

1. Proposal Summary Information

EAA Title	Setting of 2021/22 revenue budgets and proposal to increase council tax by 4.99%
Please describe your proposal?	Council tax increase of 4.99% for 2021/22, including 3% for the adult social care precept
Is it HR Related?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Corporate Purpose	Full Council Decision

1. What is the proposal looking to achieve? Who will be affected?

The Council is obliged to set a balanced budget and council tax in accordance with the Local Government Finance Act 1992.

For 2021/22, a balanced budget is proposed based on investment in key priorities, savings and strengthening financial resilience. On the basis of the that budget, the Council proposes to apply for the maximum increase directed by government in the financial settlement of 4.99%; of which 1.99% is in relation to the core Council Tax and 3% is in relation to the social care precept. Further information is set out in the accompanying report.

Proposal for 2021/22

Ealing is proposing a council tax increase of 4.99% (including 3% precept for Adult Social Care (ASC)) in line with government direction. The increase is estimated to generate an additional £7.243m of council tax in 2021/22, with the intention of using the additional resources to help balance the budget and protecting services over the short to medium term. This constitutes to an increase of £1.19 per week for residents in a band D property who do not receive any reductions or exemptions.

The Ministry of Housing, Communities and Local Government has announced that an authority will be considered to have set an excessive increase in council tax in 2021/22 if the increase in the level of Band D council tax over 2020/21 is 5% or more. Changes in core council tax can only bring about an increase of 2% per annum without being deemed as excessive. Changes to the adult social care precept can bring about an additional increase of up to 3% in council tax for the 2021/22 financial year, and as such council tax is being raised by an additional 3% through this precept.

Any proposals to increase tax above the threshold of 5% would be deemed as excessive and require consent gained through a local referendum. The proposed 4.99% increase of the council tax does not give rise to an increase of 5% or more and is therefore not deemed as excessive.

Budget Consultation and Engagement

Appendix 12 - Equalities Analysis Assessment

The Council held consultation sessions in December 2020 to raise awareness of the financial challenges facing the Council and provide a context for some of the difficult decisions to come in 2021 in the lead up to the Council's annual budget setting process.

Session (via Zoom)	Date	Time
Businesses	9 December	7-8pm
Residents	10 December	7-8pm
Voluntary and Community Sector (VCS)	17 December	5-6pm

A follow-up session is being held on 24 February for the Voluntary and Community Sector (VCS). The outcome of this session shall be reported back to full Council.

Officers also consulted with:

- Overview and Scrutiny Committee considered the Budget Strategy and MTFS 2021/22 to 2023/24 report at its meeting on 4 February 2021 and comments will be tabled at the Full Council Meeting on 2 March.
- Consultation with the Ealing Business Partnership took place on 2 February 2021.

Groups most likely to be affected

All people eligible to pay either full or reduced council tax will be affected. Any household that is currently charged council tax will see their bill rise proportionally by 4.99%.

Ealings' Demographic Profile



Source: 2020 Summary Needs Assessment

2. What will the impact of your proposal be?

The impact of any council tax changes will be mitigated either entirely or in part should a resident be eligible for an exemption from council tax or for a reduction in their council tax.

Council Tax Reduction Scheme

Council Tax Benefit was abolished under the Welfare Reform Act 2012 and councils were required to develop their own local Council Tax Support schemes for working age customers to help people on low incomes and benefits to pay their council tax. Pensioners eligible for Council Tax Support are protected from any loss of support under local schemes.

Ealing Council created its own local Council Tax Reduction Scheme (CTR Scheme) which is now in its eighth year. The scheme has been modified on five previous occasions, with the latest being April 2020. Each year, councils must consider whether to revise or replace the current scheme for the next financial year. For 2021/22 officers are recommending for the scheme to continue for 2021/22.

The current CTR scheme is based on income bands and contains 4 key features:

1. **Key feature 1:** Entitlement to CTR to be calculated based on income bands and on the net income of the applicant and their partner (if they live with one).

Vulnerable and Household Vulnerable groups have been merged into one Protected category. This ensures that the proposed scheme continues to protect the following groups:

- Lone parents with a child under 5 years of age
- Those in receipt of a disability benefit, Carer's Allowance, Employment and Support Allowance, Personal Independence Payment, Attendance Allowance or Disability Living Allowance
- Those in receipt of Universal Credit which includes one of the following elements: limited capability for work, limited capability for work related activity, disabled child or carer
- Care leavers under the age of 25
- Those in receipt of an Armed Forces Independence Payment
- Carers in receipt of Carer's Allowance or have an underlying entitlement to it

The current, income banded scheme provides maximum 100% reduction for applicants who fall into the protected category and 75% for all other applicants.

