

Stage 1: Initial screening

Lead Officer:	Caroline Lee
People involved in completing EIA:	Caroline Lee Yvette Maguire
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	No EIAs have been completed annually since 2013. This EIA covers the proposed scheme for 2021/22

General Information

1a	Which service does this project, policy, or proposal relate to?	This proposal relates to the Council Tax Reduction (CTR) scheme which is the responsibility of the Revenues and Benefits service within the Commissioning Directorate. The CTR scheme is administered by the Unity Partnership Ltd on behalf of the Council.
1b	What is the project, policy or proposal?	<p>The proposal is the approval of Oldham's CTR scheme for 2021/22 onwards.</p> <p>From 2013/14, all Local Authorities were placed under a duty to agree a localised Council Tax Support Scheme for those of working age at full Council to replace Council Tax Benefit (CTB) by 31 January 2013. Previously, the CTB scheme was administered nationally.</p> <p>There is an obligation within existing the legislation (Local Government Finance Act 2012) on the Council to consider whether to review this scheme on an annual basis. If the Council wants to revise the scheme, any revised scheme for 2020/21 no later than 10 March 2021. For Oldham, this is the 4 March 2021 Budget Council Meeting.</p> <p>The Council made a change to the Council Tax Reduction Scheme in 2015/16 increasing the maximum reduction awardable from 80% of the Band A rate of Council Tax to 85%.</p>

		<p>Following a public consultation exercise in Autumn 2018, the scheme was amended from April 2019 to introduce a range of changes to the scheme largely addressed at those CTR claimants who receive Universal Credit (UC). These included the application of some earnings disregards and treatment of information received from the Department for Work and Pensions (DWP) about UC as a claim for CTR. There were no changes to the CTR scheme for 2020/21 and none are proposed for 2021/22</p>
1c	What are the main aims of the project, policy or proposal?	<p>There are three key aims of the proposals:</p> <p>1. To continue to use a scheme that is affordable. As at January 2020, 65.14% of claimants have made some payment towards their 2020/21 bills suggesting an outturn collection rate of approximately 80%. Weekly monitoring of the collection rate is being maintained to manage the risk of non-collection.</p> <p>One perceived risk is that claimants, who have already been subject to Welfare Reform changes, begin to find it harder to make payments as a result of the financial impacts of the COVID 19 pandemic. If the amount of disposable income available to meet Council Tax and other financial commitments reduces, this could have the impact of increasing the risk of arrears from those who are currently paying their Council Tax.</p> <p>The Authority faces significant challenges in order to balance the budget in 2021/22 and the impact on Council Tax collection of the pandemic during 2021/22 is uncertain. The Council is acutely aware that shortfalls in Council Tax collection mean creating a budget pressure that has the potential to require further savings to be made from within Council services.</p> <p>2. To continue to use a scheme that limits the financial impact across all Council Tax Reduction recipients.</p> <p>The protection for pensioners must be kept in place in line with the current national scheme, and the cost of doing this needs to be aligned with the need to protect vulnerable groups and provide incentives to work.</p> <p>Whilst not providing a specific definition for vulnerable groups, the Government did advise that Authorities should consider their duties under specific legislation when designing a scheme, namely:</p>

