

# Community Impact Assessment

## Description of what is being Community Impact Assessed:

Council Tax Reduction (CTR) Scheme

## What are the objectives of the policy?

CTR is a scheme to help people on a low income pay their council tax bill by reducing the amount they have to pay. There are a number of issues with the current scheme that will need addressing if the system is to focus support to low-income taxpayers and make the service easier for the customer to understand:

- The need to assist low-income households;
- The introduction of Universal Credit for working age applicants; and
- The need for a simplification of the scheme

The changes proposed will provide:

- An increased level of support to households with the lowest income;
- Simplified claiming arrangements for working age applicants;
- Financial certainty, at present, multiple changes are leading to some taxpayer's receiving a large number of Council Tax bills per year as their Council Tax Reduction is constantly amended largely due to universal credit adjustments;
- Speed of processing - applications will be dealt with more efficiently and without the need for significant levels of evidence; and
- A solution to the rising costs of administering the scheme.

## Who have you consulted with to assess the possible impact on protected groups?

- Full public consultation from 9 July 2021 to 22 August 2021
- Major preceptors – Fire and Police
- Infinity Partnership
- Housing, Neighbourhood and Affordable Warmth Partnership
- Registered Social landlords
- Department for Work & Pension
- Community Partnerships
- Over 50's Forum
- Catalyst

– Stockton District Advice & Information Service				
Analysis of impact on protected groups				
Protected group	Summary of impact	Negative outcome	Neutral outcome	Positive outcome
<b>Age</b>	<ul style="list-style-type: none"> <li>Residents of pensionable age will not be affected as they fall within the scheme for pensioners prescribed by Government.</li> <li>Working age residents will be affected by the changes; case level information includes 12,002 residents are claiming CTR at 31 August 2021.</li> <li>The impact on working age residents will largely be positive as the level of support will increase to 100% (from the existing 80%); modelling suggests overall that 8,707 (72.5%) will receive more support under the new scheme 630 (5.3%) receive the same level of support as they do under the current scheme and 2,665 (22.2%) receive less. Where residents experience exceptional hardship, they may apply for further support under the Council's exceptional hardship policy</li> </ul>	☒	☒	☒
<b>Disability</b>	<ul style="list-style-type: none"> <li>The Borough profile includes that 19% of the Borough's residents have reported having a limiting long-term illness or disability.</li> <li>Council Tax data includes that 3,699 (30.8%) of residents claiming CTR receive a disability benefit.</li> <li>Disability benefits including attendance allowance, disability living allowance and personal independence payments will continue to be disregarded when income is calculated. Some disabled residents will receive more support under the new scheme; some who receive additional welfare benefits which are not disregarded may receive less or the same level of support as they do under the current scheme.</li> <li>Modelling suggests that 2,753 (74.4%) households that receive a disability benefit will receive more support, 69 (1.9%) households will receive the same as they do under the current scheme and 877 (23.7%) will receive less.</li> <li>Disabled residents who have an extra room or space within their</li> </ul>	☒	☒	☒

	<p>property specifically related to the disability may qualify for a reduction in their council tax bill.</p> <ul style="list-style-type: none"> <li>Disabled residents who receive less support are those who receive higher levels of income; where residents experience exceptional hardship, they may apply for further support under the Council's exceptional hardship scheme.</li> </ul>			
<b>Gender reassignment</b>	<ul style="list-style-type: none"> <li>No effect other than for working age applicants generally</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Marriage and civil partnership</b>	<ul style="list-style-type: none"> <li>No effect other than for working age applicants generally</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Pregnancy and maternity</b>	<ul style="list-style-type: none"> <li>No effect other than for working age applicants generally</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Race</b>	<ul style="list-style-type: none"> <li>No effect other than for working age applicants generally</li> <li>One comment in the consultation refers to a Dept. for Work and Pensions Equality Impact Assessment undertaken in 2012 in response to the benefit cap which suggested larger families are more likely to be from a BME background and therefore the principle of limiting the number of dependent children to 2 in the CTR calculation may disproportionately affect such families.</li> <li>Modelling suggests that 1,745 families with 2 or more children currently in receipt of CTR will be better off under the new scheme, 205 families will receive the same level of support as they do under the current scheme and 892 families will receive less support due to receiving higher levels of income. Local data does not include the ethnicity of households claiming CTR.</li> <li>Families receiving less support are those that receive higher levels of income. The scheme does however disregard child benefit when income is calculated benefiting larger families and child maintenance is also disregarded in the income calculation. These disregards along with the income table ensures families with children have an additional protection and any household that is adversely affected by the changes and face financial hardship may apply for further support under the Council's exceptional hardship scheme.</li> </ul>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**Appendix C**

<b>Religion and/or belief</b>	<ul style="list-style-type: none"> <li>No effect other than for working age applicants generally</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Sex</b>	<ul style="list-style-type: none"> <li>No effect other than for working age applicants generally</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Sexual orientation</b>	<ul style="list-style-type: none"> <li>No effect other than for working age applicants generally</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Community cohesion</b>	<ul style="list-style-type: none"> <li>The new CTR scheme has no effect based on geographical areas; all applications are assessed on the levels of income regardless of the council tax valuation band their property attracts or the area in which dwellings are situated.</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Other</b>	<ul style="list-style-type: none"> <li>Residents in receipt of legacy benefits including income support, job seekers allowance etc. are better off and will receive 100% reduction.</li> <li>Residents receiving lower income levels than those set out in the income table and who do not exceed the capital limit of £10,000 will be eligible for council tax reduction, this may include residents that are not eligible under the current scheme.</li> <li>Residents currently receiving council tax reduction whose income levels are higher than those set out in the income table may receive less or no support. Households that are adversely affected by the changes and face financial hardship may apply for further support under the Council's exceptional hardship scheme.</li> </ul>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

<b>Action taken/to be taken</b>	<b>Date</b>	<b>Responsibility</b>
Contact all current recipients of CTR who are identified as likely to receive less CTR under the new scheme and provide details of the changes and signpost to the support available.	<b>Jan – Mar 2022</b>	<b>Revenues and Benefits Service</b>
Contact all current recipients of CTR who are identified with capital in excess of £10,000 to ascertain current circumstances	<b>Jan – Mar 2022</b>	<b>Revenues and Benefits Service</b>
Promote the council tax reduction for disabled persons who have an extra room or space within their property specifically related to the disability.	<b>Dec 2021 – Mar 2022</b>	<b>Revenues and Benefits Service</b>
Where any applicant has the level of support reduced and are facing financial hardship, they may apply for additional help through the Councils exceptional hardship scheme.	<b>Ongoing</b>	<b>Revenues and Benefits Service</b>