

Equality & Poverty Impact Assessment 00965 (Version 1)

SECTION ONE: ESSENTIAL INFORMATION

Service & Division:	Transformation, Communities & Corporate Services Housing & Communities	Lead Officer Name:	Anna Dick
		Team:	Revenues & benefits
		Tel:	01325503920
		Email:	anna.dick@falkirk.gov.uk
Proposal:	Council Tax Strategy 2025	Reference No:	

What is the Proposal?	Budget & Other Financial Decision	Policy (New or Change)	HR Policy & Practice	Change to Service Delivery / Service Design
	Yes	No	No	No

Who does the Proposal affect?	Service Users	Members of the Public	Employees	Job Applicants
	No	Yes	No	No

Other, please specify:	Directly impacts on householders/owners responsible for Council Tax for each dwelling in Council areas - excluding those which are exempt
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Identify the main aims and projected outcome of this proposal (please add date of each update):

04/02/2025	Aim - Council Tax to be increased locally at a rate that reduces or eliminates the gap between local charges and the national average while helping to bridge budget shortfalls. It is a legal requirement that council tax levels are set to ensure a balanced budget, meaning the gap between planned expenditure and known income must be covered. The required increase is dictated by the budget gap, leaving no discretionary flexibility.

SECTION TWO: FINANCIAL INFORMATION

For budget changes ONLY please include information below:			Benchmark, e.g. Scottish Average
Current spend on this service (£'0000s)	Total:	0	n/a
Reduction to this service budget (£'0000s)	Per Annum:	0	n/a
Increase to this service budget (£'000s)	Per Annum:		
If this is a change to a charge or concession please complete.	Current Annual Income Total:	£78,691,000	
	Expected Annual Income Total:	£84,307,000	Actual value will depend on the finalised increase to Council Tax as set by the budget, as well as the impact of any compound increases. The Medium Term Financial Plan (MTFP) is based on 7% increase in Council Tax and while EPIA is anchored on this increases above this level are covered by EPIA.
If this is a budget decision, when will the saving be achieved?	Start Date:	01/04/2025	
	End Date (if any):		

SECTION THREE: EVIDENCE

Please include any evidence or relevant information that has influenced the decisions contained in this EPIA. (This could include demographic profiles; audits; research; health needs assessments; national guidance or legislative requirements and how this relates to the protected characteristic groups.)

A - Quantitative Evidence

This is evidence which is numerical and should include the number people who use the service and the number of people from the protected characteristic groups who might be affected by changes to the service.

As at 31/01/2025 we had 77,041 dwellings, **2,178 were exempt and protected**, of which 1,105 were occupied.

Therefore we have 75,968 occupied dwellings, of which 1,105 were exempt, leaving 74,863 who were charged. Of that **13,497 are in receipt of Council Tax Reduction (CTR) and protected from any increase**. Those protected are predominantly low income households (CTR) and c.4246 are of pension age.

Of those exempt 670 were severely mentally impaired and students/ care leavers under 26 made up the majority of the remaining occupied exemptions.

If we assume household incomes are linear (beyond passported benefits) then it is likely that around a further 200 households would become eligible if charges increased by 7% per annum.

NB there will be an undefined number of households eligible for CTR who don't yet claim this. In last 2 years Falkirk has seen the highest growth in Scotland in CTR caseload indicating we have established strong information/infrastructure/access to support.

Council Tax doesn't require us to hold information on protected characteristics, other than for those in receipt of CTR - who are protected from any increase. CTR data, showing breakdown of those protected, has been provided below, alongside current census data.

Age

Aged 0 to 15

17.05%

0%

Aged 16 to 24

9.31%

2%

Aged 25 to 34

12.28%

12%

Aged 35 to 49

19.38%

16%

Aged 50 to 64

22.39%

15%

Aged 65 and over

19.59%

34%

Total

100%

100%

Sex

Male

48.63%

35.87%

Female

51.36%

64.13%

Total

100%

100%

Disability

Yes

25%

34%

No

75%
66%
Total
100%
100%

Results from Budget & Council Tax Consultations during 2024. Broad awareness and support of Council Tax is captured in table below, which were supplemented by discussion at in person events.

Question Agree/Strongly Agree Neither Disagree/Strongly disagree I am aware that Council Tax helps support over 700 services in the community 42.7% 27.7% 29.5% I am happy to pay my Council Tax and feel it is spent well and fairly 26.6% 26.2% 47.2% I feel informed and consulted about my Council Tax and planned changes 10.2% 22.1% 67.7% It is easy to find out how my Council Tax is allocated and spent. 16.8% 26.5% 56.6%

Section 5 will analyse further the responses to key questions that form part of this assessment and for these two questions the headline figures, for global respondents is below:

Question Agree/Strongly Agree Neither Disagree/Strongly disagree Do you support an increase in Council Tax to reduce the need for service cuts 53.4% 17.5% 29.1%

This suggests that most respondents support an increase to reduce need for cuts to services. This will be reviewed by protected characteristics in section 5.

