

Debt Management Debt Off Benefit Pilot Review

Equality impact assessment

February 2011

Equality impact assessment for Finance Policy and Practice

Introduction

The Department for Work and Pensions has carried out an equality impact assessment on the proposal to introduce a Debt Off Benefit Pilot Review, assessing the proposal in line with the current public sector equality duties.

This process will help to ensure that:

- the Department's strategies, policies and services are free from discrimination;
- the Department complies with current equality legislation;
- due regard is given to equality in decision making and subsequent processes; and
- opportunities for promoting equality are identified.

Brief outline of the policy or service

DWP currently has internal processes to recover debt from customers who are no longer in receipt of DWP benefits – this is known as off benefit debt recovery. After much assessment and market testing, DWP proposes to pilot a process using Private Sector companies, instead of internal processes, to recover off benefit debt for some customers.

The purpose of the pilot is to establish whether DWP can make greater use of Private Sector Debt Recovery Agencies to manage debt arising from overpaid DWP benefit and social fund loans for customer's who are no longer in receipt of DWP benefits.

The pilot will involve the transfer of two types of Debt - Prime and Post Prime debt from DWP to Private Sector Suppliers. The Debt Management Centre's in DWP will continue to calculate and decide recovery for Prime and Post Prime overpayments.

The pilot will ensure that the Department, Treasury and the tax-payer receive best value for money from the service provider in the provision of off benefit debt recovery services for the Department.

Consultation and involvement

The pilot is supported by DWP Finance Policy and Practice as process owner. Workshops and meetings have been held with internal stakeholders involved in delivering the process and policy including Debt Management, Commercial Directorate and Shared Services.

A notice has been included in the Department for Work and Pensions monthly stakeholder bulletin. External organisations representing the Departments' customers will be notified of the pilot via the stakeholder bulletin.

Ministers and senior managers continue to be briefed as required.

Impact of the Debt Off Benefit Review Pilot

Race impact

Current policy applies to all groups who have left benefit but still have outstanding overpayments of benefits or outstanding Social Fund Loans. The process will continue to apply to all ethnic minority groups. The Private Sector Suppliers will provide language line facilities, for example Punjabi, Urdu, etc to ensure that individuals for who do not speak English as a first language are fully aware of processes and actions.

Disability impact

Customers that require a home visit as identified through the client referral group by Jobcentre Plus or Pensions Disability Carers Service will be excluded from the pilot. This covers the most vulnerable groups.

Currently there are IT system issues in identifying customers who require a home visit in order to explain the reason for the overpayment and the repayment methods available. This may include disabled people. If the pilot proves successful and further work is undertaken on all off benefit debts, changes will be made to the existing IT system to include all customers.

All Private Sector Suppliers will provide customers information in alternative formats where necessary and appropriate, including for example Braille.

Customers that require additional time to understand the process for example customers who may have a mental health condition, dyslexia etc will be allowed time to receive a more detailed explanation, or where appropriate for their carer or appointee to receive an explanation.

Gender Impact

There will be no impact on male or female customers; recoverability will be based on the customer's ability to repay rather than gender.

Gender Reassignment

Cases that are identified as sensitive and that currently have a Special records marker will be excluded from the pilot – this includes Transgender customers who have not requested the marker to be removed. Special Case markers are used to protect our customer's data and as such will not be passed to Private Sector companies.

Age Impact

Customers who are within 6 months from *retirement age are excluded from the pilot as these customers will return to a DWP benefit, i.e. Retirement Pension within 6 months and recovery action can then be taken (where appropriate) from the DWP benefit as per the existing recovery process for customers receiving DWP benefits.

**NB for the purpose of this pilot retirement age will be taken as 65 in view of the current transition to a later entitlement date for RP*

Customers who are aged under 18 will be exempt from the pilot as they are classed as juveniles and are not subject to all DWP benefit regulations.

Monitoring and evaluation

We will promote equality by ensuring that suitable debt repayment options are available for all our customers. A robust Management Information requirement has been developed and will be monitored to ensure that referrals identified for the pilot will be a proportional representation of the debt stock.

This Equality Impact Assessment will be updated with the findings from the evaluation of the pilot and any impacts that are raised will be addressed.

Next steps

The pilot will be available to all groups regardless of race, gender and disability, apart from those identified as vulnerable or out of scope.

From information and data gathered during the pilot we will continually monitor and evaluate the detailed design of the pilot and assess the impact on customers to ensure it is fully compliant with the Department for Work and Pensions diversity and equality policy.

The Department for Work and Pensions has engaged with Private Sector Suppliers and set out the key requirements that mirror the Departments diversity and equality policy. The Private Sector Suppliers currently manage an existing Department for Work and Pensions off benefit contract and understand their responsibility to meet the Departments diversity and equality policy.

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