexual orientation. You can also include people with caring responsibilities.)

#### Current CTR Claimants by Ethnicity

Ethnic Origin	Count	Percentage
Arab	18	0.15
Asian or Asian British: Bangladeshi	51	0.42
Asian or Asian British: Indian	50	0.41
Asian or Asian British: Pakistani	129	1.07
Asian or British : Any other Backgrnd	347	2.87
Black-Black British: African	262	2.17
Black-Black British: Caribbean	132	1.09
Black-Black British: Other	61	0.50
Chinese	27	0.22
Gypsy/Traveller	1	0.01
Mixed :Any other mixed background	71	0.59
Mixed: White and Asian	39	0.32
Mixed: White and Black African	10	0.08
Mixed: White and Black Caribbean	72	0.60
Unknown	6249	51.64
White: Any other White background	547	4.52
White: British	3983	32.92
White: Irish	51	0.42
<b>Sum:</b>	<b>12100</b>	
<b>Percentage:</b>		<b>100.00</b>

- e. In what ways might the proposal impact positively or negatively on some groups of people? (Please ensure you address ethnicity, disability, gender, age, religion and sexual orientation. You can also include people with caring responsibilities.)

The CTR scheme is likely to impact negatively on the number of groups with defined characteristics who had previously received a full reduction in their Council Tax.

#### General comments relating to vulnerable people

**Ethnicity** – as the scheme is accessible by all it should not impact negatively on this group. Although, it is recognised that this group may be in marginally lower income brackets and

therefore have greater need to access the scheme. The Council will need to ensure that there are no barriers to access the scheme for customers where English is not their first language.

**Disability**

The scheme proposes a level of protection for any individual or dependent child in receipt of DLA or PIP will be automatically placed into a protected category.

Case Type	Number of cases	Impact of Amending the existing Council Tax Reduction scheme
Disability needs currently receiving full CTR	2490	There are no negative impacts indentified as there were no adverse proposals that would affect this group. This means they should be no worse off than they were under the previous scheme of Council Tax Benefit.
Disability needs currently receiving part CTR	266	As above

**Age**

Working age families could see the biggest impact financially due to the impact of other reforms i.e Benefit Cap and Universal Credit.

Self- employed households – no children	42	As the Council is now using the minimum income floor to calculate self-employed income some households are worse off and some may no longer receive a council tax reduction. Where a person is self-employed with caring responsibilities the minimum income floor is only applied to the number of part-time hours the claimant could reasonably undertake.
Self-employed households	450	As above – households with

with children		children could be adversely affected, although those with children under 2 are protected and should be no worse off than they were under Council Tax Benefit. The Council has a hardship fund which will help to support those in need.
Non working – working age Household with children aged over 2	1287	Working age non-working households are expected to contribute £3.75 per week (subject to any annual up rating announced by department for Work and Pensions). This group previously received full Council Tax Benefit. The Council has a hardship fund which will help to support those in need.
Employed – working age Households with children aged over 2	1311	Working age employed households with children aged above 2 are affected by the changes introduced by the council's scheme. Although, this group may not have received full Council Tax Benefit they are likely to be more worse off due to the changes introduced by the council's scheme.  The Council has a hardship fund which will help to support those in need.

Pensioners are not adversely affected as they are protected and therefore should be no worse off than under the previous council tax benefit scheme. However, they have to qualify for Pension Credit (PC). With the introduction of Universal Credit (UC) it will be the younger member of the couple who determines if the couple can claim UC or PC as both partners will have to achieve the qualifying age for retirement pension. This is not expected to affect

existing claimants.

**Religion**

There should be no negative impacts on this group.

**Sexual orientation**

There should be no negative impacts on this group.

**People with caring responsibilities**

Carers have been affected by the council’s CTR scheme. Due to the level of income they receive, financial and caring responsibilities the scheme has proved a problem for this group of residents.

From 1 April 2015 it was agreed that Carers Allowance will be fully disregarded as an income in the calculation of a reduction. This will have a positive impact on those claimants with full time caring responsibilities.

**Gender**

Single female and single female parents are more heavily affected than single males or coupled households. It is widely accepted that female workers are generally more low paid than their male counterparts and there are significantly higher proportions of female single parents than males.

The council has maintained protection for parents with children under 2, as this is the age that they can now achieve free nursery or school places. This means they should be no worse off than they would have been under Council Tax Benefit.

There is a range of additional support in place for families with children, as follows;

Children under the age of 5 receive up to 15 hours each week in free nursery places. From September 2014 the government extended the number of 2-year-olds qualifying for free childcare by opening up the offer to families that are on a qualifying benefit or earn less than £16,190 per year and receive Working Tax Credits.

From September 2014 all pupils in reception, year 1 and year 2 (up to age 8) in state-funded schools in England are offered a free school meal (FSM). This includes academies, free schools, pupil referral units and alternative provision as well as maintained schools. FSM for older children are still available if their parents or carers are in receipt of a relevant state benefit.

