

EQUALITY SCREENING

Equality Impact Assessment guidance should be considered when completing this form.

POLICY/FUNCTION/ACTIVITY	LEAD OFFICER
Corporate Debt and Financial Inclusion Policy	Linda Norman

A. What is the aim of this policy, function or activity? Why is it needed? What is it hoped to achieve and how will it be ensured it works as intended? Does it affect service users, employees or the wider community?

- The Council’s corporate debt and financial inclusion policy aims to balance two key objectives: **Collecting Debt and Supporting Residents**

Debt Collection: The policy outlines efficient methods for collecting outstanding payments while adhering to best practices. This ensures fairness and prevents undue hardship on residents.

Early Intervention: The focus is often on preventing debt from accumulating in the first place. This might involve offering budgeting advice or hardship assessments to identify residents needing assistance.

Support for Struggling Residents: For those facing financial difficulty, the policy should provide options like payment plans or referrals to benefit advice.

B. Is this policy, function or activity relevant to equality? Does the policy, function or activity relate to an area in which there are known inequalities, or where different groups have different needs or experience? Remember, it may be relevant because there are opportunities to promote equality and greater access, not just potential for adverse impacts or unlawful discrimination. The Protected Characteristics are; Sex, Age, Disability, Race, Religion and Beliefs, Sexual Orientation, Marriage and Civil Partnership, Gender Reassignment, Pregnancy and Maternity.

A corporate debt and financial inclusion policy has significant relevance to equality:

- Debt Disproportionately Affects Vulnerable Groups:** Low-income communities, minorities, and single-parent households are more likely to struggle with debt. A well-designed policy can help bridge this gap by offering targeted support and ensuring fair debt collection practices.
- Financial Literacy:** Lack of financial knowledge can trap people in debt cycles. The policy can promote income maximisation through benefits and welfare advice to empower residents, especially those from disadvantaged backgrounds, to make informed financial decisions.
- Access to Financial Services:** Financial inclusion aims to ensure everyone has access to essential financial services like bank accounts and affordable credit. This is crucial for managing finances effectively and avoiding predatory lenders.

If the policy, function or activity is considered to be relevant to equality then a full Equality Impact Assessment may need to be carried out. If the policy function or activity does not engage any protected characteristics then you should complete Part C below. Where Protected Characteristics are engaged, but Full Impact Assessment is not required because measures are

in place or are proposed to be implemented that would mitigate the impact on those affected or would provide an opportunity to promote equalities please complete Part C.

C. If the policy, function or activity is not considered to be relevant to equality, what are the reasons for this conclusion? Alternatively, if there it is considered that there is an impact on any Protected of Characteristics but that measures are in place or are proposed to be implemented please state those measures and how it/they are expected to have the desired result. What evidence has been used to make this decision? A simple statement of 'no relevance' or 'no data' is not sufficient.

This will be relevant to equality as the Council will be engaging with various individuals across the Borough who may owe the Council money for various reasons such as non-payment of Council Tax, Housing Benefit overpayment, rent arrears, parking fines and sundry debt invoices. Some of these individuals may have protected characteristics and as such, should be treated in a fair and transparent manner.

This screening assessment will need to be referred to the Equality Group for challenge before sign-off.

Date completed: 07.05.24

Sign-off by senior manager: Linda Norman

EQUALITY IMPACT ASSESSMENT

SCOPING

1. What aspects of the policy function or activity are particularly relevant to equality? Other aspects should not necessarily be excluded from the assessment, but attention should be focused on the most important areas and include which of the equality strands the policy function or activity is relevant to. Diversity within the strands should also be considered. Please consider whether any comments made in Part B of the Screening form are relevant here.

Several aspects of a corporate debt and financial inclusion policy are particularly relevant to equality. The policy should ensure fair and transparent debt collection practices. This includes clear communication of outstanding debts, avoiding aggressive tactics, and offering flexible repayment options. Vulnerable groups might need more time or alternative payment structures to avoid further hardship. The policy enables a process to assess individual financial circumstances. This allows for adjustments in collection procedures for those facing genuine hardship, preventing debt from spiralling out of control. In addition, the policy includes alternative communication methods beyond just written notices and includes phone calls, home visits, e-mail and texts . The policy can encourage initiatives that promote access to basic financial services like bank accounts, particularly for under served communities who might rely on expensive check-cashing services.

