

# Equality Impact Assessment Form

<b>Subject</b>	Local Council Tax Support Scheme (original changes to scheme agreed in 2013)	
<b>Service / Business Unit</b>	<b>Service Area</b>	<b>Directorate</b>
Benefits	Exchequer	Governance and Resources
<b>EIA Start Date (Actual)</b>	<b>EIA Completion Date (Expected)</b>	
August 2015	December 2015	

<b>Lead Contact / Officer Responsible</b>	Ilys Cookson
<b>Service Unit Manager Responsible</b>	Michelle Bowler

<b>EIA Group</b> (lead contact first)	<b>Job title</b>	<b>Service</b>
Ilys Cookson	Assistant Executive Director	Exchequer
Michelle Bowler	Service Unit Manager	Exchequer
Karen Milner	Operations Manager	Exchequer

<b>SUMMARY BOX</b>
<p>The Welfare Reform Act 2012 abolished Council Tax Benefit from 31 March 2013 and all Local Authorities, including Tameside Council, were required to design and run their own scheme or use the government default national scheme which would have resulted in a short fall in funding in real terms at that time of approximately £4.2 million.</p> <p>The Government stipulated that certain claimants, such as those of pensionable age, must remain protected from any cuts. This means that any reduction in support cannot impact on pensioners and so the full impact falls entirely upon claimants of working age.</p> <p>Tameside's Council Tax Support Scheme was introduced, after consultation, from 1 April 2013. The scheme, which is supported by a full Key Decision on 21 December 2012 and Equality Impact Assessment, still provides financial assistance to some Council Tax Charge payers on a low income whether they rent or own their home, or live rent-free. The effect of receiving Council Tax Support is a reduction in the amount of Council Tax they have to pay.</p> <p>Since 2010 the Council has had £104 million less to spend on services due to funding cuts from</p>

# Equality Impact Assessment Form

the Government. Over the next 5 years we know the Government will continue to make further cuts to our funding. We expect that will mean at least another £90 million less to spend on services.

Cuts in funding from Government have a significant impact on how much the Council has to spend on services.

To meet this challenge a range of proposals across the Council are currently being considered including changing the Council Tax Support Scheme for 2016 / 2017 to reduce the cost of the scheme.

Tameside Council have considered and consulted on the following proposed changes to the Council Tax Support Scheme;

1. Capping Council Tax Support to a Band A
2. Reduce the maximum limit to the amount of Council Tax Support that can be paid to 75%
3. Changing the amount deducted for working age claimants in respect of non-dependants residing in the household to align with claimants who are pension age.

## **Section 1 - Background**

### **BACKGROUND**

The Welfare Reform Act 2012 abolished Council Tax Benefit from 31 March 2013 and all Local Authorities, including Tameside Council, were required to design and run their own scheme or use the government default national scheme which would have resulted in a short fall in funding in real terms of approximately £4.2 million.

The Council Tax Reduction Schemes (Prescribed Requirements)(England) Regulations 2012 must be included in the Councils own scheme and provide protection to claimants of pensionable age so that they must remain protected from any cuts. This means that any reduction in support cannot impact on pensioners and so the full impact falls entirely upon claimants of working age.

Tameside's Council Tax Support Scheme was introduced from 1 April 2013. The scheme still provides financial assistance to some Council Tax Charge payers on a low income whether they rent or own their home, or live rent-free. The effect of receiving Council Tax Support is a reduction in the amount of Council Tax they have to pay. The caseload of claimants is currently 11,760 working age and 9,753 pensioners as at September 2015 and the current cost of the scheme is £14.8 million.

Council Tax Support is accessed by a claim form which is available on-line on the Council's

# Equality Impact Assessment Form

website and a paper form can be provided when necessary. Help is also available to support those who may have difficulty applying.

Cuts in funding from Government have a significant impact on how much the Council has to spend on services.

To meet this challenge a range of proposals across the Council are currently being considered including changing the Council Tax Support Scheme for 2016 / 2017 to reduce the cost of the scheme.

