

Diversity impact assessment

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|---|----------------------|--|--|--|
| TITLE | | | | |
| Council Tax Reduction Scheme (CTRS) | | | | |
| DATE | | | | |
| January 2023 | | | | |
| LEAD OFFICER. | | | | |
| Gemma Gilley | | | | |
| 1 Summary description of the proposed change | | | | |
| What is the change to policy / service / new project that is being proposed? How does it compare with the current situation? | | | | |
| <p>Section 13A(1)(a) of the Local Government Finance Act 1992 prescribes that Medway Council is required to have a council tax reduction scheme (CTRS). The current 2022-2023 Medway scheme is a banded income scheme and can be found at www.medway.gov.uk/counciltaxreduction</p> <p>The service simplified its scheme in 2022/23 by using an income-based discount based on percentage bandings and income-grid scheme more aligned to council tax discounts than benefits.</p> | | | | |
| Band/Discount percent | Single person | Couple with no children or young person | Couple or Lone Parent with one child/young person | Couple or Lone Parent with two or more children/young persons |
| Band 1* 65% | £0 to £94.99 | £0 to £129.99 | £0 to £179.99 | £0 to £239.99 |
| Band 2 55% | £95 to £139.99 | £130 to £174.99 | £180 to £229.99 | £240 to £289.99 |
| Band 3 45% | £140 to £184.99 | £175 to £219.99 | £230 to £279.99 | £290 to £339.99 |
| Band 4 35% | £185 to £229.99 | £220 to £264.99 | £280 to £329.99 | £340 to £389.99 |
| Band 5 20% | £230 to £269.99 | £265 to £309.99 | £330 to £379.99 | £390 to £449.99 |
| Band 6 0% | £270+ | £310+ | £380+ | £450+ |

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2 Summary of evidence used to support this assessment

Eg: Feedback from consultation, performance information, service user.

Eg: Comparison of service user profile with Medway Community Profile

When the new scheme was introduced a consultation was undertaken. The consultation process began on 1 October 2021 and finished on 24 December 2021(12weeks). The consultation comprised of the following elements:

- Letter sent by post with a link to the online consultation to 6,000 randomly selected council tax payers (non-recipients of CTR), 3,000 pension-age CTR recipients (not directly affected by proposed scheme changes) and all 9,531 working-age CTR recipients.
- Online survey made available on the Medway website with provision of hard copy of consultation document where required
- Social media campaign
- Notification on the Landlord Portal
- Email to Housing Associations, Welfare & Advice Organisations and Support Groups providing details of the consultation and a link to the online survey to comment and disseminate to other relevant stakeholders.
- Posters and flyers at key council venues and outlets to promote the consultation.
- Consultation was undertaken with the major precepting authorities (Kent Police & Crime Commissioner and Kent Fire & Rescue) who are statutory consultees.

There were 819 responses received during the consultation period. A more important measure is whether the response rate provides a representative sample of the population. This provides the ability to assess how closely the results match the 'true value' by using knowledge of the sample size and how often an answer is given to define a 'confidence' level. For the purposes of this survey, we can assess this against response from the general population and those from residents in receipt of CTRS.

There were 317 responses to the randomly selected residents across Medway out of a population of 263,925; this is sufficient to provide a representative sample of the residents' views on the CTRS proposals with a confidence interval of +-5.5%. So, for example if 47% of our sample picks an answer you can be 'sure' that if the entire population had been asked that between 41.5% (-5.5%) and 52.5% (+5.5%) would have also picked that answer. At the end of the consultation period there were 502 respondents from CTR recipients out of the 15,738 households that are within the scheme. This provides a confidence interval of +-4.3%. *The 2011 Census population data has been used in this analysis as some demographic characteristics, such as ethnicity and disability, are not updated as part of the latest population estimates published by the Office for National Statistics.*

The headline results are :-

- Whilst under Question 1, 38.33% wished to retain the current CTRS (27.13% said no with 34.54% stating they did not know) this changed significantly once the respondents considered the new proposed Income Grid scheme










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under Question 6 which saw 67.06% agreeing with its introduction (15.88% stated no with remaining 17.06% stating they did not know).

- All twelve proposed changes (Parts) saw the majority saying they agreed with the proposal. Agreement with each proposal was in the range of 55.53% to 81.16%
- Disagreement with each proposal was in the range of 5.77% to 17.66%
- “Don’t know” response with each proposal was in the range of 12.89% to 29.38%





Age

Whilst the proposals relate to a working age scheme, this is specified within law and the council is following its obligations. The consultation was open to all and the response was as follows:

| | | |
|-------------------|---|--------|
| 18-24 |  | 0.29% |
| 25-34 |  | 6.47% |
| 35-44 |  | 10.88% |
| 45-54 |  | 22.65% |
| 55-64 |  | 28.82% |
| 65-74 |  | 14.71% |
| 75-84 |  | 9.41% |
| 85+ |  | 1.76% |
| Prefer not to say |  | 5.00% |

Disability















The consultation asked recipients if they considered that their day-to day activities were limited due to a health problem or disability. The response was:

| | | |
|-------------------|---|--------|
| Yes |  | 39.58% |
| No |  | 52.38% |
| Don't know |  | 2.38% |
| Prefer not to say |  | 5.65% |

