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## Equality Impact Assessment

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### Introductory Information

**Reference number**

881

**Proposal type** Budget  Project**Budget theme****Budget name**

Adult social care cost of living allowance

### Decision Type

**Type of decision**

- Cabinet
- Cabinet Committee (e.g. Cabinet Highways Committee)
- Leader
- Individual Cabinet Member
- Executive Director/Director
- Officer Decisions (Non-Key)
- Council (e.g. Budget and Housing Revenue Account)
- Regulatory Committees (e.g. Licensing Committee)

**Lead Cabinet Member**

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[SAVE](#)**Entered on Q Tier** Yes  No**Year(s)**

14/15	15/16	16/17	17/18	18/19	19/20	20/21	<b>21/22</b>
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**EIA date**

20/01/2021

**EIA lead** **Person filling in this EIA form** **Lead officer** **Lead Corporate Plan priority**

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### Portfolio, Service and Team

**Cross Portfolio**

Yes  No

**Portfolio**

People Services

**People Services service(s)**

- Business Strategy
- Care and Support
- Children and Families
- Children's Commissioning Unit
- Commissioning
- Inclusion and Learning
- Libraries and Community Services
- Lifelong Learning and Skills
- Planning Improvement and Performance Service

**People Services team(s)****Is the EIA joint with another organisation (eg NHS)?**

No  Yes

Brief aim(s) of the proposal and the outcome(s) you want to achieve.

SCC proposes to uplift the cost of living allowance for people living at home and paying contributions for care and support. The proposal is informed by the outcome of a consultation.

SCC works out how much people can afford to contribute from their disposable income and aims to ensure people who live at home have enough income to cover costs of accommodation, cost of living and disability-related expenditure.

SCC currently uses the statutory Minimum Income Guarantee (MIG) to work out an individual's cost of living allowance. The MIG is different for each person and depends upon age, what type and rate of benefits received and other factors. The statutory MIG rates have not been increased by Government since 2016. This has a regressive impact on some people in that, year-on-year:

- as a person's income rises - (specifically, annual benefit increases) - the more SCC is entitled to take through a contribution;
- but each year the MIG remains at 2016 rates, there is effectively a reduction in protected income available to cover cost of living (inflationary) increases.

Costs include household expenses, food, bills, utilities and certain travel expenses. While these may be significant in any year, the impact of Covid-19 on these costs (on top of health impacts) through more people being housebound is a further factor in the proposal.

The benefit system tends to advantage pension benefits through higher annual uplifts and triple-lock protection compared to working age benefits. The way contributions are calculated and MIG rates are applied, the regressive impact is weighted towards working-age adults, including younger adults.

SCC has monitored this impact year-on-year in the reasonable expectation that Government will announce an annual uplift in the statutory MIG rates. As this has failed to materialise, SCC is proposing to set its own, locally uplifted cost of living allowance. Various options have been considered for how best to achieve this, and remain on the table subject to the outcome of the consultation. Further analysis of each option is included in the embedded paper, 'Options for MIG.'

In summary, the options, and our view of each, are:

1. Uplift the cost of living allowance based upon people's ages - could address impact on younger age adults but would have a limited impact overall.
2. Uplift the cost of living allowance based on increases to benefits - would advantage people whose benefits rise highest (and would therefore still be expected to disadvantage working age adults).
3. Keep the MIG as it is but introduce discretionary payments - administrative costs and barriers could affect take-up.
4. Introduce a maximum income level instead of a MIG - people with the lowest incomes would see the least financial rewards.
5. Uplift the cost of living allowance as a flat rate increase to everyone - would financially benefit the most people and mean that people with the lowest income would see the highest proportionate positive financial impact. This is the preferred option and, if agreed in principle, the rate of increase would then be determined.

For people who live in a care home or similar setting, a Personal Expenses Allowance is used instead of the MIG. The PEA has also remained fixed since 2016. The PEA is a smaller allowance, recognising that care home residents do not face household expenses in the way someone living at home does. A further option has been considered to uplift the cost of living allowance for care home residents. However, the relative financial impact of this is felt to be limited, when compared to household-related costs.

The preferred option remains a flat rate increase for people living at home. This takes account of all consultation feedback.

If you want to enter more information please attach a document in the supporting documentation below.

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## Impact

Under the [Public Sector Equality Duty](#) we have to pay due regard to the need to:

- eliminate discrimination, harassment and victimisation
- advance equality of opportunity
- foster good relations

More information is available on the [Council website](#) including the [Community Knowledge Profiles](#).

Note the EIA should describe impact before any action/mitigation. If there are both negatives and positives, please outline these - positives will be part of any mitigation. The action plan should detail any mitigation.

