

Impact Assessment - Local council Tax Support

Section 1 – Overview

1. What is the title of the policy?

Localised Support for Council Tax

2. What are the objectives of the policy? For example, what are we aiming to achieve? Who does it benefit? Please provide a brief description

The national Council Tax Benefit (CTB) scheme comes to an end on 31st March 2013 and is to be replaced by a locally determined system of Council Tax Support (CTS). The funding available for the new scheme will be cash limited. The aim of the new support scheme is to provide financial assistance to council taxpayers within the Council's area who have low incomes.

The Council currently pays Council Tax Benefit to around 18500 claimants and 10700 of these are of working age. We recognise that Council Tax Benefit is paid to greater numbers of women than men and in particular females who do not have a partner. Therefore, we acknowledge that any change to the Council Tax Benefit scheme will have a disproportionate affect on female claimants. We have included a breakdown of our current caseload in Appendix 1 (as of 31 August 2012).

Persons who are of state pension age (a minimum 60 years or greater) are protected under the scheme, in that the calculation of the support they are to receive has been set by Central Government. For working age applicants however, the support they receive is to be determined by the local authority.

This equality impact assessment looks at the potential for **not only** protecting pensioners (as required under the legislation) **but also** providing full support to all working age claimants who are considered **vulnerable** as defined below;

- The claimant or partner is in receipt of a severe disability premium within the calculation of council tax support or within any means tested benefit (Housing Benefit, Income Support, Employment and Support Allowance (Income Related) or Job Seeker's Allowance (Income Based)); or
- The claimant, partner or any dependant is in receipt of a enhanced disability premium within the calculation of council tax support or within any means tested benefit (Housing Benefit, Income Support, Employment and Support Allowance (Income Related) or Job Seeker's Allowance (Income Based)); or
- The claimant or partner is in receipt of a support component within the calculation of council tax support or within their Employment and Support Allowance; or
- The claimant or partner receives War Disablement Pension or a War Widow's/Widower's Pension, or any similar payment from another country.

The objective in adopting this policy would be as follows;

- a. To protect pension age claimants (in accordance with the requirements laid down by Central Government);
- b. to protect a specific section of the existing claimant group deemed to be highly vulnerable and independently verified as being the most seriously sick and not likely to be able to obtain work; and
- c. to protect the Council's armed forces covenant

The main issue for the Council is that the funding for support has been reduced significantly. However exempting these two additional working age groups (bearing in mind that pensioners are already protected under the scheme by Central Government) would increase the shortfall in funding to be borne by the remaining working age claimants who are not deemed vulnerable.

Central Government has not been prescriptive in how an authority should protect vulnerable groups 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.

In relation to disability, no definition has been given as to the level which would lead to protection being given, although it is acknowledged that where a person is in the longer term able to undertake work, that they should be incentivised to do so.

This would not apply to those who are deemed severely disabled.

3. Who does this policy affect?

- Customers/service-users
- Partners
- Employees
- Other – interested parties and organisations representing claimant groups

4. What period does the policy cover?

1st April 2013 until 31st March 2014. Reviewed annually

5. Your contact details:

Name of person completing impact assessment and their post	
Telephone	
Date started	
Other officers/Stakeholders involved	

Section 2 – Impact Assessment

1. Will this policy have a significant impact on any of the following groups of people with regard to the General Equality Duty?

Positive and negative impacts should be assessed with regard to the General Equality Duty;

- eliminate unlawful discrimination, harassment and victimisation
- advance equality of opportunity
- foster good relations between different groups

Please mark all boxes indicating whether an impact has occurred, this could be positive or negative.