Question Agree/Strongly Agree Neither Disagree/Strongly disagree I am aware that Council Tax Reduction (CTR) is available for households on a low income 59.2% 19.7% 21.1%

In setting Council Tax in 2023/24 we had 36.6% unaware of CTR. The fact that this has reduced to 21.1% is evidence that mitigation implemented in 2023 has been successful. Again this awareness will be explored in more detail in section 5.

B - Qualitative Evidence This is data which describes the effect or impact of a change on a group of people, e.g. some information provided as part of performance reporting.

Social - case studies; personal / group feedback / other

All households not protected would be impacted by the rise with those with least disposable income being most acutely impacted. There is no data held on age/ethnicity of these households and income of households not already in receipt of CTR is unknown.

This assessment is based on 7% rise in Medium Term Financial Plan (MTFP) but all analysis, and mitigation, is equally relevant to any level of increase. A higher increase will increase the volume of households impacted, and the extent of that impact.

Best Judgement:

Has best judgement been used in place of data/research/evidence?	No
Who provided the best judgement and what was this based on?	
What gaps in data / information were identified?	
Is further research necessary?	No
If NO, please state why.	Protected characteristics cannot be identified, other than for those already receiving Council Tax Reduction (CTR), or exemption and therefore protected from any increase. As a result, mitigation efforts will focus on individuals experiencing or at risk of poverty along with awareness of support.

SECTION FOUR: ENGAGEMENT

Engagement with individuals or organisations affected by the policy or proposal must take place

Has the proposal / policy / project been subject to engagement or consultation with service users taking into account their protected characteristics and socio-economic status?	Yes	
If YES, please state who was engagement with.	Consultation was included in the budget engagement for Council 25/26 and Council Tax - Your Money Your Community Survey 24	
If NO engagement has been conducted, please state why.		
How was the engagement carried out?	What were the results from the engagement? Please list...	
Focus Group	No	
Survey	Yes	Survey outcomes indicated consistent support, across protected characteristics, for Council Tax increases to prevent reduction in service. Survey results also indicated good, and improved, awareness of CTR across all protected characteristics - with exception of 16-24 years olds. This variation is likely to be due to that age group being less likely to be council tax payers, automatically exempt if under 18, exempt if full-time student and exempt if care leaver. Future surveys will identify if responders are Council Tax payers, and not exempt, to verify this hypothesis.
Display / Exhibitions	No	
User Panels	No	
Public Event	Yes	Chief Officers held a number of public events during August 2024. These events provided information on Council funding, including Council Tax, and identified the priority activities/areas from attendees.
Other: please specify		
Has the proposal / policy/ project been reviewed / changed as a result of the engagement?	No	
Have the results of the engagement been fed back to the consultees?	No	

Is further engagement recommended?

Yes

SECTION FIVE: ASSESSING THE IMPACT

Equality Protected Characteristics: What will the impact of implementing this proposal be on people who share characteristics protected by the Equality Act 2010 or are likely to be affected by the proposal / policy / project? This section allows you to consider other impacts, e.g. poverty, health inequalities, community justice, carers etc.

Protected Characteristic	Neutral Impact	Positive Impact	Negative Impact	Please provide evidence of the impact on this protected characteristic.
Age			✓	<p>40.9% of 16-24 years olds are unaware of CTR. This is similar to 2023/24 position. This indicates that awareness amongst all other age groups has improved significantly (to 21.1%) but not for this age group. Further analysis indicates this may be due to the fact that Under 18s are exempt, care leavers under 26 are exempt, full-time students are exempt. When combined with fact that 16-24 years olds are least likely group to be householders this indicates that level of awareness is reflective of this. Propose that future surveys identify 16-24 year olds who are householders, and not exempt to test hypothesis.</p> <p>In every age group a similar majority were supportive of Council tax increases to reduce reduction in services. Similar to overall support of 53.4%</p>
Disability	✓			<p>19.7% of respondents with disability were unaware of CTR, which is less than the global position of 21.1%</p> <p>56.2% of respondents with disability are supportive, above the global support of 53.4%</p>
Sex	✓			There is no significant difference in the %age of responders who were aware of CTR and/or were supportive of Council Tax increases to reduce service reductions based on sex of responder
Ethnicity	✓			There is no significant difference in the %age of responders who were aware of CTR and/or were supportive of Council Tax increases to reduce service reductions based on ethnicity of responder
Religion / Belief / non-Belief		✓		unknown
Sexual Orientation		✓		unknown
Transgender		✓		unknown
Pregnancy / Maternity		✓		unknown
Marriage / Civil Partnership		✓		unknown

Public Sector Equality Duty: Scottish Public Authorities must have 'due regard' to the need to eliminate unlawful discrimination, advance quality of opportunity and foster good relations. Scottish specific duties include:

				disposable income, will be adversely impacted by any increase.
Care Experienced	✓			Care Experience was not captured in budget consultation which asked about CTR awareness but on question of supporting Council Tax increase to protect Services support of 53.3% was almost identical to global support of 53.4%
Other, health, community justice, carers etc.	✓			unknown
Risk (Identify other risks associated with this change)	Worsen the extent of poverty - NB: CTR already provides protection to the lowest income households. Therefore those just above the threshold for means tested financial support are the most adversely affected by this change.			