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Race


The consultation sought to encompass all ethnic groups and the results are as follows:

| | | |
|--|---|--------|
| Prefer not to say |  | 7.69% |
| White British |  | 80.18% |
| White Irish | | 0.00% |
| White Gypsy or Irish Traveller | | 0.00% |
| Any other White background |  | 4.14% |
| Mixed/Multiple ethnic groups - White & Black African | | 0.00% |
| Mixed/Multiple ethnic groups - White & Black Caribbean |  | 0.89% |
| Mixed/Multiple ethnic groups - White & Asian |  | 0.30% |
| Any other multi mixed background |  | 0.59% |
| Asian or Asian British Pakistani |  | 0.59% |
| Asian or Asian British Indian |  | 2.07% |
| Asian or Asian British Bangladeshi |  | 0.89% |
| Asian or Asian British Chinese | | 0.00% |
| Any other Asian background |  | 0.30% |
| Black African |  | 0.89% |
| British Caribbean |  | 0.59% |
| Black British |  | 0.89% |
| Any other Black background |  | 0.30% |

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Sex

The consultation requested the respondents sex and the responses were:

| | | |
|-------------------|---|--------|
| Male |  | 46.61% |
| Female |  | 46.61% |
| Prefer not to say |  | 6.78% |

Low income households

By virtue of the consultation and the subject, it is likely that the majority of respondents would be in receipt of council tax reduction 61.24% of those who responded were in receipt of council tax reduction.

The proposed change now keeps all of the conditions that formed a part of the consultation however, it seeks to increase the income bands by 11.1% . This is being done because the Government announced a 10.1% increase in benefit rates. To not increase the bands, would equate to a reduction in support for Medway's residents.

3 What is the likely impact of the proposed change?

Is it likely to:

Adversely impact on one or more of the protected characteristic groups

Advance equality of opportunity for one or more of the protected characteristic groups

Foster good relations between people who share a protected characteristic and those who don't

(insert Yes when there is an impact or No when there isn't)

| Protected characteristic groups (Equality Act 2010) | Adverse impact | Advance equality | Foster good relations |
|---|----------------|------------------|-----------------------|
| Age | No | No | Yes |
| Disability | No | Yes | Yes |
| Gender reassignment | No | No | No |
| Marriage/civil partnership | No | No | No |
| Pregnancy/maternity | No | No | No |
| Race | No | No | No |

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| Protected characteristic groups (Equality Act 2010) | Adverse impact | Advance equality | Foster good relations |
|---|----------------|------------------|-----------------------|
| Religion/belief | No | No | No |
| Sex | No | No | No |
| Sexual orientation | No | No | No |
| Other (eg low income groups) | No | Yes | Yes |
| | | | |

4 Summary of the likely impacts

Who will be affected?

How will they be affected?

- The new scheme has been designed to support all low-income taxpayers and has been created strictly in accordance with the legislative requirements.
- The scheme changes will only apply to working age applicants, pension age applicants are covered by the Prescribed Requirements Regulations determined by Central Government and will not be affected by these changes.
- Any entitlement is awarded to claimants depending on their financial position and the number of people in their household and not any other criteria.
- All working age people are able to apply for the scheme and it is the revised scheme allows all working age people to estimate their entitlement
- Uprating the bands ensures that households maintain and retain their benefit increase during the cost of living crisis.
- The scheme is designed to protect the households with the lowest incomes and will redistribute the levels of support available in a fairer manner. The overall aim of this scheme is for the cost of the 2022-23 scheme to remain cost neutral when compared (based on the current caseload) to the current estimated expenditure for the 2021-2022 scheme. This will continue to allow up to 65% support to those applicants on the lowest incomes and those who receive passported benefits (Income Support, Job Seeker's Allowance (Income Based), Employment and Support Allowance (Income Related));
- The scheme continues to protect applicants who are disabled or where any member of their household is disabled;
- The scheme continues be more generous to carers;
- All existing capital disregards will apply in the new scheme.

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5 What actions can be taken to mitigate likely adverse impacts, improve equality of opportunity or foster good relations?

What alternative ways can the Council provide the service?
Are there alternative providers?
Can demand for services be managed differently?

All applicants will still be able to apply for a payment from the Council's Exceptional Hardship Fund. This is in line with Section 13A of the Local Government Finance Act 1992.

6 Action plan

Actions to mitigate adverse impact, improve equality of opportunity or foster good relations and/or obtain new evidence

| Action | Lead | Deadline or review date |
|--|--------------------------------|-------------------------|
| Monitoring of collection rates for council tax | Revenues | Monthly |
| Monitoring of CTR overall spend | Benefits and Financial Welfare | Monthly |

7 Recommendation

The recommendation by the lead officer should be stated below. This may be: to proceed with the change, implementing the Action Plan if appropriate, consider alternatives, gather further evidence

If the recommendation is to proceed with the change and there are no actions that can be taken to mitigate likely adverse impact, it is important to state why.

Recommended – It is recommended that the Council increases the income bands within the existing CTR scheme.

8 Authorisation

The authorising officer is consenting that the recommendation can be implemented, sufficient evidence has been obtained and appropriate mitigation is planned, the Action Plan will be incorporated into the relevant Service Plan and monitored

Assistant Director

Date of authorisation