

***PLEASE NOTE: THIS ASSESSMENT HAS BEEN UPDATED – this Equality and Human Rights Impact Assessment published has been updated to reflect revised proposals regarding the Older People’s Council Tax Discount, which were agreed by Cabinet at this meeting – and can be viewed below:**

[Addendum - including changes to the Cabinet’s Budget Proposals & an updated Equalities Impact Assessment - Published 10 December 2020 , item 6. PDF 287 KB \(hillington.gov.uk\)](#)



HILLINGDON
LONDON

Equality and Human Rights Impact Assessment

STEP A) Description of what is to be assessed and its relevance to equality

What is being assessed? Please tick ✓

Review of a service Staff restructure Decommissioning a service

Changing a policy ✓ Tendering for a new service A strategy or plan

The London Borough of Hillingdon has reviewed its current Older People’s Discount Scheme for Council Tax and are recommending closing the scheme as part of the consideration of setting the Council’s budget and the overall level of Council Tax from 1st April 2021 for the financial year 2021/22.

Who is accountable? E.g. Head of Service or Corporate Director

Corporate Director of Finance

Date assessment completed and approved by accountable person

25 November 2020

Names and job titles of people carrying out the assessment

Iain Watters, Financial Planning Manager, Corporate Finance

A.1) What are the main aims and intended benefits of what you are assessing?

In February 2020 the Council confirmed the continuation of the Older People's Discount (OPD) for a further year into 2020/21, offered to residents aged over 65 who do not qualify for the Council Tax Reduction Scheme (CTRS). The CTRS provides approximately £4.8m of support to the most financially vulnerable and with the OPD offering a further £1.7m of support, the proposed budget for 2021/22 is predicated on the cessation of the OPD.

In 2020/21 the freeze on Council Tax increases for the over 65s was continued for one further year, with those turning 65 on or before 31 March 2019 receiving a 6.71% discount (£101.66 per annum for a Band D household) hereby referred to as Scheme 1, those turning 65 from 1 April 2019 onwards receiving a 3.12% discount (£47.27 per annum for a Band D household) hereby referred to as Scheme 2, and those turning 65 from 1 April 2020 onwards receiving a 1.36% discount (£20.60 per annum for a Band D household) hereby referred to as Scheme 3.

The CTRS supports the most financially vulnerable over 65 residents in the borough, applications to the OPD are only accepted by residents that are not eligible for the CTRS and therefore applicants for the OPD are not in the most financially vulnerable group. In addition, over 65 residents also benefit from other Government initiatives, such as the Triple Lock on the State Retirement Pension and the Freedom Pass within London.

The cost of the scheme was being covered by an Earmarked Reserve, with current projections forecasting the reserve to be depleted by the end of the current year, meaning any further costs associated with the continuation of the scheme would impact on the Council's Saving Requirement. Based on the current level of demand, this would increase the Saving Requirement by £2,009k and would need to be covered by either:

- additional savings
- a drawdown from General Balances
- an increase in Council Tax

These approaches have been considered and discounted as:

- the draft savings programme reflects the output of a programme of work to develop proposals, while dealing with the challenging impacts of COVID-19 on the Council, with limited scope to identify and implement additional savings in the time frame required for the 2021/22 budget.
- the use of General Balances would represent a one-off funding solution and would reduce the capacity of the Council to respond to emerging risks or pressures.
- The Council does have the option to move away from its current approach of increasing Council Tax to 90% of the uplifts applied by neighbouring boroughs, however, increasing to 100% would only secure an additional £245k, which would not be sufficient to fund this discount.

A.2) Who are the service users or staff affected by what you are assessing? What is their equality profile?

In 2020, the population of London Borough of Hillingdon is projected to be 316,200, including 207,300 residents in the age group 15-64 and 42,500 aged 65 years and older. It is forecast that the 65-year plus group is likely to increase by 1,000 residents per year going into 2021. With approximately 5,300 residents aged over 65 being eligible for the CTRS, the most financially vulnerable residents of the borough are supported with their Council Tax liability.

In 2021/22, the gross Council Tax base is forecast to be 113,738 households who will be billed for Council Tax representing approximately 2.2 adults per household.

The Council Tax Discount for Older People under the current schemes per household amounts to £101.66 for a Band D property per annum for those in Scheme 1, £47.27 per annum for those in Scheme 2 and £20.60 per annum for those in Scheme 3 with the total cost of the annual scheme estimated to be £1,726k in 2020/21.

This equates to approximately 16,000 (15,100 in Scheme 1, 500 in Scheme 2 and 400 in Scheme 3) Band D equivalent households in the Borough currently receiving the OPD.

As this discount is based upon only age as a determinant of receipt of the discount, no other groups fall within the assessment.

A.3) Who are the stakeholders in this assessment and what is their interest in it?

Stakeholders	Interest
The Leader of the Council, Mayor, Cabinet Members, all Councillors.	To deliver a balanced budget for 2021/22 in a fair and transparent way that does not place older people with a Council Tax liability into financial hardship.
Corporate Director of Finance.	To prepare a balanced budget for 2021/22 in a fair and transparent way that does not place older people with a Council Tax liability into financial hardship.
Residents aged over 65 who have a Council Tax liability	That the closure of the OPD does not place this group into financial hardship.
Residents who will be 65 years or over on 31 st March 2018 who have a Council Tax liability.	That the closure of the OPD does not place this group into financial hardship.