Under the income banded scheme, the calculation of entitlement has been simplified. All state benefits including tax credits are disregarded. Applicants receive a discount based upon the level of their net income as set out in the table below.

Appendix 12 - Equalities Analysis Assessment

Council Tax Reduction Calculation Table						
	Protected			Non-protected		
Band	Income Bands £	Customer's contribution to Council Tax	CTR Award	Income Bands	Customer's contribution to Council Tax	CTR Award
1	0.00 -120.59	0%	100%	0.00 -120.59	25%	75%
2	120.60 - 140.69	25%	75%	120.60 - 140.69	40%	60%
3	140.70 - 160.79	40%	60%	140.70 - 160.79	50%	50%
4	160.80 - 180.89	50%	50%	160.80 - 180.89	60%	40%
5	180.90 - 200.99	60%	40%	180.90 - 200.99	70%	30%
6	201.00 - 221.09	70%	30%	201.00 - 221.09	80%	20%
7	221.10 - 241.19	80%	20%	221.10 - 241.19	90%	10%
8	241.20 - 261.29	90%	10%	241.20	100%	0.00%
9	261.30	100%	0.00%			

The income bands applicable in 2020/21 have been uprated in line with September 2020 CPI which was 0.5%.

Claimant's Council Tax Reduction entitlement changes only if their earned income change is sufficient to move them from one band to another.

2. **Key feature 2:** Non –dependant deductions have also been simplified and levels of reductions have been reduced from five levels to only three. Non-dependants are other adults living in the property as a part of the household who are not liable to pay rent or Council Tax. The level of deductions in the current scheme is as follows:

- £6.53 per week for those not in work
- £12.06 per week for those in work earning below £183.92 per week
- £18.09 for those in work earning above £183.92 per week

The non dependant deductions applicable in 2020/21 have uprated in line with September 2020 CPI which was 0.5%.

Under the current scheme, the non-dependant deductions do not apply if the claimant or partner is in receipt of care element of Disability Living Allowance/ Personal Independence Payment or if a non-dependant is a full time student.

3. **Key feature 3:** Under the current scheme one universal earning disregard of £30.15 per week (amount of money ignored from the earned income) is applied for couples and households with children. The earnings disregard does not apply to single persons as the income bands under the scheme are more generous for singles than the means test under the current scheme.

The disregard applicable in 2020/21 has also been uprated in line with September 2020 CPI index which was 0.5%.

4. **Key feature 4:** No Council Tax Reduction is awarded to an applicant if their entitlement is less than £2 per week. It ensures the efficient use of the Council time and resources.

Transitional arrangements have been in place since April 2020 to ensure that those who were in receipt of Council Tax Support under the means tested scheme prior to April 2020 did not see significant changes to their entitlement when migrating onto the new scheme. All changes to entitlement which were a result of migration were capped to £2 per week.

At the point of migration, the transitional capping applied to 3,392 cases, however the number of cases where the capping applies has reduced due to changes in customers' circumstances and the transitional capping currently applies to 2,464 cases which is 9.69% of current caseload.

Transitional arrangements apply for a period of two years from April 2020 and they will come to an end for existing claimants at the end of March 2022.

Council Tax Discounts and Exemptions

Circumstances under which people are exempt from paying, or have their council tax liability reduced on the basis of grounds other than CTR schemes, are mainly laid out by the government. Local Authorities can decide on local discounts and exemptions. Examples of some particular exemptions follow.

- a) Single Person Discount: Households in which an adult lives on their own or in which no one else counts as an adult receive a 25% reduction on their council tax bill.
- b) Full-Time Students: Households where everyone is a full-time student don't have to pay council tax.
- c) Care leavers Discount: For 2021/22 officers are recommending that from 1 April care leavers are provided an additional discount which ensures a nil council tax liability.

A discretionary relief will be awarded to Ealing care leavers aged between 18 and 24 years old who are liable for council tax in the borough as part of local offer for Care Leavers. To be eligible the care leaver must be liable for council tax in Ealing and have previously been in the care of Ealing Council. Relief will be applied after all other discounts are awarded and only if an amount remains to be paid for council tax. Eligible care leavers are identified by the Council and relief is awarded automatically with no application needed by the young person.