**Overview****Overview (briefly describe how the proposal helps to meet the Public Sector Duty outlined above)**

The proposal (and any of the options under consideration) directly affects people who access care and support services, and therefore have protected characteristics of age and/or disability (including 'severe disability'). Other protected characteristics are potentially affected by the proposal, in particular sex and race. Although not a defined protected characteristic, caring responsibilities is also a consideration in this proposal. It is fully consistent with The Duty, principally its requirement for public bodies to advance equality of opportunity. Further analysis is included in the embedded paper, 'Options for MIG.'

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**Impacts****Proposal has an impact on**

Health	Age	Disability	Pregnancy/Maternity	Race	Religion/Belief	Sex
Sexual Orientation	Transgender	Carers	Voluntary/Community & Faith Sectors		Cohesion	
Partners	Poverty & Financial Inclusion		Armed Forces	Other		

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**Health**

Does the Proposal have a significant impact on health and well-being (including effects on the wider determinants of health)?

Yes  No

**Staff**

Yes  No

**Customers**

Yes  No

**Impact**

Positive  Neutral  Negative

**Level**

None  Low  Medium  High

**Details of impact**

The proposal would provide some support towards cost of living expenses, and therefore help to enable people to cover food, heating, some travelling expenses and other costs that impact on health. It would also be expected to have some positive impact on mental health in so far as it may help to address anxiety associated with budgeting, isolation or other factors. Covid-19 has exacerbated the impacts of increasing cost of on both physical and mental health.

**Comprehensive Health Impact Assessment being complete**

Yes  No

Please attach health impact assessment as a supporting document below.

**Public Health Leads has signed off the health impact(s) of this EIA**

Yes  No

**Health Lead**

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**Age**

**Staff** Yes  No**Customers** Yes  No**Impact** Positive  Neutral  Negative**Level** None  Low  Medium  High**Details of impact**

The proposal to provide an uplift for people across all ages takes into account that younger age adults and other working age adults have been disadvantaged by the MIG. At the same time, by proposing a flat rate increase to the cost of living allowance, older adults living at home would be treated equitably. The proposal is considered to be the fairest way of recognising the overall impacts of cost of living and benefit on different.

It is recognised that, by not including an uplift in the cost of living allowance for people living in residential care and similar settings, there would be some impact in particular on older people. We have considered mitigations in place, principally the fact that PEA is intended to cover personal expenses rather than household expenses. The relative impact of someone struggling to pay household expenses - food bills, utilities, etc - is considered to be more consequential. However, this isn't to underestimate the impact. The proposal does also seek to address a current inequity in the way the MIG treats younger aged adults (18-25).

The proposal takes account of all consultation feedback in order to help inform a final decision about the way the cost of living uplift would be applied.

Be clear if your service relates to specific age groups, particularly younger or older people. If you wish to enter more information please attach a document in the supporting documentation section below.

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**Disability****Staff** Yes  No**Customers** Yes  No**Impact** Positive  Neutral  Negative**Level** None  Low  Medium  High**Details of impact**

The proposal to provide an uplift significantly impacts on disabled people - a high majority of people accessing care and support have a declared disability, and/or a relevant primary support reason. By proposing a flat rate increase to the cost of living allowance, older adults living at home would be treated equitably. The proposal to uplift a flat rate increase is considered to be the fairest way of recognising the overall impacts of cost of living and benefit on different age groups.

It is recognised that, by not including an uplift in the cost of living allowance for people living in residential care and similar settings, there would be some disabled people who would be impacted - principally, working age people with a learning disability. We have considered mitigations in place, principally the fact that PEA is intended to cover personal expenses rather than household expenses. The relative impact of someone struggling to pay household expenses - food bills, utilities, etc - is considered to be more consequential. However, this isn't to underestimate the impact.

The proposal and each options specifically considers the status of 'severe disability' and is consistent with case law as well as our wider legal duties. The proposal takes account of all consultation feedback in order to help inform a final decision about the way the cost of living uplift would be applied.

Be clear if your service relates to specific impairments. If you wish to enter more information please attach a document in the supporting documentation section below.

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**Race****Staff** Yes  No**Customers** Yes  No**Impact** Positive  Neutral  Negative**Level** None  Low  Medium  High**Details of impact**

The proposal is considered to have an indirect and low level impact on grounds of race. 91% of customers subject to the MIG are, where recorded, White British. The cost of living allowance increase would be applied equitably for all people contributing to the cost of care and support and living at home. Overall there is not considered to be a differential impact.

The proposal takes account of all consultation feedback in order to help inform a final decision about the way the cost of living uplift would be applied.

Be clear if your service relates to specific BME communities. If you wish to enter more information please attach a document in the supporting documentation section below.