Tameside Council have considered and consulted on the following proposed changes to the Council Tax Support Scheme;

1. Capping Council Tax Support to a Band A
2. Reduce the maximum limit to the amount of Council Tax Support that can be paid to 75%
3. Changing the amount deducted for working age claimants in respect of non-dependants residing in the household to align with claimants who are pension age.

Although the changes being proposed will protect approximately 9,753 pensioner claims there are 11,760 working age claims who are currently receiving Council Tax Support who will be affected by the proposed amendments to the new scheme.

The table below shows the Council Tax Support caseload by area.

	Pension age				Working age				
	Band A	Band B	Band C	Total	Band A	Band B	Band C	Total	
Audenshaw	308	84	71	463	339	48	46	433	896
Ashton	1706	232	212	2150	2686	278	164	3128	5278
Denton	1076	158	372	1606	1023	161	94	1278	2884
Droylsden	677	301	96	1074	1414	220	68	1702	2776
Dukinfield	757	81	125	963	869	59	64	992	1955
Hyde	1306	221	213	1740	1828	210	136	2174	3914
Longdendale	212	80	44	336	231	60	36	327	663
Mossley	293	42	51	386	391	36	22	449	835
Stalybridge	803	104	128	1035	1144	76	57	1277	2312
Total	7138	1303	1312	9753	9925	1148	687	11760	21513

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Of these 21,513 claimants, 59% are female, and 41% male. Amongst this same 21,513 cohort there are 5,007 claimants with children, of which 4,929 are working age, 3,317 being single parents that are working age claimants. 93% are working age lone parents that are female.

Some protection will continue to be given to the non-passported benefit claims where child benefit is received. This equates to almost 1,017 claims of which 43% are single parents and primarily single mothers.

In addition some protection is also being given to 282 standard working age claims in receipt of Disability Living Allowance income. This would limit the impact of proposal C as claimant's who are in receipt of some elements of Disability Living Allowance income will be protected.

## **Section 2 – Issues to consider & evidence base**

### **ISSUES TO CONSIDER**

Section 149 of the Equality Act 2010 places the Council and all public bodies under a duty to promote equality. All public bodies are required to have regard to the need to:

- Eliminate unlawful discrimination.
- Promote equal opportunities between members of different equality groups.
- Foster good relations between members of different equality groups including by tackling prejudice and promoting understanding.

The Council has also taken into consideration the Welfare Reform Act 2012 and The Council Tax Reduction Schemes (Prescribed Requirements)(England) Regulations 2012.

#### ***Financial considerations.***

The scheme was designed to provide extra support for vulnerable people with disabilities claiming benefit, carers and those in receipt of war pensions and to support as many claimants on low incomes as possible taking into account the requirements of the scheme as determined by the Government and affordability.

The caseload of claimants is currently 11,760 working age and 9,753 pensioners as at September 2015 and the current cost of the scheme is £14.8 million.

Cuts in funding from Government have a significant impact on how much the Council has to spend on services.

To meet this challenge a range of proposals across the Council are currently being considered and consulted on including changing the Council Tax Support Scheme for 2016 / 2017 to reduce the cost of the scheme.

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It is estimated that the proposed changes will make the following financial efficiencies:

Proposal A – Capping support to a band A property - Based on the current Council Tax Support caseload, the potential saving would be £234,000.

Proposal B – Reduce the maximum limit of Council Tax Support that can be paid - Based on the current Council Tax Support caseload, the potential saving would be £357,000.

Proposal C - Changing the amount deducted in respect of non-dependants residing in the household - Based on the current Council Tax Support caseload, the potential saving would be £104,000.

## ***Consultation, engagement & feedback***

A robust consultation process was undertaken to gain views from the public and stakeholders.

The consultation commenced on 14 September 2015 and ran until 30 November 2015 on the three proposals.