By focusing on these aspects, a corporate debt and financial inclusion policy can create a more equitable system for all residents. It ensures fair treatment in debt collection, empowers individuals to manage their finances effectively, and removes barriers that might disproportionately affect certain groups.

2. Set out the available evidence that will help you assess the impact of this policy function or activity on equality. This could include service-level monitoring data, analysis of complaints/enquiry records, existing user feedback, data obtained from external sources and information about the local community. You may find it useful to compare your service-user statistics against the [Runnymede population profile](#).

The Council will be providing a more collaborative and holistic approach to debt recovery, treating debtors as individuals. Access to third part data including those that have registered on the Vulnerability Registration Service (VRS) will enable the Council to take into account an individual's circumstances ensuring they are in receipt of all benefits and discounts they are entitled to and providing individual bespoke support to assist vulnerable residents in managing their finances and breaking the 'cycle of debt'

Debt Collection Statistics: The Council will track data on debt collection practices, including the demographics of those facing debt collection actions and the success rates of different repayment plans. This can reveal any potential biases in debt collection procedures.

Benefit take up and discounts: The Council will monitor the amount of additional benefit take up and discounts awarded for those facing debt collection actions. This will help assess if the policy is promoting financial inclusion for all residents

3. What consultation and involvement has been undertaken in relation to this (or a similar) policy, function or activity and what are the results? If none have been carried out, what consultation will be needed? Data may be available from recent consultation activities on a related policy or Equality impact assessment.

Research into other Council's approach on Corporate Debt and Financial Inclusion policies has been undertaken as well as attending national seminars on Financial Inclusion. Case studies have demonstrated where those councils have implemented a more holistic approach to debt recovery, collection rates have improved whilst maximising benefit take up for residents. In addition, consultation with senior staff across the Council who are involved in debt recovery has been undertaken:

- Revenues
- Benefits
- Parking
- Finance
- Housing
- Assets

4. Are there any gaps in the information established from the consultation and involvement undertaken and referred to in Part 3? If so, set out how these gaps will be filled?

The Council will be embarking on a 12-month pilot to employ a dedicated resource to analysis the current level of Housing Benefit debt and then work collaboratively with other service areas to identify multiple debts to avoid duplication of effort and harassment of the customer. This pilot will allow customers to share their perspectives and ensure the policy addresses their specific needs. By understanding residents' needs and challenges allows for targeted interventions a higher chance of success. Gaining buy-in from senior managers increases the likelihood of successful implementation and ongoing support for the policy. A further report will be going to December CMC to review the effectiveness of the pilot.

Where it is not possible to fill information/data gaps in time to inform this assessment, specific action points will need to be included in the action plan section Part 10 below, with a focus on monitoring the actual impact of the policy function or activity.

ASSESSING IMPACT

It is essential to consider not just the intended consequences of the policy but also any unintended consequences and barriers that might prevent it being effective for people within any of the Protected Characteristic groups.

Please use the Grid included below to assess the impact of the Policy/function/action on each of the Protected Characteristics. When completing the assessment, please bear in mind the following questions;

1. **What are the main findings of your consultation and involvement activities, and do they demonstrate problems that need to be addressed? For example, could the policy, function or activity outcomes differ according to people’s ethnic group, disability, gender, religion/belief, sexual orientation, or age?** For instance, there might be evidence of higher or lower participation/uptake by different groups.
2. **If there is a disproportionate impact on one group, is it appropriate and consistent with the objective?** For instance the policy may include lawful positive action or other methods to address particular needs or may be considered to be a proportionate means of achieving a legitimate aim