	<p>The Equality Act 2010 Child Poverty Act 2010 The Housing Act 1996</p> <p>Whilst there is no legal duty to protect people on low incomes (this was revoked in December 2010), as a borough with several deprived areas, Oldham still chooses to continue considering the impact of any decisions on this group. This Council continues to consider people on low incomes as part of our equality impact assessment (EIA) process.</p> <p>We have undertaken in-depth research into the scale of the impact of welfare reforms on Oldham and its people.</p> <p>A report in January 2015 on the impact of welfare reform highlighted the following groups as particularly vulnerable:</p> <ul style="list-style-type: none"> • Single people, young single people in rented accommodation • Younger people in general • Older people with disabilities. <p>A report in August 2015 looking at the Government proposals for welfare and tax reform (now the 2016 Welfare Reform and Work Act) showed that those not in work, especially those with children as well as lone parents overall and families with only one earner would be the most heavily affected by the changes.</p> <p>In January 2016, the Council looked in detail into one of the groups most affected by these reforms, namely those aged between 18-24.</p> <p>In September 2016, the Council investigated the impact of welfare reform on the debt and finances of local people.</p> <p>In March 2019, there was an investigation into the impact of welfare reform by the rollout of Universal Credit and the benefit freeze. Alongside the detrimental impacts of welfare reform and current economic policy it was found that in general for residents, incomes for low to middle income families are lower in real terms than they were 15 years ago. To mitigate this, the Council has made a commitment to seek national accreditation from the Living Wage Foundation with regard to adopting its National Living Wage over a three-year timeframe, as confirmed in the paper approved by Cabinet on 28 January 2019.</p>
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	<p>These findings are factored in when identifying those who are most vulnerable under the scheme.</p> <p>3. To continue to maintain a scheme that will enable the Council to collect as much Council Tax as possible, whilst supporting residents to meet their payments.</p> <p>Current projections for the annual collection rates for CTR cases due in 2020/21 suggest a collection rate between 70% and 80%. This is a lower CTR collection rate to that recovered in 2019/20 due to the major social and economic impact of the Coronavirus (the 2019/20 collection rate was 82.45%). An additional 5% collection of CTR debt could result in an extra £285k in Council Tax receipts for 2020/21</p> <p>Once again, through this process we will endeavour to do things differently and co-operatively, which will help the residents of Oldham and in doing so, enable the Council to collect the funds it needs to continue to provide services.</p> <p>The Council encourages early payment by engaging with residents more pro-actively, identifying vulnerable people early in the Council Tax recovery process and signposting to partners and stakeholders where wider support is needed.</p> <p>We have also signed the CAB debt protocol supporting ethical collection methods and have partnered with the debt charity Stepchange to provide support.</p> <p>The Council also uses the Money Advice Service's recommended Standard Financial Statement (SFS) which standardises affordable repayment arrangements with residents.</p> <p>In 2020, the Council suspended reminder, summons, liability order and enforcement agent activity at the point of the first national lockdown in March until August 2020 to support those suffering the immediate impacts of the pandemic.</p> <p>The Council allocated Hardship Funding of £3.015m to fund £150 hardship payments to CTR claimants of working age during 2020/21 and to ensure CTR claimants were not detrimentally affected by the change in Housing Benefit earning disregard regulations introduced under the Social Security (Coronavirus) (Further Measures) Regulations 2020) (SI 2020/371).</p>
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		<p>This protection will not be in place in 2021/22 and the Council will instead consider during 2021/22 whether there can be an increase in Exceptional Hardship Payment (EHP) Funding to help residents in most need (The EHP scheme was introduced in 2018)</p> <p>The Council has launched its We Can Help campaign in December 2020 signposting emergency support to residents such as Local Welfare Provision, Free School Meals, Discretionary Housing Payments and others.</p> <p>The Council, funded by the Department for Work and Pension's Winter Grant scheme, issued 17,000 food vouchers to support families with children and young people with food over the Christmas 2020 period and increased funding for the Warm Homes scheme to support to issue fuel vouchers for those on prepayment meters and the funding of a boiler repair service.</p>
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	<p>The proposal for the 2021/22 scheme is not to change the current support provided through the CTR scheme. On this basis there will be no disproportionate detrimental impact on equality groups from the proposal put forward.</p> <p>The recommendation is:</p> <ol style="list-style-type: none"> 1) The continuation of providing support to a maximum of 85% of Council Tax of a Band A Property.


1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in a Marriage or Civil Partnership	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Groups with particular faiths and beliefs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<i>Vulnerable residents, carers or serving and ex-serving members of the armed forces</i>		<input checked="" type="checkbox"/>	<input type="checkbox"/>	

If the answer is “negative” or “not sure” consider doing a full EIA

1f. What do you think that the overall NEGATIVE impact on groups and communities will be? <u>Please note that an example of none / minimal impact would be where there is no negative impact identified, or there will be no change to the service for any groups.</u> Wherever a negative impact has been identified you should consider completing the rest of the form.	None / Minimal	Significant
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
1h	How have you come to this decision?	The proposal for the 2021/22 scheme is to maintain the support provided through the scheme. An alternative option proposed was to reduce the financial help available through the CTR scheme. On this basis that the proposed approach is not to change the support via the CTR scheme. It is considered that there will be no disproportionate impact to those with protected characteristics.