The consultation was conducted as follows:

- Precepting Bodies: Consultation took place with the Police Authority and Fire and Rescue Authority by email.
- Via the Council's online Big Conversation consultation portal
- Two advertisements in local press.
- Paper copies of the questionnaire were made available on request.
- Stakeholders and local voluntary organisations were also contacted by letter to inform them of the consultation, including;
  - CAB
  - Welfare Rights
  - Customer Services
  - Housing Options
  - MINT
  - CVAT
- Notice was given at a Registered Social Landlord Forum
- Notices of the consultation were also sent out to benefit claimant with benefit notification letters and enclosed with Council Tax bills.
- Notices were also sent with approximately 40,000 electoral registration reminders, making a total notice circulation of 58,000.
- Fifty posters were displayed in supermarkets, doctors surgeries and public buildings
- A message about the consultation was also put on the Benefits and Council Tax telephone lines.
- Awareness messages were put on the benefits and Council Tax Council webpages
- Article was placed in the Tameside staff newsletter "The Wire"
- Promoted via social media channels e.g. Council's Twitter account, Contour Housing

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Twitter account

The responses to the consultation have been analysed on a weekly basis.

In total, 21 consultation responses were received. All of these were received via the Big Conversation consultation portal.

An analysis of the 21 consultation responses follows:

Proposal	Agree	Disagree	Neither Agree/ Disagree	Don't know	Total
Cap CTS to Band A properties	14	6	0	1	21
Award a maximum of 75% CTS	10	9	1	1	21
Align non-dependent deductions with the prescribed scheme	16	1	2	2	21

## Respondent details:

A member of the public	16
A community or voluntary group	0
A partner organisation	1
A business /private organisation	0
Other	3

## Gender

Male	9
Female	9

## Age

Aged 18 – 25	1
Aged 26 – 35	4
Aged 36 – 45	1
Aged 46 – 55	7
Aged 56 – 65	2
Aged 65 years and over	0

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## Disability

Where day-to day activities are limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months, including problems related to old age.

Yes, limited a lot	2
Yes, limited a little	2
No	15

## Ethnicity

White - English / Welsh / Scottish / Northern Irish / British	15
White - Irish	
White - Gypsy or Irish Traveller	
Other White background	
White & Black Caribbean	
White & Black African	
White & Asian	1
Other Mixed background	
Black/Black British – African	
Black/Black British – Caribbean	
Other Black / African / Caribbean background	
Asian/Asian British - Indian	
Asian/Asian British - Pakistani	1
Asian/Asian British - Bangladeshi	
Asian/Asian British - Chinese	
Other Asian background	
Arab	
Any other ethnic group	

## Carers

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Where the respondent looks after, or gives any help or support to, family members, friends, neighbours or others because of either:

- Long term physical or mental ill-health / disability
- Problems due to old age

No	15
Yes, 1-19 hours a week	1
Yes, 20-49 hours a week	2
Yes, 50 or more a week	1

## LIST OF EVIDENCE SOURCES

- Communities and Local Government Department Guidance – Localising Support for Council Tax - Vulnerable people – key local authority duties
- The Council Tax Reduction Schemes (Prescribed Requirements)(England) Regulations 2012, as amended.
- Big Conversation results analysis
- Capita reporting module
- Quarterly monitor of current Council Tax Support scheme Equality Impact Assessment data

## Section 3 – Impact

### IMPACT

#### TAMESIDE POPULATION – COUNCIL TAX SUPPORT CLIENT BASE

The population of Tameside is estimated at 219,324 in the March 2011 Census (Office for National Statistics), of which 176,616 are aged 16 years and over. There are an estimated 100,968 properties in Tameside. The population of Tameside is estimated at 220,800 based on the 2014 mid-year population. Trends show an ageing population. The number of people aged 65 years and over has increased by 18.7% between 2001 and 2014. The gender split of Tameside's overall population is 49.1% male and 50.9% female. There are an estimated 100,968 households in Tameside as at 2015.

*Age (16 and over)*

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- Population – 16 to 65 / over 65 – 142,415 65% / 34,201 16%
- CTS client base – working age / pension age – 55% / 45%

The age profile of the CTS client base has a greater proportion of older people compared than the Tameside population. The percentage of claimants of pension age has remained consistent since the Council Tax Support Scheme came into effect in April 2013.

