



Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

Title of proposal:	Age	Race	Sex	Gender reassignment	Disability	Religion or Belief	Pregnancy and Maternity	Sexual Orientation	Marriage and Civil Partnership	Description of potential mitigation
<p>Local Council Tax Support Scheme 2023/2024 (LCTS)</p>										<p>Description of potential mitigation</p> <p>The current LCTS scheme provides support for low income households. Residents may get LCTS if they pay Council Tax and their income and capital (savings and investments) are below a certain level. This may apply whether they rent or own their home, or live rent-free. They could qualify if they are out of work, or in work and earning a wage. Individuals apply for LCTS through a single application process. If they are eligible for LCTS they will receive a reduction applied directly to their Council Tax bill.</p> <p>The Government has stated that LCTS for those of pension age must be based on criteria and regulations set by government so any changes to the scheme the council makes, only affect those of working age.</p> <p>Under the current scheme, those of working age are required to pay at least 8.5% towards their council tax bill, regardless of their circumstances. The 2023/24 scheme will replicate the current scheme and takes account of vulnerable groups and refers to existing responsibilities including the Child Poverty Act 2010, the Disabled Person Act 1986 and the Housing Act 1996 as well as the public sector equality duty in section 149 of the Equality Act 2010 by applying a series of premiums as part of the calculation.</p>
<p>Equality impact: (✓ all that apply. The assessment should also consider impact on council employees and carers where applicable)</p>		✓	✓	✓		✓		✓	✓	



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<p>Description of impact:</p> <p>Age – the scheme affects working age people only as the Government Regulations protect pensioners</p> <p>Disability – the scheme applies additional premiums in respect of disability</p> <p>Pregnancy and Maternity – the scheme gives support for up to two children for new applicants</p>	✓					✓					<p>The scheme for pensioners is detailed in the prescribed regulations set by the Government. This means that all pensioners are protected from any changes made to the Local Council Tax Support Scheme.</p> <p>The scheme recognises that people with disabilities may require additional help. Additional premiums and earning allowances can be given if the circumstances are met.</p> <p>The scheme recognises the additional financial burden those with children have. Additional allowances for up to two children, child care costs and enhanced premiums for lone parents can be given if circumstances are met. Support and signposting will be available for those that require assistance.</p>
<p>Health impact: (eg physical, mental health, wellbeing, substance misuse)</p> <p>The profile of council tax payers in Gateshead will generally reflect the wider community. However, the shape of households in receipt of local LCTS differs from the wider community profile. This is a consequence of the nature of the support scheme, which provides help for council tax payers whose financial circumstances are not sufficient to cover the council tax charge.</p> <p>All working age people could theoretically receive different levels of support. However, additional premiums in respect of disability are not being affected, which will assist in promoting good health and wellbeing.</p>											<p>The scheme recognises that people with disabilities may require additional help. Additional premiums and earning allowances can be given if the circumstances are met.</p> <p>Pension age claimants are specifically protected by Government Regulations so will be unaffected by any changes.</p>



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<p>Due to the current cost of living crisis, this will impact on people of both working and pension age who may already be in receipt of LCTS or who may be new to the scheme. The scheme although cannot make allowances for the additional cost of living, there is a discretionary scheme which can help vulnerable people if they are struggling and meet the criteria. The discretionary scheme is available on application for anyone in receipt of LCTS or who have applied and not entitled, however this could well impact on the overall cost of the scheme.</p> <p>The impact of this is positive.</p>	<p>There is the availability of a discretionary fund within the scheme which acts as a safety net for vulnerable people and those most in need of financial support.</p>
<p>Socio Economic impact: (eg neighbourhood, ward, area of deprivation, household group, income, wealth)</p> <p>The profile of council tax payers in Gateshead will generally reflect the wider community. However, the shape of households in receipt of local LCTS differs from the wider community profile. This is a consequence of the nature of the support scheme, which provides help for council tax payers whose financial circumstances are not sufficient to cover the charge.</p> <p>All working age people could potentially receive a different level of support, although the impact is not specific to the characteristic or geographical area.</p> <p>Due to the current cost of living crisis, this could potentially impact on people of both working and pension age who may already be in receipt of LCTS or who may be new to the scheme. Although this may have a social economic impact it is not specific to the geographical area.</p> <p>The impact of this is differential.</p>	<p>Pension age claimants are specifically protected by Government Regulations so will be unaffected by any changes.</p> <p>There is the availability of a discretionary fund within the scheme which acts as a safety net for vulnerable people and those most in need of financial support.</p> <p>Those impacted by the cost of living crisis may be eligible to claim a discretionary fund if they meet the scheme criteria.</p>
<p>Environmental impact: (does the proposal impact on climate change and the Council's commitment to be carbon neutral by 2030?)</p> <p>The impact of this is neutral.</p>	<p>N/A</p>



