

**First Stage Equality Impact Assessment  
Council Tax Support Scheme 2017/18**

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## **Name of Policy/Strategy/Service/Function Proposal**

The Council Tax Support Scheme for 2017/18

### **The Aims, Objectives and Expected Outcomes:**

Since 1<sup>st</sup> April 2013, the Council has maintained a local Council Tax Support scheme. This replaced the national Council Tax Benefit scheme, which ended on 31<sup>st</sup> March 2013. Council Tax Support helps provide support to council taxpayers who have a low income. It supports the taxpayers by providing a reduction in the actual amount in Council Tax payable.

The Council has the ability to determine the level of support given to working age applicants only. The scheme for pension age applicants is determined by Central Government and therefore the ability of the Council to vary that part of the scheme is limited and can only enhance the national scheme in any event.

When Council Tax Support was first introduced, Central Government provided a specified level of grant, which was approximately 10% lower than the amounts previously given (pre 1<sup>st</sup> April 2013). This has now been replaced by a general duty to provide a scheme and funding is not separately identified within the grants given to the Council.

After the original consultation, the Council decided to introduce a Council Tax Support Scheme that differed from the original Council Tax Benefit in that instead of granting a maximum level of support of 100% it would limit the maximum support to 95%;

### **Changes since 2013**

Since the introduction of Council Tax Support, the overall scheme adopted by the Council has remained broadly the same, with only applicable amounts and non-dependant charges being uprated as well as minor changes being made to mirror changes to the Housing Benefit scheme. Central Government has also continued to uprate changes to applicable amounts for pension age applicants, again to mirror the changes in Housing Benefit.

### **The Proposed Scheme for 2017/18**

It has now been decided by the Council that a full review should be undertaken as to the effectiveness of the current Council Tax Support Scheme and a public consultation should be undertaken to gather views as to whether the current scheme should be changed. The Council is minded to make changes to the working age scheme to meet the following:

- The more accurate targeting of support to those working age applicants who most need it;
- The need to change the scheme, not only to align with proposed changes to Housing Benefit, but also to align the scheme with the approach taken by the Department for Work and Pensions in the creation, introduction and roll out of Universal Credit; and
- To address potential shortfalls in funding due to the continued reduction in Central Government grants.

As part of the Kent Districts' Council Tax Reduction Group, the Council has identified a number of proposed changes and that these will form part of an extensive public consultation. Please note that the changes, if made, would only apply to the working age scheme although the consultation will be open to all Council Taxpayers.

The main proposals of the scheme (subject to consultation) will be as follows. Any changes if adopted will be effective from 1<sup>st</sup> April 2017:

1. Should the Council maintain the current scheme for working age applicants?
2. Should an increase be made in the minimum payment? Views will be obtained as to whether the current minimum payment of 5% should be increased.
3. Should the scheme be amended to align with Housing Benefit, namely that the Family Premium will not be granted for all new claims and for any 'new' families?
4. Should the scheme be amended to align with Housing Benefit by reducing backdating for working age cases to 1 month?
5. Should the scheme set a minimum level of income for all Self Employed claimants (after a start up period of one year)? This could be equivalent to National Minimum (Living) Wage multiplied by 35 hours per week.
6. Should the scheme change the temporary absence rules in line with Housing Benefit, to limit the timescale for Council Tax Support to be paid where an applicant leaves Great Britain for a period of greater than 4 weeks? Certain exceptions would be applied for armed forces personnel, mariners, continental shelf workers and for certain cases where an applicant is receiving care;
7. Should the scheme be amended in line with Housing Benefit to restrict the number of dependants additions granted in the calculation to a maximum of two? This change will have specific exceptions and will only affect those applicants who have a third or subsequent child on or after 1<sup>st</sup> April 2017.
8. Should the scheme be amended in line with Housing Benefit and Employment and Support Allowance whereby the Work Related Activity Component will not be granted when calculating Council Tax Support for all new claims to Employment and Support Allowance on or after 1<sup>st</sup> April 2017?
9. Should the Council Tax Support Scheme have a maximum level of capital at £6,000? Currently the limit is set at £16,000;
10. Whether Child Benefit and Child Maintenance payments which are currently disregarded in the calculation of CTR, should be included as income?
11. Whether to limit the amount of Council Tax Support granted based on the band of the premises. The consultation will include the proposal to limit Council Tax Support to Band D?
12. Whether the scheme should include a targeted (Exceptional Hardship) scheme that would provide applicants with the ability to request additional Council Tax Support if they can demonstrate that they are suffering exceptional hardship;
13. As an alternative to changing the Council Tax Support Scheme, the Council will also consult on whether it should:
  - a. Increase the Council Tax; or
  - b. Find the additional income by cutting other services; or
  - c. Use reserves to provide the income; or
  - d. Increase the income received by the Council

### **Scope of the Equality Impact Assessment**

A full Equality Impact Assessment will be produced after consultation and will examine the potential effects of each of the changes if any of the options were to be considered by the Council.