Stage 5: Signature		
Lead Officer:	Yvette Maguire	Date: 8.1.2021
Approver signature:	Caroline Lee	Date: 8.1.2021
EIA review date: November 2021		

What we know about those currently claiming Council Tax Reduction?

Current Council Tax Reduction claimants

As at 5 January 2021 the number of claimants was 23,127.

The breakdown of claims by council tax band is as follows:

	A	B	C	D	E	F	G
No of claimants	17,968	2904	1696	401	113	35	10

This data shows that the overwhelming majority of CTR claimants live in Band A properties.

Potential impact on people of a particular age

The breakdown of claims by claimant type is as follows:

Type of Recipient	Number	%
Elderly	7,175	31%
Working age - passported benefits	4,474	19%
Working age - UC	9,370	41%
Working age – other	2,108	9%
Total	23,127	100%

This shows that those people of working age (69% of the entire claimant group) are adversely affected, particularly since there is a mandatory requirement to protect those on pension credit i.e. those claimants in the figures to elderly bracket. Therefore, the number of claimants of working age is 15,952

Impact on those on low incomes

The impact of Universal Credit has on levels of Council Tax Support will, for the most part, be on working households.

As of August 2020 (latest available figures) Oldham West and Royton UC rollout was 59% complete in terms of the number of households claiming UC compared to “legacy” benefits. 12,434 households claimed UC of which 46% were households with children and around 8,674 claimed “legacy” benefits. In November 2020 there were 15,715 people on UC of whom 7,931 were female and 778 were male.

As of August 2020 (latest available figures) Oldham East and Saddleworth UC roll-out was 63% complete in terms of the number of households claiming UC compared to “legacy” benefits. 11,633 households claimed UC of which 54% were households with children and around 6,904 claimed “legacy” benefits. In November 2020 there were approximately 14,633 people on UC of whom 7,590 were female and 7,042 were male

Impact on those with a disability

Of the 15,952 working age claimants, 3,664 (23%) have a disability premium within their benefit calculation. Whilst this indicates that the individual is considered to have some form of disability, it does not tell us the nature or extent of the disability.

Collection rates

As at 18 December 2020, the collection rate for CTR customers was 62.84% as opposed to 64.21% as at 20 December 2019, which indicates that people are struggling to pay which is possibly a result of the COVID epidemic.

Recovery Activity

Of those claimants who received Council Tax Reduction in 2020/21, 260 accounts are now subject to recovery action, compared with 2019/20 where 3,279 accounts were in recovery. The reason for the reduction is largely because of the suspension of recovery activity in 2020 and the low number of dates made available to the Council by the Magistrates Court to secure debts via Liability Orders.

The breakdown below shows those accounts broken down by property band.

2019/20

Band	A	B	C	D	E	F	G	H	Total
Number	2,803	288	126	51	8	1	2	0	3,279

2020/21

Band	A	B	C	D	E	F	G	H	Total
Number	210	29	15	6	0	0	0	0	260

Other financial impacts

- Indices of Deprivation 2019: 19th Most deprived LA
- Child Poverty (before housing costs)
 - 38.0% in 2018/19, (28.7% 2014/15)
 - Highest Child Poverty nationally, 2nd highest increase
 - Coldhurst 66% (highest ward nationally), Saddleworth South 10%
- Life Expectancy
 - 2.3 years behind England
 - Males 11-year ward gap, females 12.4 years
- 16 Food Banks/emergency food providers (2019)

Appendix (i) to EIA

Several actions identified in developing the 2021/22 scheme were intended to mitigate the impact of CTR and the wider context of the COVID 19 pandemic and long- term impact of the welfare reform agenda. These are:

