

Full Equality Impact Analysis

Title of review	Localised Council Tax Support scheme
Service	EK Services
Date of review	20th June 2012 and September 2012 when the consultation ended
Date of next review	March 2013
Lead officer, Job Title and Service	Andrew Stevens, Assistant Director, EK Services
Review team	The EIA has been scrutinised by the members of the Council Tax Support scheme project group. This group consist of staff members from Council Tax, Benefits, Customer Services, Systems, Fraud/Visiting and Quality. The three Equality leads from Canterbury/Dover/Thanet have also been involved in the development of the EIA. The decision makers from each authority (Management Teams and Councillors) will also consider this EIA and the recommendations/detail contained herein to enable them to have the duty in their minds at the time of making the final decision. They have also fed into the draft scheme and agree that the vulnerable need to be protected as much as possible from the changes.
Scope of the analysis	From 1 st April 2013 every Council has to introduce its own localised Council Tax Support scheme to replace the nationally designed Council Tax Benefit scheme. Between 11-14% of current funding is being removed by the Government. Councils have the discretion to design their own local scheme and decide who to financially support. There are some nationally prescribed elements to the scheme including the full protection of pensioners (ie we cannot reduce the benefit currently paid to pensioners as a direct result of developing our own scheme) Our approach has been to develop a scheme that is fair to all which also takes into account the reality of the funding cut. Wherever possible we are looking to protect the vulnerable and those who are least able to afford to pay more Council Tax. The average reduction in benefit will be between £42 - £53 pa but those people in higher Council Tax bands will pay proportionately more.
Beneficiaries / Who does the policy affect ?	All current and future recipients of Council Tax Benefit / Council Tax support are affected by the changes. In addition, as we are proposing changes to the Council Tax discounts/exemptions relating to second homes and empty properties then all current and future recipients of these discounts/exemptions will also be affected.
Stakeholders	Customer representative groups such as CAB, Housing Advice Centres have an interest in our proposals. Landlords, property developers and second home owners will also have an interest. A full list of all persons contacted in the consultation exercise is contained in Annex 2.

<p>Relevant data and research</p>	<p>We have obtained comprehensive data relating to people affected from the current Council Tax Benefit processing system. The data available has enabled us to analyse impact on people according to their age, disability, family circumstances and level of income – this has enabled us to produce case studies to illustrate how each of the options we have considered would affect individuals as required by the public sector equality duty these are attached at the end of this EIA.</p> <p>We started the process by looking at around 6 different modelling scenarios in 2011 which have led to a single preferred model being adopted. Other models which restricted benefit based on Council Tax bands (ie the higher your Council Tax band the less help you would receive), gross household income (where everyone in the household would have their income added together with no disregards) and higher reductions for benefit customers (initially calculated as around 30%) were disregarded as they disproportionately affect people with large families, disabled people and other vulnerable people.</p> <p>To model these schemes we purchased a tool from our software companies which enabled us to look at scenarios with “live” data based on actual entitlements and claims at that point in time.</p> <p>We have also obtained detailed information from the Council Tax processing system regarding second homes, empty property exemptions etc although the data recorded on that system is not as comprehensive and does not include dates of birth, income, or anything else than a name and address. The Data Protection Act does not allow us to ask for anything other than what is needed to set up an account. We asked general diversity questions as part of the consultation exercise.</p>
<p>Access complaints</p>	<p>None.</p>
<p>Consultation</p>	<p>We carried out an extensive consultation exercise from 23 July 2012 to 17 September 2012. We sent details of the proposed scheme directly to all working age benefit claimants, all second home owners, all known landlords and a 5% random sample of the general population not included in the above groups. Overall, over 14,000 people were contacted directly in the TDC area.</p> <p>Consultation letters were sent to interest groups such as the Citizen’s Advice Bureau. Letters were also sent to all Towns and Parishes. The consultation was publicised in the press on two occasions and has been available on the TDC website.</p> <p>Consultees were asked to respond via a dedicated page on the TDC website. However, it was also recognised that some consultees would not be comfortable with this, and an alternative method of completing a paper form was available for those who preferred it. This was freely available from the Council offices and area offices. An “information line” was set up from 9am to 5pm throughout the consultation period for those who wanted more information about the proposals. This information line was set up in conjunction with Canterbury and Dover Councils and was manned by temporary staff specifically employed for that purpose.</p>