- d) Discretionary Council Tax Discount: All residents will be able to apply for a discretionary discount if they are able to demonstrate that they are having difficulty paying their council tax.
- e) Empty Homes Exemption: The Council currently charges an extra 100% of council tax if a property has been empty for more than 2 years and 200% extra council tax if the property has been empty for between 2 – 5 years. Officers are recommending for Council to adopt

an extra charge of 300% for properties empty for more than 10 years (as allowable under current legislation). However, if someone is selling an empty property on behalf of an owner who has died, they are eligible receiving an exemption from council tax liability.

Some homes will receive an exemption from council tax for as long as they stay empty. They include homes

- belonging to someone in prison (except for not paying a fine or council tax)
- belonging to someone who has moved into a care home or hospital
- that have been repossessed
- that cannot be lived in by law, e.g. if they are derelict
- that are empty because they have been compulsorily purchased and will be demolished
- dwelling left empty by a deceased person (up to and for 6 months after probate)

- f) Other exemptions are granted for properties which are occupied solely by
- Students
 - Severely mentally impaired

Any increases in council tax are matched by corresponding percentage increases in discounts or exemptions.

2. Impact on Groups having a Protected Characteristic

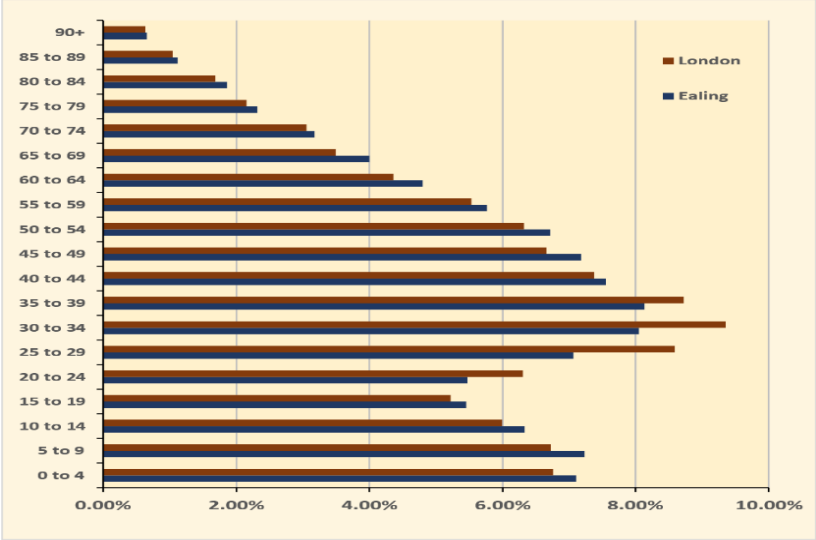
AGE: A person of a particular age or being within an age group.

Neutral Impact

Describe the Impact

The age of the liable person is not recorded for council tax purposes, but as the chart below shows Ealing's population in 2019 was broadly similar to London with:

- 66.2% - working age (16-64);
- 21.8% - under-16's; and
- 13.1% - 65 and over



Alternatives and mitigating actions which have been considered in order to reduce negative effect:
Describe the Mitigating Action
Not applicable.

DISABILITY: <i>A person has a disability if s/he has a physical, mental or sensory impairment which has a substantial and long term adverse effect on their ability to carry out normal day to day activities¹.</i>
Neutral Impact
Describe the Impact
Under Ealing’s CTR scheme, those identified under ‘protected group’ are eligible for upto 100% of discount. These will include residents who are in receipt of of a disability benefit (disability premium, severe disability premium, enhanced disability premium or carer premium when their award is calculated), Carer’s Allowance, Employment and Support Allowance, Personal Independence Payment, Attendance Allowance or Disability Living Allowance will qualify for a discount under the protected group. For details refer to Appendix 0 and 4 of the report.
Though the level of discount available will be dependent on the household income (as summarised in the EAA above), it should be noted that a maximum award of 100% is available to those entitled to ² :
<ul style="list-style-type: none"> • a disability premium, severe disability premium, enhanced disability premium or carer premium when their award is calculated; and • to a disabled earnings disregard, a disabled person’s reduction for Council Tax purposes
Alternatives and mitigating actions which have been considered in order to reduce negative effect:
Describe the Mitigating Action
Not applicable.

GENDER REASSIGNMENT: *This is the process of transitioning from one sex to another. This includes persons who consider themselves to be trans, transgender and transsexual.*

¹ Due regard to meeting the needs of people with disabilities involves taking steps to take account of their disabilities and may involve making reasonable adjustments and prioritizing certain groups of disabled people on the basis that they are particularly affected by the proposal.

