

Equality Analysis Report - Council Tax Reduction Scheme

Details of proposal: Council Tax Reduction Scheme – Annual review for 2023/24

Sefton Council is reviewing its local Council Tax Reduction (CTR) scheme that currently supports around 25,000 households who are on a low income with the cost of their council tax.

Around 14,500 claimants are of working age (59% of households using the scheme) and the remaining 10,125 (41%) are pension age.

The scheme is a means tested discount. It should be noted that pension age recipients are protected from any reduction in support under rules that are set out in national regulations.

Ramifications of Proposal:

Sefton Council's local Council Tax Reduction Scheme is based on five principles: -

1. The Council will continue to support work incentives
2. The Council will continue to recognise the additional needs of our most vulnerable residents
3. The Council will continue to recognise the additional needs of families with children
4. The Council supports households staying together to make better use of housing in Sefton and reduce homelessness
5. The Council will continue to have due regard to the Armed Forces Covenant.

The review of the Council Tax Reduction Scheme has been carried out mindful of those principles and the Council's equalities duties.

Are there any protected characteristics that will be disproportionately affected in comparison to others?

The protected characteristics under the Equality Act 2010 are:

Age (working age)

The Council's local Council Tax Reduction scheme affects working age people and has a financial impact on households who already have a low income.

Age (Pensionable age)

People over pensionable age are supported with Council Tax Reduction, but this is via the national prescribed scheme and local authorities are not permitted to change this.

People with a Disability

In Sefton, around 53% of pensioners receiving Council Tax Reduction have a disability income, and 41% of working aged people receiving Council Tax Reduction have a disability income.

The Council recognises that additional expenses may be incurred relating to disability and has put the following mitigations in place: -

- Continuing to make additional allowances and give additional support to those receiving certain DWP sickness benefits, disability benefits and benefits for Carers when calculating entitlement
- Disregarding certain disability benefits as income when calculating entitlement
- Providing signposting and support to people to claim other reductions of Council Tax liability where appropriate, e.g., discount in respect of severe mental impairment, disabled banding reductions.

Gender Reassignment

No impacts identified specific to this equality group.

Marriage and Civil Partnership

No impacts identified specific to this equality group.

Race

No impacts identified specific to this equality group. Calculation of entitlement to Council Tax Reduction does not refer to race and is not impacted by it.

Religion or Belief

No impacts identified specific to this equality group.

Sex

Women are generally more likely to be single parents in the first place (90%) according to ONS 2019. Locally, when looking at Sefton's Council Tax Reduction caseload there are 4,026 single parents, 3,756 (93.3%) of whom are female.

Sexual Orientation

No impacts identified specific to this equality group.

Pregnancy and Maternity

We do not have sufficient evidence of pregnancy and maternity in the local Council Tax Reduction Scheme data held, but caseload data shows that females are disproportionately affected and are more likely to be single parents.

The Council has mitigation in place to support the additional needs of households with children including:

- Deciding that the Council's local Council Tax Reduction scheme for working-age families should not replicate the rules that are in place in the national Housing Benefit scheme and the Council Tax Reduction Pensioner scheme whereby the removal of the family premium and the "2-child" rule restrict the level of award

- Child Benefit and Child Maintenance payments are not taken into account as income when calculating entitlement to Council Tax Reduction
- Additional allowances are given when calculating entitlement where there is a disabled child in the family
- The scheme also mirrors provisions in the Housing Benefit scheme by taking childcare costs into account for low income working families
- The Council continue to include the Family Premium when calculating Council Tax reduction
- Procedures are regularly reviewed for the collection of non-payment of Council Tax and signposting to Exception Hardship Fund to ensure non-disproportionate impact on the most vulnerable household including those with children.