<p>Results of consultation</p>	<p>Overall, a total of 385 responses were received from the 14,702 issued which represents a return rate of 2.6%. Response rates from each of the groups varied with second home owners having a higher return rate of 7.1% and benefit claimants having a return rate of just over 1%. Similar response rates were seen at Canterbury and Dover. Anecdotal evidence from other local Councils suggests that many others have had a similarly low response rate. We cannot provide a full analysis of the comparison, however, as many Councils are still out to consultation at the time of writing this report.</p> <p>Out of the 385 responses received, 335 (87%) responded using the internet and 50 (13%) used a paper form. The full results are included in Annex 1 of the main report.</p> <p>Under the “general comments” part of the survey questionnaire several comments were made about the “protection” we were offering to vulnerable people. The current Council Tax Benefit regulations make allowances for increased income disregards and additions to “applicable amounts” (the amount the Government says a person or family should be able to live on per week) and we fully intend to carry these protections and income disregards forward into the Thanet CTRS. For example we currently disregard income such as child benefit, child maintenance and disability living allowance in the CTB calculation. The receipt of disability benefits also increases a person’s Council Tax Benefit awarded because of extra amounts given in the “applicable amount”. This is a positive approach which protects families, lone parents and disabled people. We will continue these income disregards on into the new CTRS to extend this protection. All client groups who are of working age will have their Council Tax Support reduced by 5% to 6% next April and this does not impact disproportionately on any particular client group – the approach is the same for everyone</p>
<p>Relevance to the Duty:</p>	
<p>Do your proposals contribute towards or impact on any of the aims of the duty?</p>	
<p>1. Eliminate unlawful discrimination – harassment, victimisation and any other conduct prohibited by the Act;</p> <p>The proposals for local Council Tax Support seek to be as fair as possible to all client groups regardless of their circumstances. It is our view that the proposals do not result in unlawful discrimination based on the evidence of other scenario modelling which we carried out and proposals made to keep as many of the current protections afforded to disabled, carers, families with children etc in the proposed new scheme.</p>	
<p>2. Advance equality of opportunity – between people who share a protected characteristic and people who do not share it by removing or minimising disadvantages suffered by people due to their protected characteristics;</p> <ul style="list-style-type: none"> ▪ With the exception of protecting pensioners’ entitlements purely due to their age which is a nationally prescribed element of the scheme, the localised CTS scheme does not disproportionately impact on groups with protected characteristics any more than other groups in society. 	

- meeting the needs of people with protected characteristics; and
- The design of the CTS calculation will mirror the current national legislation and will include the same favourable treatment of income from disabled people etc. Every working age benefit recipient will then have a standard reduction taken at the end of the calculation regardless of their personal circumstances. This will be between 5% to 6%.
- encouraging people with protected characteristics to participate in public life or in other activities where their participation is low. A full list of persons contacted to feed into the consultation exercise is included at the end of this report.

3. Foster good relations – between people who share a protected characteristic and people who do not share it, by; tackling prejudice and promoting understanding between people with a protected characteristic and others.

There is no contribution or negative impact of our proposals on fostering good relations in the community with the exception that the principle of the scheme is to be as fair as possible to all and fund the grant reduction shortfall between Council Tax Benefit recipients and recipients of certain Council Tax discounts/exemptions (more details are given in the main scheme document). The consultation exercise will be designed to make sure representative groups of all groups with protected characteristics will be contacted and asked to feed into the process. We will offer the option of online and paper based feedback.

Equality impacts raised or identified:

The proposals do not impact on any of the protected characteristics in a positive or negative way. Other models which have been looked at are described under the relevant headings below together with reasons why they were not pursued as the preferred option.