Within its Council Tax Reduction scheme the Council offers a child care cost disregard subject to qualifying criteria and up to the maximum limit of

£175.00 per week if the claimant has one child; or  
 £300.00 per week if the claimant has two or more children

The Council also disregards 75% of child benefit received when working out Council Tax Reduction entitlements.

### **Social class**

There should be no negative impacts on this group. However, it is recognised that those from deprived areas are more likely to receive support from the government and their local authority in the form of benefits.

f. What will be done to promote equality of opportunity as part of this proposal?

The council communicates and engages widely to ensure that awareness of the CTR scheme is widely distributed. The council works with the voluntary sector, stakeholders and other strategic partners to ensure that those affected by the changes receive the right level of support.

### **Section 3: Health and well being**

Please note: Data from the Joint Strategic Needs Assessment can be used to fill in this section of the form, which can be accessed here: <http://www.suttonjsna.org.uk/>

a. In what way could this proposal positively or negatively impact on the physical and/or mental wellbeing of residents? (e.g.....) If there is a negative impact what action will be taken to mitigate this? What evidence has been or will be collected?

Deprivation is a known factor in public health matters with those in lower socio-economic groups suffering from poorer health and shorter life expectancy.

The CTR scheme could have a negative impact of residents struggling financially and are already finding it hard to meet their day to day living expenses.

b. In what way could this proposal have a positive or negative impact on an individual's opportunity to improve their own health and wellbeing? (e.g ....) If there is a negative impact what action will be taken to mitigate this? What evidence has or will be collected?

The council employs a welfare reform outreach officer who works closely with residents and vulnerable users affected by the scheme to maximise their entitlement to benefits and signpost to additional support.

The council has a Hardship Fund to help provide additional support.

c. In what way could this proposal positively or negatively impact disproportionately on the health and wellbeing of one or more different communities? (e.g. improve the lives and health of a vulnerable group such as people with learning disabilities). If there is a negative impact what action will be taken to mitigate this?

The scheme is concerned with adult responsibilities and means to make payment of their council tax. The scheme affords a level of protection for any individual or dependent child in receipt of DLA or PIP will be automatically placed into a protected category. This means they should be no worse off than under the previous Council Tax Benefit.

**Section 4: Local Economy**

Is this section relevant to your proposal?	No
a. Will this proposal affect the local job market, local business or local inward investment to the borough?	
N/A	
b. Does this proposal impact upon employment opportunities for residents in Sutton?	
N/A	
c. Does this proposal provide opportunities for the third sector organisations and or local businesses in Sutton?	
N/A	

**Section 5: Sustainability**

Is this section relevant to your proposal?	Yes	Yes	No	
a. Is this proposal sustainable medium or long term for improving services in Sutton?				
Any reduction in the cost of the scheme could help mitigate the need for cuts to frontline or necessary Council service provision.				
b. Is this proposal sustainable medium or long term for improving services in Sutton?				
N/A				
c. Is this proposal a cost – effective use of resources?				

There is balanced view on this question as it may provide a direct reduction in the cost of CTR scheme, but this may lead to unintended consequences with pressure placed on other services such as Adults and Childrens. In addition, it may affect council tax collection.
d. If applicable; does this proposal have any impact on the environment and One Planet Living Principles in Sutton? (e.g. does it impact upon reducing waste, encourage the use of carbon neutral modes of transport conserve the environment or encourage the efficient use of water? Please see guidance for further details if this is relevant to your policy or review).
N/A

### Section 6: Actions and Publications

<p>a. Please rate the overall impact identified through this assessment with the level of action that needs to be taken (delete as appropriate):</p> <p>The implemented changes are likely to have a higher impact on females, particularly single parents with children aged 2 and above. Other protected groups, such as disabled, should not feel any additional impacts from the changes as they should be no worse off than under the previous scheme of Council Tax Benefit.</p> <p><b>Adjustments to remove barriers identified by the assessment or to better advance equality.</b></p> <p>Within Council Tax regulations a number of exemptions and discounts are available and offered for people with disabilities and severe mental impairment.</p> <p>Customers with vulnerabilities or difficulties paying are offered support including extended payment arrangements and income benefit maximisation. The Council has also made a provision for hardship.</p> <p>Maximising collection of Council Tax helps to maximise the provision of support and services for the Council's most vulnerable service users including those with a protected characteristics.</p>
<p>b. What actions are going to be taken as a result of this IIA to address negative impacts or previously met unidentified needs?</p> <p>See 6a.</p>
<p>c. What data monitoring or evaluation activity has been put into place to monitor the impact of this proposal?</p> <p>The service will continue to collect demographic information and monitor the scheme for unintended consequences. Data is also collected and monitored on the hardship scheme expenditure.</p>

d. Sign- off
Julie Turner Head of Revenues, Benefits, Insurance and Pensions