Mitigations in place to support the Council's principles for the Scheme

Financially Vulnerable People:

The Council has following mitigation in place: -

- Provision of a discretionary Exceptional Hardship Fund to provide additional support to those financially vulnerable struggling to pay Council Tax
- For working aged people, allowing a Universal Credit notification, received from the Department for Work and Pensions (DWP), to be treated as a claim for local Council Tax Reduction thus removing the need for those in receipt of Universal Credit to have to make a separate claim for support towards their Council Tax
- Making provision in the local Council Tax Reduction Scheme for awards to be backdated for up to 6-months for working-age vulnerable claimants
- Offering 12-month (rather than 10-month) instalment payments to Council Tax payers to help ease payment difficulties.
- Adopting a sensitive approach to enforcement action to consider the potential vulnerability of Council Tax Reduction claimants. Before cases are referred to Enforcement Agents a vetting stage is in place and cases are dealt with under a separate debt recovery process to minimise potential increases in debt
- An established, co-ordinated working relationship between the Council's contracted Enforcement Agents and Citizens Advice Sefton to support people in debt, ensuring that Citizens Advice Sefton has direct lines of communication with the Enforcement Agents and can arrange for recovery action to be placed on hold whilst discussing and agreeing affordable payment arrangements
- An escalation process for the debt advisor based at South Sefton foodbank to contact nominated Council Tax staff to request a hold on recovery action or discuss affordable payment arrangements
- Participating in the Council's Welfare Reform Anti-Poverty Partners' Group, working with partner organisations and other Council services to support residents suffering financial vulnerability. This includes signposting customers to emergency support for food, heating, essential household goods and other available practical support such as winter coats and school uniforms
- Attending various customer representative events and hard to reach groups to raise awareness of Council Tax support available, i.e., Pensioner and Disability forums. Recent topical events include "Keep warm and well" events in Bootle and Southport organised by Sefton OPERA (Older Persons Enabling Resource & Action) in partnership with the Council's Affordable Warmth team.

Care Leavers

- The Council provides up to 100% Council Tax discount to support to young people leaving local authority care up to the date of their 25th birthday.

Armed Forces Covenant

- The Council has identified that there are less than 100 households in Sefton claiming support from Council Tax Reduction and/or Housing Benefit and also in receipt of War Disablement, War Widows pension including any Armed Forces compensation. The Council fully disregards this income when calculating entitlement. Also disregarded is the service attributable element of the armed forces pension.

Supporting Households to Stay Together, Making Better Use of Housing and Reducing Homelessness

- The Council has decided that the amount of Council Tax Reduction taken away from a customer's entitlement when other adults live in the household (known as a non-dependant deduction), should remain at a reduced level
- The Council uses the powers available to it to charge a premium on long-term empty properties to encourage owners to bring them back into use. The premium cannot be applied homes that are empty due to the occupant living in armed forces accommodation or for job-related purposes. Also, the Council Tax system makes provision for statutory exemptions for properties left empty for a specific purpose, e.g., when a person goes into care.

Consultation:

- No additional consultation has been carried out as part of the preparation of this report or analysis.

Is there evidence that the Public Sector Equality Duties will be met?

- The Council has set out in the sections above how it meets its equalities duties in relation to the local Council Tax Reduction Scheme.

The Equality Act 2010 requires that those subject to the Equality Duty must, in the exercise of their functions, have due regard to the need to:

1. *Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.*
2. *Advance equality of opportunity between people who share a protected characteristic and those who do not.*
3. *Foster good relations between people who share a protected characteristic and those who do not.*

The Act explains that having due regard for advancing equality involves:

- *Removing or minimising disadvantages suffered by people due to their protected*

characteristics.

- *Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.*
- *Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.*

What actions will follow if proposal accepted by Cabinet and Council?

The current local Council Tax Reduction Scheme will continue for 2023/24.

As a result of the review, monitoring and analysis undertaken, it is proposed that no changes are made to the Council's local Council Tax Reduction Scheme for 2023/24. Maintaining the Scheme will continue to address the Council's focus to minimise the impact on the most vulnerable households by striking a balance between collecting Council Tax whilst supporting those experiencing financial challenges.

The Council will continue to monitor and analyse the support provided by the local Council Tax Reduction scheme to ensure that it remains relevant to support low-income households.