Residents who will be 65 years or over on 31 st March 2019 who have a Council Tax liability.	That the closure of the OPD does not place this group into financial hardship.
Residents who will become 65 by 31 st March 2020 who have a Council Tax liability.	That the closure of the OPD does not place this group into financial hardship.
Residents in the age group 16 to 64 years who have a Council Tax liability.	These residents do not receive the OPD, as they have not reached the age of 65 years on 31 st March 2020 and are therefore not eligible, however they would receive the discount when they reach 65 if the scheme continued.

A.4) Which protected characteristics or community issues are relevant to the assessment? ✓ in the box.

Age	✓	Sex	
Disability		Sexual Orientation	
Gender reassignment			
Marriage or civil partnership		Carers	
Pregnancy or maternity		Community Cohesion	
Race/Ethnicity		Community Safety	
Religion or belief		Human Rights	

STEP B) Consideration of information; data, research, consultation, engagement

B.1) Consideration of information and data - what have you got and what is it telling you?

As the OPD is based upon age and the applicant not qualifying for CTRS, the closure of the scheme will not impact on any other group.

The negative impact will be upon Council tax payers who are 65 years or more by the 31 March 2018 who will cease to receive a financial discount on their Council Tax liability of up to £101.66 at a Band D Equivalent for financial years up to 2020/21 and up to an additional £21.29 at a Band D equivalent for the financial year 2021/22.

A further negative impact will be upon Council Tax payers who are 65 years or more by the 31 March 2019 who will cease to receive a financial discount on their Council Tax liability of up to £47.27 at a Band D Equivalent for financial years up to 2020/21 and up to an additional £21.29 at a Band D equivalent for the financial year 2021/22.

There will also be a negative impact upon Council Tax payers who turn 65 years in the financial year 2020/21 by 31 March 2020 who will cease to receive a discount of up to £20.60 at a Band D equivalent for the financial year 2020/21 and up to an additional £21.29 at a Band D equivalent for the financial year 2021/22.

The CTRS currently supports approximately 5,300 claimants at a cost of £4,837k.

A prerequisite of awarding the OPD is that the resident is not eligible for Council Tax Support.

This implies that the recipients of the benefit are not deemed to be the most financially vulnerable residents, with 52% of the recipients in a Band E property or higher (a more expensive property), compared to 30% of total households across the borough.

The cessation of this discount is therefore considered to have a potentially limited negative impact on the financial wellbeing of the recipients of this benefit.

There is a neutral impact on Adult residents who are aged 16-64 who are not eligible for a Council Tax discount because of age.

Consultation

B.2) Did you carry out any consultation or engagement as part of this assessment?

Please tick ✓

NO

YES ✓

The Council will publish its 2020/21 budget proposals, predicated on the cessation of the OPD following agreement by the Cabinet Meeting on the 10 December 2020 to consult with the wider public on these proposals during the remainder of December 2020 and January 2021. Any comments / feedback on these proposals will be reported to Cabinet in February 2021 prior to the full Council meeting that will set the Band D Council Tax level for 2021/22.

B.3) Provide any other information to consider as part of the assessment

Legal context

Councillors have a legal requirement to set a balanced budget for the Council in each financial year including a Band D equivalent Council Tax amount that will contribute to the funding of expenditure to contribute to agreeing a balanced budget. The proposed budget for 2021/22 is predicated on the closure of the discount from 1 April 2021.

National and statutory discounts

The CTRS is statutory for over 65's but The OPD is neither statutory nor a national requirement.

C) Assessment

What did you find in B1? Who is affected? Is there, or likely to be, an impact on certain groups?

C.1) Describe any **NEGATIVE** impacts (actual or potential):

Equality Group	Impact on this group and actions you need to take
Residents not meeting the criteria for the means tested CTRS who will be 65 years or over on 31 March 2018 and who have a Council Tax liability	This group of residents will cease to receive a discount of £101.66 against their Council Tax liability for a Band D property (increasing to £203.31 for a Band H property) and will also be liable to pay the proposed 2021/22 Council Tax increase. However, any financially vulnerable resident will have the Council Tax Support Scheme available to them, offering a discount of up to 100%.
Residents who will be 65 years or over on 31 March 2019 and who have a Council Tax	This group of residents will cease to receive a discount of £47.27 against their Council Tax liability for a Band D property (increasing to £94.54 for a Band H property) and will also be liable to pay the proposed 2021/22 Council Tax increase. However, any financially vulnerable resident will have the

liability	Council Tax Support Scheme available to them, offering a discount of up to 100%.
Residents who will become 65 by 31 March 2020 who have a Council Tax liability.	This group of residents will cease to receive a discount of £20.60 against their Council Tax liability for a Band D property (increasing to £41.21 for a Band H property) and will also be liable to pay the proposed 2021/22 Council Tax increase. However, any financially vulnerable resident will have the Council Tax Support Scheme available to them, offering a discount of up to 100%.

C.2) Describe any **POSITIVE** impacts

Equality Group	Impact on this group and actions you need to take
None	No positive impacts have been identified for any other group

D) Conclusions

The proposal to cease the OPD will result in approximately 16,000 households occupied by residents over 65 ceasing to receive a Council Tax discount.

A safety net in the form of the CTRS exists to support any residents who may be potentially financially negatively affected by this proposal.

Continuing the OPD into 2021/22 would increase the Council's Saving Requirement by £2,009k, which will need to be addressed through further savings and/or an increased drawdown against General Balances, neither of which are deemed financially viable, with the use of General Balances linked to the Council's medium term budget strategy.

Signed and dated: *Ian Watters* 25 November 2020

Name and position: Iain Watters, Financial Planning Manager