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<p>Cumulative impact: (consider impact based on successive budgetary decisions relating to the proposal or is the proposal part of wider budgetary considerations that may collectively have an impact on service users, and is potentially at odds with the Thrive agenda)</p> <p>The proposals could potentially impact on all working age recipients of local LCTS, approximately 11,649 claimants as of October 2022. However, increased spending in this area will change service provision in other areas so has the potential to affect all residents of Gateshead.</p> <p>Those households with larger outgoings, such as disabled households or families with children and those households who are not working or are in low paid employment may be overrepresented within the LCTS caseload.</p> <p>The number of claims is currently remaining static with no sudden increases. Depending on the economy and welfare changes this could potentially result in an increased number of applications which will increase the cost of the scheme and could form part of wider budgetary considerations going forward.</p> <p>The impact of this is differential.</p>	<p>Ongoing monitoring of the scheme will take place during the year. This will be monitored in relation to spend, ease of administration and the potential impacts on the groups affected, ability to pay and whether the operation of the scheme appears to be leading to unintentional adverse impacts.</p> <p>Monitoring of the number and reasons for a discretionary award will help to identify whether some groups are impacted more than others and which groups require additional assistance or whether any groups are likely to be impacted as a result of the proposals.</p>
<p>Summary of consultation/data/research undertaken to inform the assessment: (eg feedback and engagement with service users, trade unions, employees, partners, public, benchmarking, case studies)</p> <p>Local Council Tax Support is an existing scheme. As it is proposed that the scheme for 2023/24 remains the same as that currently in operation during 2022/23. Due to this it has been concluded that there is no need to consult.</p> <p>The 2023/24 scheme considers the reduction in government funding, the impact of ongoing Welfare Reforms, the most significant of which is the ongoing roll out of Universal Credit Full Service in Gateshead, which will move into the managed migration stage during the life of this scheme. There is also the</p>	



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uncertainty of the current financial situation of the economy due to the cost of living crisis and therefore, as we cannot foresee what effect this will have on the economy or health and wellbeing, a decision to change the scheme is deemed too risky.

As of October 2022, there are approximately 19,923 claimants currently in receipt of LCTS, of which 11,649 are working age. Extensive modelling has taken place to see how the scheme will continue to affect and support claimants currently in receipt of LCTS as well as the cost to the council. The viability of the current scheme and any proposed scheme (banded schemes and tolerance schemes) and alternatives has then also been modelled.

Because it is difficult to model the full impact of the ongoing welfare reforms on the existing LCTS caseload, analysis of the data has been carried out based on the current known facts. If there are changes to these, it could mean there are gaps in the analysis. Where these are identified as a result of legislative changes or welfare reforms, the scheme has the capacity to be amended if they would cause the level of support people receive to significantly increase or decrease, or if the sustainability of the scheme is placed at risk, or they affect the underlying principles of the scheme.

For short term issues, there is the availability of a discretionary fund within the scheme which acts as a safety net for vulnerable people and those most in need of financial support. As the proposed scheme for 2023/24 remains the same as the scheme that has been in place for 2022/23 it should be noted that there has been no significant negative impact identified. Where this is identified, a further full IIA Assessment would be completed.

Other stakeholders include

- Housing organisations
- Landlords
- Community groups and voluntary sector
- Precepting authorities
- Staff and Members

Signed: (completing officer) Caroline Hassan

Date: 18.10.2022

Service Director: (approved)

Date: 18.10.22 Marisa Jobling



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