	Impact (X)		
	Positive	Negative	None
People of different ages		Working age 18-65yrs	Pension age and protected groups
People with ill health or people with a disability		Disabled persons not in protected group	Severely Disabled persons are in protected group
People of different gender		Women of working age will be affected more than men as they represent a higher number of claimants and tend to be in lower wage employment.	
People who are transgender			No evidence to indicate impact
Different racial groups			No evidence to indicate impact
People with different religion or beliefs			No evidence to indicate impact
People of different sexual orientation			No evidence to indicate impact
Women who are pregnant or breast-feeding			No evidence to indicate impact
People that are married or in a civil partnership			No evidence to indicate impact
People affected by deprivation		Working age 18-65yrs (although there is in-built protection for low incomes)	

What is the expected impact?

All persons within the Council's area who have a low income may apply for support and assistance with their Council Tax.

By making an application, providing evidence of their income and household circumstances, their potential entitlement for support will be calculated in line with Central Government prescribed requirements for the Council Tax Support (Reduction) scheme.

In the case of all claimants, it will be essential for the authority to correctly process claims for support based on the new regulatory requirements and to ensure that all existing benefit claimants continue to receive support through the transition and onwards

The desired outcomes are as follows;

Pension Age Claimants

- That existing pensioner claimants for Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme;
- That all pensioners receive the level of support required by regulations set by Central Government (Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012);
- That all new pensioner claimants or existing working age claimants who rise to pension age are able to receive Council Tax Support in line with the regulations; and
- That all pensioner claimants continue to receive the correct level of support at all times.

There are currently 7728 pensioner claimants for Council Tax Benefit

Severely Disabled Working Age Claimants (as defined above)

- That existing severely disabled working age claimants (as defined earlier in this assessment) for Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme;
- That all working age severely disabled claimants receive the level of support currently provided under the existing Council Tax Benefit scheme;
- That all new working age severely disabled claimants or existing working age claimants who become severely disabled are able to receive Council Tax support in line with current Council Tax Benefit scheme; and
- That all working age severely disabled claimants continue to receive the correct level of support at all times.

Working Age Claimants who receive a war widows pension or war disablement pension

- That existing working age claimants who meet the criteria and who currently claim Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme;
- That all working age claimants who meet the criteria, receive the level of support currently provided under the existing Council Tax Benefit scheme;
- That all new working age claimants or existing working age claimants who meet the criteria are able to receive Council Tax support in line with current council tax benefit scheme; and
- That all working age claimants who meet the criteria, continue to receive the correct level of support at all times.
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There are currently 240 Council Tax Benefit claimants who are either severely disabled working age claimants or receive a war widows or war disablement pension.

Remaining Working Age Claimants (not protected)

- That the remaining existing working age claimants who currently claim Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme;
- That the remaining (non protected) working age claimants receive the level of support decided by the Council;
- That all new working age claimants or existing working age claimants who are not in the protected categories are able to receive Council Tax Support in line with Council policy; and
- That they continue to receive the correct level of support at all times.

There are around 10500 remaining working age claimants who would not be protected from the impact of any changes in the new Council Tax Support scheme unless they were defined as vulnerable.

A breakdown of those affected by Parish area is included at Appendix 1.c. We recognise there are areas within the Borough where there are higher numbers of people claiming Council Tax Benefit and acknowledge therefore that claimants in these areas will disproportionately be affected when compared to the whole Borough.

There are a number of factors which will **contribute** to the outcomes of the new process namely;

- That the new Council Tax Support scheme broadly replicates the existing Council Tax Benefit scheme for pension age and working age disabled claimants;
- That management and staff are experienced in delivering means tested support / benefit schemes; and
- That there is a comprehensive project plan, which ensures that delivery of the new scheme, will be on time and in line with legislative requirements.

The factors / forces that could **detract** from these outcomes are as follows;

- The failure of Central Government to approve the necessary legislation on time;
- The tight timescales for implementation of the new scheme;
- The failure of the Council's software suppliers to deliver the necessary changes to existing software systems to enable the correct processing of the new support; and
- The failure to deliver these significant changes to the welfare benefit system on time and within budget.

2. What engagement and consultation have you already carried out?

The Council has consulted with major preceptors and has consulted with the public commencing in August 2012 ending on 26th October 2012.