Activity	Update
Continue to promote existing flexible payments method	<p>Through a range of difference communication channels</p> <p>External: -</p> <ul style="list-style-type: none"> • Social media (Facebook and Twitter) • My Account • Website and web banner • Council Tax information • Media release • Promotion on revenues and benefits letters • Call waiting message • Residents Magazine • Early text reminder • On the Annual bill envelopes <p>Internal communications: -</p> <ul style="list-style-type: none"> • Articles in Team Brief • Councillor and staff briefing
Review effectiveness and take up of current payment methods and introduce new payment options where appropriate	<p>As at 18 December 2020, the collection rate for CTR customers was 62.84% as opposed to 64.21 % as at 20 December 2020. Residents can elect to pay Council Tax over a range of payment dates 1st, 8th, 15th and 22nd of the month</p> <p>Residents can pay online, by 24/7 telephone touchtone payments, at Post Offices and Payzone outlets</p> <p>A fortnightly direct debit was introduced in 2013 to help customers manage their finances.</p>
Continue to deliver energy switching campaigns and auctions	<p>The Warm Homes Oldham service offers energy switching advice to residents in their homes. The service also offers heating and insulation upgrades, support with fuel debt and income maximisation, and other activities to reduce energy bills. An additional £50,000 of funding has been added to the Warm Homes programme in December 2020 to fund fuel vouchers for those with pre-payment meters and to support a boiler repair service.</p>
Identify and establish referral arrangements to a wider range of support services	<p>We refer to Step Change national debt charity when residents have wider debt issues than Council Tax.</p> <p>We have also used the Personal Budgeting Support team (PBS) to support residents with money</p>

Activity	Update
	<p>management and debt advice.</p> <p>The Helpline was introduced in 2020, triaging support to a wide range of Council services and advice to support those in emergency need and those impacted by COVID.</p>
<p>Further develop the Welfare Rights Service to support residents to maximise their income</p>	<p>Throughout 2020/21, the Welfare Rights Service has continued ensuring a consistent and targeted approach towards communicating with service users through greater proactivity and enhanced partnership working in order to increase public engagement with the service. The two objectives below remain the same, with the addition of a third, Covid-specific point.</p> <ol style="list-style-type: none"> 1. Increase uptake of welfare benefits and raise awareness of the Welfare Rights Service 2. Help tackle poverty and improve health and wellbeing amongst the most vulnerable groups. 3. Adapt to the new challenges posed by Covid-19, identifying new ways to engage with service users, working to address financial difficulties as a result of Covid-19's economic impact, while expanding on current partnership working in a Covid-19 appropriate way. <p>New initiatives have been identified which are primarily designed to increase awareness of the team's presence and will contribute to increased public engagement which includes:</p> <ul style="list-style-type: none"> • Regular activity to publicise changes to benefit rules and/or Covid-specific benefits/initiatives such as the Furlough Scheme, Self Employed Income Support Scheme and CTR Exceptional Hardship Scheme. • Addressing problems with Universal Credit via direct liaison with Universal Credit Escalation Pathway. • Increasing outreach capacity and supporting the placed based working hubs via direct engagement with district partnerships/hubs, • Increasing Welfare Rights presence in rural community venues such as the Satellite Centre in Greenfield • Supporting the Council's, We Can Help campaign, taking direct referrals from those affected by Covid 19 and via the Covid Helpline • Increased use of social media and local media