Protected Characteristic	Positive		Neutral	Negative		Comments
	High	Low		High	Low	
Age	X					Overall, a well-designed corporate debt and financial inclusion policy can have a positive impact on people of all ages by promoting financial literacy, offering support for managing debt, and ensuring fair treatment in debt collection practices.
Disability	x					<p>People with disabilities are more likely to face unemployment or underemployment due to accessibility barriers or limitations imposed by their disability. This can lead to financial hardship and difficulty managing debt. In addition, living with a disability often comes with additional expenses, such as adaptive equipment, medical care, or personal assistance. These costs can further strain finances and make debt repayment more challenging.</p> <p>The policy could offer targeted financial assistance or debt relief programs specifically for residents with disabilities.</p> <p>The policy should emphasize sensitivity towards individuals with disabilities, allowing for flexible repayment plans and alternative communication methods (home visits, telephone and e-mail) to ensure fair treatment.</p>

Gender Reassignment		x			Debt collection practices should be respectful of an individual's chosen name and gender identity. This includes ensuring all communication reflects their affirmed identity and is written in gender neutral language
Marriage / Civil Partnership		x			The policy should ensure fair treatment during debt collection, protecting both spouses from harassment or unfair tactics. By offering tools for responsible debt management, promoting financial literacy, and ensuring fair treatment, the policy can empower couples to make informed financial decisions and build a secure financial future together.
Pregnancy / Maternity	x				the policy should ensure fair and sensitive debt collection practices during pregnancy and maternity leave. This includes avoiding aggressive tactics and offering flexible repayment options that consider the unique financial circumstances of expecting parents.
Race	x				The policy should ensure fair and sensitive debt collection practices and be respectful of any cultural differences for those of a different ethnic background. This includes avoiding aggressive tactics and offering flexible repayment options
Religion / Belief		x			This could involve access to credit counselling services that can explore alternative debt repayment methods in line with their religious values such as Christians Against Poverty (CAP).
Sex			x		The strategy focuses on responsible debt collection and communication so is unlikely to have any major impact specifically for sex
Sexual Orientation			x		The policy should ensure a safe and inclusive environment for all residents, regardless of sexual orientation. This includes respectful communication in debt collection practices

5. Does the policy, function or activity miss potential opportunities to promote equality or positive attitudes to (and between) different Protected Characteristics or communities?

Limited Scope: The policy might focus primarily on debt collection and repayment, neglecting the broader financial needs of diverse communities. This could overlook the specific challenges faced by groups with lower income, limited access to financial services, or cultural differences in financial management.

Limited Outreach: Relying solely on traditional communication methods might exclude certain groups. The policy might not reach residents with limited internet access, those who speak a different language, or those who distrust traditional institutions

ADDRESSING THE IMPACT: ACTION PLANNING, MONITORING AND REVIEW

6. Does the policy, function or activity require reconsideration or amendment? If not, explain the reasons for this conclusion. If an adverse impact has been identified, you will need to set out the justification for continuing the policy, function or activity or outline measures to mitigate the impact.

The Strategy outlines the introduction of a Corporate Debt Board comprising of key stakeholders across all departments that will oversee the programme delivery, track progress against goals and make necessary adjustments as needed

7. What actions have you identified as a result of this equality impact assessment? These might include improving data collection in order to give a clearer picture of your service-users, physical adjustments to a building, arranging for information to be sent out to individuals in alternative formats or languages, or consulting with a wider group of people to understand the impact of the policy.

Train staff involved in debt collection on cultural sensitivity and avoiding stereotypes.
Encourage respectful and fair treatment of all residents regardless of their background.
Continue to provide a wide range of choice for contacting the council on debt issues
Continue to provide translation tools on websites, on-line forms and key documents
Deliver content through different methods such as video and voice recordings

8. Action Plan (where applicable): Who will be responsible for completing these actions and in what timescale? How will you review the actual impact of this policy function or activity?
Provide details of timescale and actions for review, and details of how the actions will be evaluated to measure if expected outcomes are achieved in practice. You may have identified 'triggers' that would indicate a problem with the policy, function or activity and suggest a revision is be needed.

Monthly monitoring of collection rates, benefit take up, number of enforcement notices issued and write offs prepared will indicate whether the policy is successful.

In addition, a review of the policy and financial inclusion pilot will go to December CMC for further scrutiny and debate.

This assessment will need to be referred to the Equality Group for challenge.

Date completed: 07.05.23

Sign-off by an authorised Officer/Manager: Linda Norman