The information has been collated and will influence the decisions made by the Council prior to the 31 January 2013 in order to allow the implementation of the scheme for the April 2013.

3. Please give brief details of any further engagement/consultation you plan to carry out with any of the above groups, particularly where you feel you don't have sufficient information.

All major precepting authorities have been consulted on the implementation of the new Council Tax Support scheme and a full consultation with the public was undertaken as required by the legislation (Local Government Finance Act 2012) from 28th August 2012 to 26th October 2012.

The consultation delivered responses regarding the principles used to identify the changes and the thoughts of people regarding the individual proposals.

Whilst pension age claimants are protected, the Council still, as part of the consultation process, looked to pension age claimants and pensioners generally to respond to the consultation itself.

In respect of working age severely disabled claimants and the protected groups generally, it was essential to consult with the group as, being of working age, they will be directly affected by any changes decided by the Council.

For working age claimants generally or those who are not classified as protected within this policy, extensive consultation was undertaken to obtain their views given that the level of support they receive will be reduced significantly where these other groups are protected.

The consultation process was robust, comprehensive and encouraged a full response to the new support scheme itself (notwithstanding the fact that the authority is obliged to implement the scheme determined by Central Government for pension age claimants).

The consultation process has utilised a number of communication channels and delivered a maximum coverage of the Borough through the production of a specialized consultation document to every household within the Borough. Direct engagement with potentially affected claimants was undertaken in First Point, Telford at Civic Offices when customers access the benefit service.

Groups representing disabled people or people who chronically sick have been directly consulted as part of the process and we have encouraged their opinions on both local and national schemes.

Public consultation has taken place during the period 28 August 2012 until 26 October 2012

Appendix 2 provides links to information used as part of the consultation.

Section 3 – Mitigating Actions

1. For each significant negative impact identified in Section 2 (Questions 3 & 4), what action have you taken, or will you be taking, to reduce/manage these impacts?

Where claimants are not protected, the level of support will be reduced in line with the funding available from Central Government.

This will be mitigated to some degree by the Council having the ability to assist claimants, by awarding additional support, where they are facing **exceptional** hardship and each case will be examined on a case-by-case basis taking into account their full personal and financial circumstances.

It is **not** possible to protect all claimants given the significant reduction in funding available to the Council.

All working age claimants **not** in the protected groups will see a reduction in support from the current Council Tax Benefit levels. However depending on their circumstances, the reduction they experience will be proportionate to the level of benefit they currently get and also their specific circumstances.

The Council is maintaining the core aspects of the current means tested scheme that provides additional assistance where there are dependants, disability and caring responsibilities by continuing to grant;

- disability premiums;
- enhanced disability premiums;
- severe disability premiums;
- work related activity components (where the person is in receipt of Employment and Support Allowance);
- support component (where the person is in receipt of Employment and Support Allowance);
- disabled child premiums (where dependants are in receipt of Disability Living Allowance or are registered / certified blind; and
- carer's premium where the claimant or partner is in receipt of Carer's Allowance

The scheme also provides significant work incentives with the continued use of;

- earnings disregards;
- additional earnings disregards;
- childcare disregards; and
- extended payments (reductions)

The Council, in creating its policy, has looked to protect families from child poverty by maintaining

- Dependants Additions – an allowance for each child is used within the calculation;
- Disabled Child Premiums – where a child is deemed to be disabled under the policy an additional premium is granted for each child within the calculation;
- Enhanced Disability Premium (where the child is entitled to Disability Living Allowance Care Component at the highest rate); and
- Family premium – where any claimant has at least one child, a family premium is awarded.

In addition child benefit, child maintenance and other income payable to children will continue to be disregarded in full.

The engagement activities have identified that consideration should be given to those with limited financial management skills, mental health problems and anxiety in completing forms. As part of the wider changes to Welfare Reform being delivered through a number of Council services, the Council will continue to proactively engage and work with interested groups and third party organisations (including but not limited to Citizen's Advice Bureau) to maximise opportunities to support and advise customers affected by the changes, especially but not exclusively limited to customers who may share these characteristics.