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**Sex****Staff** Yes  No**Customers** Yes  No**Impact** Positive  Neutral  Negative**Level** None  Low  Medium  High**Details of impact**

The proposal is not considered to have a significantly differential impact on grounds of sex. The cost of living allowance increase would be applied equitably for all people contributing to the cost of care and support and living at home. A small majority of care and support customers living home and subject to the MIG (54%) are female. However, this proportion means there is not considered to be anything that a very low level and indirect impact. A higher proportion of people in residential care and similar settings are female. The proposal not to include the PEA would there mean a very indirect and low level disproportionate disadvantage for females in residential care.

We have considered mitigations in place, principally the fact that PEA is intended to cover personal expenses rather than household expenses. The relative impact of someone struggling to pay household expenses - food bills, utilities, etc - is considered to be more consequential. However, this isn't to underestimate the impact.

However, it is considered that the overall impact of the proposal on grounds of sex would be positive. This also takes into account that the majority of unpaid carers are female and, as set out below, the impact of the proposal on carers is assessed as positive.

The proposal takes account of all consultation feedback in order to help inform a final decision about the way the cost of living uplift would be applied.

Note: this includes women and men. If you wish to enter more information please attach a document in the supporting documentation section below.

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**Carers**

**Staff** Yes  No**Customers** Yes  No**Impact** Positive  Neutral  Negative**Level** None  Low  Medium  High**Details of impact**

The proposal to provide an uplift impacts on unpaid carers positively and indirectly. Although a carer is identified for a significant proportion of care and support customers, the number of carers is likely to remain underestimated, (partly due to differences in perception). A significant majority of carers are female. It is likely that, to a greater or lesser degree, some cost of living expenses incurred by care and support customers are met by carers. The proposal to uplift a flat rate increase is considered to be the fairest way of recognising the overall impacts of cost of living, with indirect benefits to carers.

The proposal not to include cost of living allowance for people living in residential care and similar settings in the proposal is likely to have a low level negative and indirect impact for some carers. We have considered mitigations in place, principally the fact that PEA is intended to cover personal expenses rather than household expenses. The relative impact of someone struggling to pay household expenses - food bills, utilities, etc - is considered to be more consequential. However, this isn't to underestimate the impact.

The proposal takes account of all consultation feedback in order to help inform a final decision about the way the cost of living uplift would be applied.

Note: this refers to those who provide regular and substantial unpaid care to a disabled adult or child. If you wish to enter more information please attach a document in the supporting documentation section below.

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**Poverty & Financial Inclusion****Staff** Yes  No**Customers** Yes  No**Impact** Positive  Neutral  Negative**Level** None  Low  Medium  High**Details of impact**

The proposal to provide a flat rate uplift is considered to be the fairest way of recognising the overall impacts and cost of living. The financial impact on Covid-19 - including costs associated with additional utility bills, food bills or other expenses - is also taken into account with this proposal.

It is recognised that, by not including an uplift in the cost of living allowance for people living in residential care and similar settings, there would be some impact on some older and/or people. We have considered mitigations in place, principally the fact that PEA is intended to cover personal expenses rather than household expenses. The relative impact of someone struggling to pay household expenses - food bills, utilities, etc - is considered to be more consequential.

The proposal takes account of all consultation feedback in order to help inform a final decision about the way the cost of living uplift would be applied.

Note the impact of poverty on those who are financially excluded. If you wish to enter more information please attach a document in the supporting documentation section below.

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**Cumulative impact**

**Proposal has a cumulative impact** Yes  No**Proposal has geographical impact across Sheffield** Yes  No**Local Partnership Area(s) impacted** All  Specific**Action Plan and Supporting Evidence****Action plan**


Include monitoring arrangements, etc. You can copy and paste your action plan in this section

**Supporting Evidence (Please detail all your evidence used to support the EIA)****Supporting Documentation**[Click here to attach a file](#)

 [Options for MIG 1.03.docx](#)

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**Consultation****Consultation required** Yes  No**Consultation start date** **Consultation end date** **Details of consultation**

The consultation sought views on the preferred option and outline other options considered. It also included close liaison with key partner organisations, who have a long-term interest in this issue and a particular disability, older age and/or carer perspective. All feedback has been taken into account in the proposal and to inform a final decision.

**Are Staff who may be affected by these proposals aware of them** Yes  No**Are Customers who may be affected by these proposals aware of them** Yes  No**If you have said no to either please say why**

No staff will be affected by the proposal. Customers are being made aware of the proposal through the consultation. When a final decision is made, communication will be made with customers and other people affected.

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**Summary of overall impact**



**Summary of overall impact****Summary of evidence****Changes made as a result of the EIA**

If none, specify why

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**Escalation plan****Is there a high impact in any area?** Yes  No**Overall risk rating after any mitigations have been put in place** High  Medium  Low  None

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**Review date****Review date** 

If a review date is specified, it will appear in the 'Upcoming Reviews' view when the EIA review is within 30 days.

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Incomplete

**Mark as ready for approval**

Once you've finished filling this form, you need to first mark it ready for approval, then submit it.

















