Protected Characteristic	Commentary	
Age	Impact	<p>The proposed scheme is subject to some national prescription relating to protecting pensioners' entitlements. Therefore we have no discretion about whether or not to follow this principle. The Government stated in their "Localising Council Tax – EIA" in January 2012 that...</p> <p><i>"The Government has considered the situation for low income pensioners who would currently be eligible for support with their council tax bill. Unlike most other groups, pensioners cannot be expected to seek paid employment to increase their income. The Government therefore proposes that as a vulnerable group, low income pensioners should be protected from any reduction in support as a result of this reform".</i></p>
	Mitigation	<p>Pensioners are protected, therefore there is no detriment requiring mitigation. The decision to protect pensioners is a national one and will be reflected in the secondary legislation. The link to the Government's EIA is given in the "Overall Conclusion" section.</p>

Gender	Impact	There is no impact on gender. Current income disregards which tend to favour more females than males such as child benefit disregards will continue to be a feature of the new CTS scheme.
	Mitigation	The proposed scheme will continue to protect recipients on the basis of their gender by extending the current income disregards – some of which favour females as the majority of “main carers” of child benefit are female. Other schemes we looked at included making changes to income disregards and restricting support to people living in larger properties which would have disproportionately affected disabled people and families with children (especially single parents). These were rejected on equality grounds.
Race	Impact	We do not keep case level data on race as it is not relevant to the calculation of Council Tax Benefit.
	Mitigation	None needed.
Disability	Impact	The proposed scheme that we have developed extends all current favourable treatment of income of disabled people. Benefits such as disability living allowance, attendance allowance etc will continue to be disregarded in full and recipients will continue to benefit from the enhanced premiums and personal allowances which favour people with disabilities. One of the earlier schemes which was modelled and not taken forward based the level of Council Tax Support on the gross household income and did not provide any favourable treatment for disabled household members. This was not taken forward as it is considered it fails on equality grounds. Increased premiums for Carers will continue to be a feature in the proposed new scheme. Some examples are given at the end of this EIA.
	Mitigation	The proposed scheme continues existing protections in the calculation for disabled household members. Other schemes we looked at included making changes to income disregards and making much higher reductions from people’s benefit entitlements which would have disproportionately affected disabled people and families with children. These were rejected on equality grounds.
Religion or belief	Impact	We do not keep case level data on a person’s religion or belief. As it would not be relevant to the calculation of Council Tax Benefit. Diversity questions were included in the consultation paper which gathered some of this information but the response rate was very low as previously mentioned.
	Mitigation	None needed.
Gender reassignment	Impact	If someone currently undergoes a gender reassignment then it currently only affects what they are referred to as on official documents/systems. It does not affect any part of the calculation. This will continue in the Thanet CTRS.
	Mitigation	None needed.

Sexual Orientation	Impact	We do not keep case level data on a person's sexual orientation as it would not be relevant to the calculation of Council Tax Benefit. In any case it does not impact on the calculation of entitlement in any way. Diversity questions were included to the consultation paper which gathered some of this information.
	Mitigation	None needed.
Marriage & Civil Partnership (Aim 1 only)	Impact	Married couple and civil partnerships are recognised equally in the current Council Tax Benefit system. The equal and fair treatment of couples will continue in the proposed CTRS from 1 st April 2013 as no changes are intended.
	Mitigation	None needed.
Pregnancy & Maternity (Aim 1 only)	Impact	The treatment of income and savings of women expecting children is a feature of the current Council Tax Benefit system and will continue in the local CTRS.
	Mitigation	None needed

Overall conclusions and options to be put before decision maker (if contributing towards a report) or to take forward to develop your service (if reviewing a service)

Overall, the only feature of the scheme which could be viewed as impacting on a group with protected characteristics is the need to fully protect pensioners from the changes. However, this is a nationally prescribed feature of the scheme and the Government have carried out their own Equality Impact Assessment on the effect of this....