	Evidence of Due Regard
Eliminate Unlawful Discrimination (harassment, victimisation and other prohibited conduct):	The proposal is not applicable to this duty.
Advance Equality of Opportunity:	The responses from public engagement indicate that there is an opportunity to improve access to Council Tax Reduction and other welfare rights, amongst those who would be most likely to be impacted by the proposal.
Foster Good Relations (promoting understanding and reducing prejudice):	The proposal is not applicable to this duty.

SECTION SIX: PARTNERS / OTHER STAKEHOLDERS

Which sectors are likely to have an interest in or be affected by the proposal / policy / project?		Describe the interest / affect.
Business	No	
Councils	No	
Education Sector	No	
Fire	No	
NHS	No	
Integration Joint Board	No	
Police	No	
Third Sector	No	
Other(s): please list and describe the nature of the relationship / impact.		

SECTION SEVEN: ACTION PLANNING

Mitigating Actions: If you have identified impacts on protected characteristic groups in Section 5 please summarise these in the table below detailing the actions you are taking to mitigate or support this impact. If you are not taking any action to support or mitigate the impact you should complete the No Mitigating Actions section below instead.

Identified Impact	To Who	Action(s)	Lead Officer	Evaluation and Review Date	Strategic Reference to Corporate Plan / Service Plan / Quality Outcomes
Poverty / Age	Households with Low Income	Take advantage of the publicity about increased charges to maximise take up of CTR (via online benefit calculator). Following budget decision Mar25	Anna Dick / Sally Buchanan	31/03/2025	Promoting opportunities and educational attainment and reducing inequalities
Poverty / Age	All households	Continue to include the promotion of CTR in annual billing. Promote online benefit calculator in billing leaflets. Social Media campaign to raise awareness of Council Tax and what help is available Promotion of CTR through Housing services at Sign up of Tenancy	Anna Dick	31/03/2025	Promoting opportunities and educational attainment and reducing inequalities
Age	Under 24 year olds are least aware of CTR, most opposed to increase and also most concerned about domestic finances .	Ensure that CTR is promoted through services that engage with young households e.g. Leaving Care Team and Social Landlords	Anna Dick / Sally Buchanan	30/04/2025	Promoting opportunities and educational attainment and reducing inequalities

No Mitigating Actions

Please explain why you do not need to take any action to mitigate or support the impact of your proposals.

Are actions being reported to Members?

No

If yes when and how ?

SECTION EIGHT: ASSESSMENT OUTCOME

Only one of following statements best matches your assessment of this proposal / policy / project. Please select one and provide your reasons.

No major change required	No	
The proposal has to be adjusted to reduce impact on protected characteristic groups	No	
Continue with the proposal but it is not possible to remove all the risk to protected characteristic groups	Yes	The risk(s) cannot be fully eliminated. However, we can mitigate for those in poverty by raising awareness of financial support (CTR) available. Setting Council Tax to balance budget is a legal requirement for all Scottish local authorities.
Stop the proposal as it is potentially in breach of equality legislation	No	

SECTION NINE: LEAD OFFICER SIGN OFF

Lead Officer:

Signature:	<i>Anna Dick</i>	Date:	05/02/2025
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SECTION TEN: EPIA TASK GROUP ONLY

OVERALL ASSESSMENT OF EPIA:	Has the EPIA demonstrated the use of data, appropriate engagement, identified mitigating actions as well as ownership and appropriate review of actions to confidently demonstrate compliance with the general and public sector equality duties?	Yes
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ASSESSMENT FINDINGS	Available data has been considered alongside consultation results	
If YES, use this box to highlight evidence in support of the assessment of the EPIA		
If NO, use this box to highlight actions needed to improve the EPIA		

Where adverse impact on diverse communities has been identified and it is intended to continue with the proposal / policy / project, has justification for continuing <u>without making changes been made</u>?	Yes	If YES, please describe: Appropriate mitigations identified where possible.
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LEVEL OF IMPACT: The EPIA Task Group has agreed the following level of impact on the protected characteristic groups highlighted within the EPIA

LEVEL		COMMENTS
HIGH	Yes / No	
MEDIUM	Yes / No	
LOW	Yes	Whilst increase will impact households significantly, there are no significant concerns for any particular protected characteristic group as appropriate mitigations are in place.

SECTION ELEVEN: CHIEF OFFICER SIGN OFF

Director / Head of Service:			
Signature:	<i>Karen Algie</i>	Date:	17/02/2025