Also, to some extent some of the concerns identified above will be mitigated by the fact that the Benefit Service operate a telephone and face-to-face application process that alleviates the requirement for a paper based application to be completed and guides the claimants through the process in a much more supportive manner. Home visits are available to customers in exceptional circumstances, particularly where the customer may have mobility difficulties or complex needs.

2. For each significant positive impact you identified in Section 2 (Questions 3 & 4) what action have you taken, or will you be taking, to maximise the opportunity?

N/A

Remember to integrate any actions you have identified in to your service/team plans.

3. How do any of the above actions contribute to the aims of the General Equality Duty;

- **eliminate unlawful discrimination, harassment and victimisation**
- **advance equality of opportunity**
- **foster good relations between different groups**

The above actions eliminate unlawful discrimination and maintain the level of support to the most vulnerable within the Council's area.

We believe the current proposals are objectively justified to achieve the legitimate aim of protecting the most vulnerable in our society whilst budgetary reductions of 10% or more are implemented nationally in relation to available council tax support. These steps will also improve equitable outcomes by removing inconsistencies where household income levels are not taken into consideration.

Where negative impacts have been identified we have made attempts to lessen the impact on those affected; the continuation of childcare disregards in calculations and a reactive hardship fund for instance.

We will also continue to review the situation and seek to provide further mitigation as and when opportunities and budgetary constraints allow.

Section 4 – Review and Monitoring

1. From what date will this policy be implemented?

1st April 2013

2. How will the actual impact of the policy be monitored and reviewed?

Full monitoring of scheme implementation on a monthly basis in line with the accepted project plan.

Monthly and quarterly collection of data is to be undertaken by the Revenues and Benefits Service.

An update report will be produced at the end of the first year with further analysis of the actual impacts incorporating engagement with key stakeholders and detailing the effectiveness of the discretionary fund – April 2014

APPENDIX 1

Current Council Tax Benefit Caseload Breakdown

1a. Breakdown by case group

Case Group	Number of Current Council Tax Benefit claims
Pension Age	7728
Working Age	10774

1b. Working Age claims breakdown by gender by the person claiming Council Tax Benefit

Gender	Number of claims
Female with partner	1607
Female without partner	5493
Male with partner	1464
Male without partner	2210

1c. Working Age claims breakdown by Parish area

Parish	Number of Council Tax Benefit claims
Dawley Hamlets Parish Council	288
Ercall Magna Parish Council	37
The Gorge Parish Council	112
Great Dawley Parish Council	1295
Hadley and Leegomery Parish Council	900
Hollinswood & Randlay Parish Council	425
Ketley Parish Council	269
Lawley & Overdale Parish Council	419
Lilleshall & Donnington Parish Council	886
Madeley Parish Council	1890
Newport Town Council	355
Oakengates Town Council	558
St Georges & Priorslee Parish Council	467
Stirchley & Brookside Parish Council	1047
Wellington Town Council	1332
Wrockwardine Parish Council	66
Wrockwardine Wood & Trench Parish Council	318
Others*	101

*Represents Parish areas with fewer than 20 claimants and have been combined to protect against the potential identification of individuals.

Information extracted from Telford & Wrekin Council Tax information management system 31 August 2012. The number of claimants can change daily so this information is only accurate at the time of extraction

APPENDIX 2 – Consultation Documents

Council Tax Support Consultation – Consultation Document

http://www.telford.gov.uk/downloads/file/4622/council_tax_support-consultation_document

Council Tax Support Consultation – Consultation Survey

Online - http://www.telford.gov.uk/downloads/file/4623/council_tax_support-draft_proposed_scheme

Paper - http://www.telford.gov.uk/downloads/file/4621/council_tax_support-paper_survey

Your Voice Special edition

http://www.telford.gov.uk/downloads/file/4705/council_tax_benefit-the_changes_that_could_affect_you