Activity	Update
	<p>outlets to advertise Welfare Rights, such as Facebook, Saddleworth Advertiser (organised in conjunction with Saddleworth and Lees District Team), and local noticeboards.</p> <ul style="list-style-type: none"> • Delivering information and advice sessions to partners across the VCFE sector and with our Housing Providers and DWP. <p>The team has continued to be successful and has again this year exceeded the target of £1million income generation and has generated additional income for the residents of Oldham of over £2.3 million as at 31 December 2020.</p>
Work with partner organisations to provide targeted support to residents	<p>Strong links are in place with DWP including awareness raising sessions for those DWP advisors (carried out in 2020) to support those on UC with Discretionary Housing Payments.</p> <p>The Council signed the Citizens Advice Bureau (CAB) debt protocol in 2018 supporting ethical collection methods.</p> <p>The Council is a pilot for the Children's Society project which works to improve links with the Council's Local Welfare Provision scheme with support offered by the community and voluntary sector to improve co-ordinated crisis support. An additional £105,000 funding has been added to LWP budgets in 2020/21 to better support those impacted by the COVID pandemic and in need of emergency help funded by Government COVID specific grant.</p>
Continue to monitor the collection rates on a weekly basis	<p>This allows swift action to be taken if collection slows.</p> <p>Oldham has introduced SMS texting to remind people at an early opportunity (pre- first reminder) to pay on time.</p>
Get Oldham working initiatives	<p>The Council continues to encourage people into work</p> <p>Key achievements for Get Oldham Working between March 2013 and December 2020 have included:</p> <ul style="list-style-type: none"> 12,513 work related opportunities created. 8,935 job opportunities created and 6934 filled. 1,649 apprenticeships created and 1079 filled. 363 traineeships created and 318 filled. 1,556 work experience placements created and 1,501 filled

Appendix (ii) to EIA					
No	Action	Required outcomes	By who?	By when?	Review date
1	Continue to promote existing flexible payments method	Increase collection rates Promote direct debit at annual billing	Revenues and Benefits Manager	March 2021	March 2022
2	Review effectiveness and take up of current payment methods and introduce new payment options where appropriate	Increase collection rates More flexible options available – promotion of 12-month direct debit options at annual billing	Client Revenues Manager (Exchequer Client)	April 2021	July 2021
3	Warm Homes Oldham to continue to provide support with energy bills and related issues	Additional funding using DWP Winter Grant to support delivery of fuel vouchers for those with pre-payment meters and boiler repair service	Housing Development and Contracts Manager	March 2021	April 2021
4	Identify and establish referral arrangements to a wider range of support services	Maximise access to support for residents through Helpline, Personal Budgeting Support, Welfare Rights team This includes CAB Step Change Use of Standard Financial Statement	Housing Benefits, Access Oldham and Blue Badge manager Revenues Manager (Unity) Benefits and Welfare Rights Manager	April 2021	April 2022
5	Further develop the Welfare Rights Service to support residents to maximise their income	Ensure the Council can provide help and assistance to those who experience difficulties thus linking support to outcomes from the Public Health Transformation Agenda.	Benefits and Welfare Rights Manager	April 2021	August 2021

		Undertake benefit checks and refer residents for budgeting support and debt advice. Signpost to Make Every Contact Count (MECC) support – Healthy Minds etc			
6	Work with partner organisations to provide targeted support to residents	Continued partnership with the Children's Society to co-ordinate crisis support Spend increased budget of £105,000 to fund support to more residents and wider package of goods to support those in emergency need via LWP	Benefits and Welfare Rights Manager	April 2021	May 2021
7	Continue to monitor the collection rates on a weekly basis	Maximise collection rates and take swift action if collection slows	Unity Revenues Manager	On-going	December 2021
8	Identify and support those affected by the future changes to welfare reform, particularly Universal Credit	Early identification of residents affected by Welfare Reform changes allows support to be put in place at the earliest point Membership of GM welfare rights group and GM Mental Health Welfare Rights advisors group	Benefits and Welfare Rights Manager	February 2021	August 2021
10	Review approach to debt collection by the Council	Increase collection rate across all debts. Agree more affordable payment arrangements with residents Focus on early engagement/ Identification of vulnerability/impact of the pandemic on collection	Client Revenues Manager (Exchequer Client)		December 2021

		Increased use of Exceptional Hardship Funding to support those in most need			
11	Link to Get Oldham working initiatives	Reduced number of unemployed	Head of Lifelong Learning, Employment and Skills Service	June 2021	September 2021
12	Undertake an annual review of the Council Tax Reduction scheme	<p>The scheme is reviewed considering information gathered from the performance indicators and welfare context.</p> <p>Recommendations for any changes are put to Council.</p> <p>Report to Council recommending any changes to the scheme.</p>	Head of Revenues and Benefits	June 2021	December 2021