Please note that Pensioner protection will be achieved by keeping in place national rules, which broadly replicate the current council tax benefit scheme, which existed prior to 1<sup>st</sup> April 2013.

As part of the any changes, the Council will to give consideration to the effects on working age claimants only and in particular any vulnerable groups in the design of any new system.

Central Government has not been prescriptive in how it does this but points to the Council's existing responsibilities including the Child Poverty Act 2010, the Disabled Person Act 1986 and the Housing Act 1996 as well as the public sector equality duty in section 149 of the Equality Act 2010.

### Method of Consultation

The Council will use the following methods to obtain the view of taxpayers

<b>Stakeholders</b>	<b>Methodology</b>
1.Existing claimants (both working age and pensionable age)	
2.Council taxpayers and service users generally	
3. Interested organisations and groups.	
<b>General Awareness</b>	
Provision of information and awareness raising of changes and proposals	Press releases Face to face communication at customer service points Information in libraries, The Council's Facebook and Twitter sites (weekly promotions)

### Analysis and Assessment

A full analysis and assessment will be made after public consultation. Details of responses will also be provided as part of the second stage Equality Impact Assessment

### First Stage – Potential Impacts

Area of impact	Is there evidence of negative positive or no impact?	Could this lead to adverse impact and if so why?	Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group or any other reason?	Please detail what measures or changes you will put in place to remedy any identified impact (NB: please make sure that you include actions to improve all areas of impact whether negative, neutral or positive)
Age	Negative Impact	There may be a reduction in support given to certain working age groups based on the changes. This will be subject public consultation	<p>The council will ensure that we operate within a lawful and balanced budget. The financial impact on the council due to the reduction in the grants received from central government require the council to adopt a local scheme that takes into account the need to protect the most vulnerable in our community and all local taxpayers. The introduction of this scheme will provide the council with the opportunity to apply the principles to ensure that the council meets the public sector equality duty under the Equality Act 2010.</p> <p>The reduction in financial support is necessary to protect the interests of taxpayers general and to preserve the overall finances of the council and services it provides</p>	<p>Should any of the proposals be adopted there will need to be safeguards. This will take the following forms:            The existing means tested scheme will be maintained and the most support will be given to those on lowest income. Certain groups will continue to receive addition help under the scheme through the provision of premiums and allowances, e.g. Disability Premium, Severe Disability Premium, Enhanced Disability Premiums etc.;</p> <p>The Council is proposing the adoption of an exceptional hardship fund which would be available for those claimants in most severe financial need</p>

Area of impact	Is there evidence of negative positive or no impact?	Could this lead to adverse impact and if so why?	Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group or any other reason?	Please detail what measures or changes you will put in place to remedy any identified impact (NB: please make sure that you include actions to improve all areas of impact whether negative, neutral or positive)
Disability	Negative Impact	Certain applicants may experience a reduction in overall support (as with other working age applicants) due to the changes in the scheme		The council is under no obligation to offer protection to those of working age who are in receipt of any disability benefits. However, the Council's preferred option is to implement a local scheme that continues to provide additional premiums to disabled persons. All applicants will have access to the exceptional hardship fund should they experience exceptional hardship.
Gender Reassignment	No impact	Other than that for working age claimants generally		
Marriage & Civil Partnership	No impact	Other than that for working age claimants generally		
Pregnancy & Maternity	No impact	Other than that for working age claimants generally		
Race	No impact	Other than that for working age claimants generally		
Religion / Belief	No impact	Other than that for working age claimants generally		
Sex (male or female)	No impact	Other than that for working age claimants generally		
Sexual Orientation	No impact	Other than that for working age claimants generally		
HR & workforce issues	Not known at this stage		The council will, in any event, monitor the overall impact of work and resource accordingly if the	

Area of impact	Is there evidence of negative positive or no impact?	Could this lead to adverse impact and if so why?	Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group or any other reason?	Please detail what measures or changes you will put in place to remedy any identified impact (NB: please make sure that you include actions to improve all areas of impact whether negative, neutral or positive)
			preferred scheme is adopted and undertake a full EIA screening on the impact of HR workforce issues.	
Human Rights implications if relevant	n/a			