² Revised Council Tax Support Scheme for 2020/21 (Report to Cabinet December 2019) – Appendix 3 EAA

Neutral Impact
Describe the Impact
There is no council tax data regarding gender reassignment.
Alternatives and mitigating actions which have been considered in order to reduce negative effect:
Describe the Mitigating Action
Not applicable.

RACE: A group of people defined by their colour, nationality (including citizenship), ethnic or national origins or race.
Neutral Impact
Describe the Impact
The race of the liable person is not recorded for council tax purposes, but there is no reason to believe that the increase will impact on any particular ethnic group disproportionately.
Alternatives and mitigating actions which have been considered in order to reduce negative effect:
Describe the Mitigating Action
Not applicable.

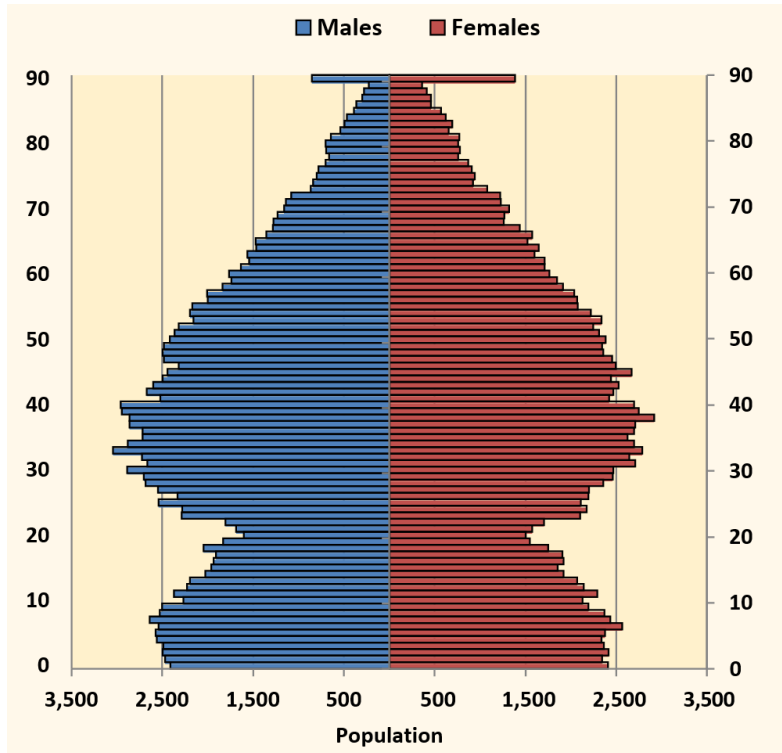
RELIGION & BELIEF: Religion means any religion. Belief includes religious and philosophical beliefs including lack of belief (for example, Atheism). Generally, a belief should affect a person's life choices or the way you live for it to be included.
Neutral Impact
Describe the Impact
This is not recorded for council tax purposes, but there is no reason to believe that any particular religious group is likely to be disproportionately affected by the proposed changes.
Alternatives and mitigating actions which have been considered in order to reduce negative effect:
Describe the Mitigating Action
Not applicable.

SEX: *Someone being a man or a woman.*

Neutral Impact

Describe the Impact

There is no council tax data regarding sex but Ealing's 2019 data profile shows the split to be 50.3% male and 49.7% female.



**Note that age 90 includes all those aged 90 and above*

Alternatives and mitigating actions which have been considered in order to reduce negative effect:

Describe the Mitigating Action

Not applicable.

SEXUAL ORIENTATION: *A person's sexual attraction towards his or her own sex, the opposite sex or to both sexes, covering including all LGBTQ+ groups.*

Neutral Impact

Describe the Impact

There is no council tax data regarding sexual orientation.

Alternatives and mitigating actions which have been considered in order to reduce negative effect:

Describe the Mitigating Action

Not applicable.

<p>PREGNANCY & MATERNITY: Description: Pregnancy: Being pregnant. Maternity: The period after giving birth - linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, including as a result of breastfeeding.</p>
<p>Neutral Impact</p>
<p>Describe the Impact</p>
<p>There is no council tax data regarding pregnancy or maternity.</p>
<p>Alternatives and mitigating actions which have been considered in order to reduce negative effect:</p>
<p>Describe the Mitigating Action</p>
<p>Not applicable.</p>

<p>MARRIAGE & CIVIL PARTNERSHIP: Marriage: A union between a man and a woman. or of the same sex, which is legally recognised in the UK as a marriage Civil partnership: Civil partners must be treated the same as married couples on a range of legal matters.</p>
<p>Neutral Impact</p>
<p>Describe the Impact</p>
<p>Council tax records do not show the marital status of the liable person.</p>
<p>Alternatives and mitigating actions which have been considered in order to reduce negative effect:</p>
<p>Describe the Mitigating Action</p>
<p>Not applicable.</p>

3. Human Rights³

<p>3a. Does your proposal impact on Human Rights as defined by the Human Rights Act 1998?</p>
<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
<p><i>(If yes, please describe the effect and any mitigating action you have considered.)</i></p>

³ For further guidance please refer to the Human Rights & URNC Guidance on the Council Equalities [web page](#).