<http://www.communities.gov.uk/documents/localgovernment/pdf/2063707.pdf>

Other than that we have tried to mirror as much of what currently exists in the national Council Tax Benefit system into the local CTRS. Different favourable treatment of income and allowances of disabled people and women with children are carried over into our local scheme so it is our view that there is no adverse or disproportionate impact on any of the groups with protected characteristics (see examples at the end of this document).

The changes to the Council Tax discounts/exemptions are more straightforward as entitlement is purely based on the status and circumstances of the property rather than the individual who owns it. We are only allowed to collect information under the law which enables us to identify the taxpayer and where they live. We do not collect any other details from them relating to their age, religion, sexual orientation, disabilities etc as it would not be relevant or permitted to do so.

To conclude, it is our view that the proposed scheme does not impact on any group with protected characteristics based on current evidence. During the development of a local scheme we have tried hard to balance the reality of a significant cut in Central Government funding to

protecting the most vulnerable members of our community as far as possible. The scheme that is being proposed acknowledges that recipients of benefits and Council Tax discounts/exemptions need to contribute more to meet the shortfall but also looks to protect people with protected characteristics as much as possible.

Actions arising from analysis:

Action	Responsible Officer	Deadline
<p>Add equality questions section to consultation documents for voluntary completion by respondents. This can form part of the post-consultation analysis</p>	AS	<p>Complete. Equalities questionnaire was part of the survey form. Response rates were low and no significant equalities issues were noted.</p>
<p>Add post consultation analysis to this document and findings and recommend amendments to the final proposal if appropriate.</p>	AS	<p>Complete. No suggested amendments to the final scheme.</p>

Acceptance

Name and signature of assessing officer and date of assessment.

Name: Andrew Stevens

Position: Asst Director - EKS



Signed:
.....

Date: 2nd October 2012.....

Examples of impact on different benefit recipients

Example one

Mr M is claiming with his partner and three children. Mr M works and receives Child Tax Credit £164.49, Working Tax Credit £16.56, Child Benefit £47.10. His average weekly earnings are £259.86.

Mr M's total household income is £488.01 of which £74.20 is disregarded for Council Tax Benefit purposes. This means that when Mr M's Council Tax Benefit is worked out only £413.81 is used in the calculation

Council Tax Benefit

Mr M's annual Council Tax bill is £1318.20.

Under the Council Tax Benefit rules Mr M is entitled to £7.74 per week towards his Council Tax. Mr M's weekly liability for Council is £25.35 per week. This means that Mr M is required to pay £17.61 per week towards his Council Tax, this equates to £915.72 per year.

Council Tax Support

Under Council Tax Support Mr M's household income is still be the same (£488.01) and the amount of income disregarded is still the same (£74.20).

Instead of receiving £7.74 per week towards his Council Tax this will be reduced by 5-6%.

If the £7.74 is reduced by 6% this means that he will receive £7.28 per week towards his Council Tax – a reduction in help of £0.46 per week.

Mr M is now required to pay £18.07 per week towards his Council Tax this equates to £939.64 per year.

Example Two

Mrs T is a single working age person claiming Council Tax Benefit. Mrs T receives Disability Living Allowance Low Rate Care £20.55, Disability Living Allowance High Rate Mobility £54.05 and Widow's Pension £91.29.

Mrs T's total household income is £165.89 of which £74.60 is disregarded for Council Tax Benefit purposes. This means when Mrs T's Council Tax Benefit is worked out only £91.29 is used in the calculation.

Council Tax Benefit

Mrs T's annual Council Tax bill is £1318.20

Under the Council Tax Benefit rules Mrs T is entitled to £25.35 per week towards her Council Tax. Mrs T's weekly liability for Council is £25.35 per week. This means that Mrs T receives full Council Tax Benefit and is not required to make a contribution towards her Council Tax.

Council Tax Support

Under Council Tax Support Mrs T's household income is the same (£165.89) and the amount of income disregarded is the same (£74.60).

Instead of receiving £25.35 per week towards her Council Tax this will be reduced by 5-6%.

If the £25.35 is reduced by 6% this means that she will receive £23.83 per week towards her Council Tax – a reduction in help of £1.52 per week.

Mrs T is now required to pay £1.52 per week towards her Council Tax this equates to £79.04 per year.

Example three

Mr S is a single working age person claiming Council Tax Benefit. Mr S has his grown up son living with him as his non-dependant, as he is a full time student there is no non-dependant deduction for him. Mr S is in receipt of Income Support.

Council Tax Benefit

Mr S's annual Council Tax bill is £1153.01, Mr S also gets Single Person Discount (as his son is a full time student and a disregarded person Council Tax purposes), this reduces his bill by a further 25% to £864.76.

As Mr S is in receipt of Income Support the "means test" does not apply.

Under the Council Tax Benefit rules as Mr S is entitled to £16.63 per week towards his Council Tax. Mr S's weekly liability for Council is £16.63 per week. This means that Mr S receives full Council Tax Benefit and is not required to make a contribution towards his Council Tax.

Council Tax Support

Under Council Tax Support Mr S will still receive Single Person Discount (whilst his son is a full time student) and being in receipt of Income Support still means that the "means test" is not applied.

Instead of receiving £16.63 per week towards his Council Tax this will be reduced by 5-6%.

If the £16.63 is reduced by 6% this means that he will receive £15.63 per week towards his Council Tax – a reduction in help of £1.00 per week.

Mr S is now required to pay £1.00 per week towards his Council Tax this equates to £52.00 per year.

Example four

Mr F is claiming with his partner and two children. Mr F is self-employed and receives Child Tax Credit £111.52, Working Tax Credit £79.14, Child Benefit £33.70. His weekly self-employed earnings are £59.90.

Mr F's total household income is £284.26 of which £60.80 is disregarded for Council Tax Benefit purposes. This means that when Mr M's Council Tax Benefit is worked out only £223.46 is used in the calculation

Council Tax Benefit

Mr F's annual Council Tax bill is £1304.16

Under the Council Tax Benefit rules Mr F is entitled to £25.08 per week towards his Council Tax. Mr F's weekly liability for Council is £25.08 per week. This means that Mr F receives full Council Tax Benefit and is not required to make a contribution towards his Council Tax.

Council Tax Support

Under Council Tax Support Mr F's household income is still the same (£284.26) and the amount of income disregarded is still be the same (£60.80).

Instead of receiving £25.08 per week towards his Council Tax this will be reduced by 5-6%.

If the £25.08 is reduced by 6% this means that he will receive £23.58 per week towards his Council Tax – a reduction in help of £1.50 per week.

Mr M is now required to pay £ 1.50 per week towards his Council Tax this equates to £78.00 per year.

List of people/groups/organisations contacted during the consultation period

- KCC – Independent Living Scheme
- KCC – Diana Thomas Area Benefits office
- Catch 22
- CAB – Thanet
- CAB – Canterbury
- CAB - Dover
- Canterbury Housing Advice Centre
- Catching Lives
- Thanet Volunteer Bureau
- KCA
- Porchlight
- Hope
- Canterbury Children's Centres
- Thanet Children's Centres
- Dover Children's Centres
- KCHT
- KMPT
- Kenward Trust
- CASA Support
- MCCH

- Avante
- Age UK – Thanet
- Age UK – Canterbury
- Age UK – Dover
- Hi Kent
- Kent Association for the Blind – Dover
- Kent Association for the Blind – Canterbury
- Canterbury and District Mental Health Forum
- The Friends for Mental Health (East Kent)
- Home Start – Canterbury
- Home Start – Dover
- Home Start – Thanet
- The Umbrella Centre – Canterbury
- The Umbrella Centre – Herne Bay
- The Umbrella Centre – Whitstable
- Town and Parish Councils – Canterbury
- Town and Parish Councils – Thanet
- Town and Parish Council – Dover
- Councillors – Thanet
- Councillors – Canterbury
- Councillors – Dover
- MP – Canterbury
- MP – Dover
- MP – Thanet
- National Landlord Association
- Southern Private Landlords