3b. Does your proposal impact on the rights of children as defined by the UN Convention on the Rights of the Child?

Yes No

(If yes, please describe the effect and any mitigating action you have considered.)

3c. Does your proposal impact on the rights of persons with disabilities as defined by the UN Convention on the rights of persons with disabilities?

Yes No

(If yes, please describe the effect and any mitigating action you have considered.)

4. Conclusion

Ealing is proposing a council tax increase of 4.99%, of which 1.99% relates to the core council tax and 3% is in relation to social care precept, in line with government direction. The proposal is a key element to the council being able to set a balanced budget in accordance with its legal duty.

The desired outcome of the proposal is to:

- To endeavour to ensure, as far as is reasonable and proportionate, that the implementation of the council tax increase does not adversely impact one group more than any other.
- To give consideration to vulnerable groups whilst ensuring that this does not add to the burden of those left to pay.
- To ensure that those who are entitled to discretionary council tax reductions in council tax are not disproportionately impacted by the 4.99% increase, in accordance with Council policy.

From the information that is available the impact of any council tax changes will be mitigated either entirely or in part through council's generous and flexible CTR scheme, should a resident be eligible for an exemption from council tax or for a reduction in their council tax. Thereby achieving the outcomes set out above.

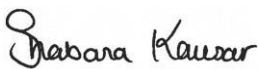
4a. What evidence, data sources and intelligence did you use to assess the potential impact/effect of your proposal? Please note the systems/processes you used to collect the data that has helped inform your proposal. Please list the file paths and/or relevant web links to the information you have described.

- [Appendix 3 - EAA for CTR Scheme \(Council Meeting February 2020\)](#)
- [2011 Census profile – Ealing Council](#)
- Equalities in Ealing - Summary Needs Assessment (August 2020)

5. Action Planning: *(What are the next steps for the proposal please list i.e. when it comes into effect, when mitigating actions linked to the protected characteristics above will take place, how you will measure impact etc.)*

Action	Outcomes	Success Measures	Timescales / Milestones	Lead Officer (Contact Details)
Review CTR scheme to ensure that its still meets its key objective in supporting the most vulnerable people.	CTR protected groups will not be impacted negatively by any increase in council tax.	High levels of council tax receipts / low levels of council tax debt	Annual CTR Scheme Review	Joanna Pavlides Head of Financial Assessments, Finance PavlidesJ@ealing.gov.uk 0208 825 9279
Additional Comments:				

6. Sign Off *(All EAA's must be signed off once completed)*

Completing Officer Sign Off:	Service Director Sign Off:	HR related proposal (Signed off by directorate HR officer)
Signed:  Name (Block Capitals): SHABANA KAUSAR Date: 22/2/2021	Signed:  Name (Block Capitals): ROSS BROWN Date: 22/2/2021	Signed: Name (Block Capitals): Date:
For EAA's relating to Cabinet decisions: received by Committee Section for publication by (date): 22/2/2021		

Annex A: Legal obligations under Section 149 of the Equality Act 2010

- As a public authority we must have due regard to the need to:
 - a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

- The protected characteristics are: AGE, DISABILITY, GENDER REASSIGNMENT, RACE, RELIGION & BELIEF, SEX, SEXUAL ORIENTATION, PREGNANCY & MATERNITY, MARRIAGE & CIVIL PARTNERSHIP

- Having due regard to advancing equality of opportunity between those who share a protected characteristic and those who do not, involves considering the need to:
 - a) Remove or minimising disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic
 - b) Take steps to meet the needs of persons who share a relevant characteristic that are different from the needs of the persons who do not share it.
 - c) Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

- Having due regard to fostering good relations between persons who share a relevant protected characteristic and persons who do not, involves showing that you are tackling prejudice and promoting understanding.

- Complying with the duties may involve treating some people more favourably than others; but this should not be taken as permitting conduct that would be otherwise prohibited under the Act.