## *Gender*

- Population – Male / Female – 107,650 49% / 111,674 51%
- CTS client base – Male / Female – 41% / 59%

The gender profile of the CTS client base has a greater proportion of females compared to the Tameside population.

## *Disability*

- Population aged 16 and over – Disabled / Not disabled – 25% / 75%
- CTS client base – Disabled / Not disabled – 24% / 76%

The disability profile of the CTS client base is indicative of the Tameside population aged 16 or over.

Note: receipt of disability related benefits or premiums have been used as a proxy for disabled people within the CTS client base figures.

## *Ethnicity*

- Population aged 16 or over – White / Non-white – 92% / 8%
- CTS client base – White / Non-white – 90% / 10%

The ethnicity profile of the CTS client base is indicative of the Tameside population aged 18 or over.

## *Religion & belief / sexual orientation / gender re-assignment / pregnancy & maternity / marriage & civil partnership*

Specific data is not available on those protected characteristics for the CTS client base.

## *Single People / Couples / Families*

Information within the Council Tax Support system allows us to model data on family make-up. The data below is indicative and looks at family status and the breakdown between pensioners and non-pensioners.

- Single person households – approximately 14,640 (7,340 – pensioners / 7,300 – non-pensioners).
- Lone parent households – 3,357 (40 – pensioners / 3,317 – non-pensioners).
- Couples with children – 1,650 (38 pensioners / 1,612 – non-pensioners).
- Couples with no children – 3,185 (2,307 pensioners / 878 – non-pensioners).

Note: of the 3,317 non-pensioner (i.e. working age) lone parent families, 93% of these are female.

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## Other considerations

- *Economic vulnerability* – 90% of the working age claimants (i.e. non-protected people below pension credit age) are out of work. For those with a disability this rises to 99.5% (although this is a function of disability benefits being used as a proxy for disability).
- *Carers* – 558 (3%) of all claimants receive Carer's Allowance.
- *Maternity* – 23 (0.2%) of working age claimants receive Maternity Allowance.
- *War widows* – 40 (0.2%) of all claimants are war widows (of which 7 are of working age).

## **IMPACT ON CLIENT BASE – PROPOSALS FOR COUNCIL TAX SUPPORT SCHEME**

Tameside has approximately 21,513 claimants of Council Tax Support (CTS). Of these, 9,753 are pensioners (i.e. reached pension credit age) and are therefore fully protected under the legislation and will not see any change in their benefit entitlement.

The remaining 11,760 claimants are all potentially affected by the changes proposed in the LCTSS consultation and proposals. The general impact will be that residents of working age will not receive the same level of CTS as in previous years. This will have economic impacts on a variety of groups of people who will face additional cost pressures due to changes in benefits more generally such as the introduction of Universal Credit and changes to Tax Credits.

Pensioner age – 9,753 (45%) of claimants are fully protected. Almost half of current claimant base will be subject to no impact as a result of the final scheme. Similarly, there will be no change to the 100% war pensions/war widows pension disregard for working age claimants.

Disabled people – 5,224 (24%) of claimants are disabled. Of these, 2,812 (54%) are pensioners so are already covered by the full protection afforded to people who have reached pension credit age. The remaining 2,412 disabled claimants may be affected to varying degrees depending on whether they fall into any of the categories below.

### **PROPOSAL A** - Capping Council Tax Support to a Band A

Currently Council Tax Support is limited to claimants living in band A and band B properties. Claimants living in a band C property and above can only claim to a maximum of 80% of a band B liability and have to pay the difference in full.

As at 1 September 2015 the majority of Council Tax Support claimants, over 84%, live in Band A properties

It is proposed to reduce the level of support given to people living in larger properties, by limiting the maximum award of Council Tax Support for people living in a band B property or above to the maximum level of a band A property.

The effect of this restriction means that those claimants living in more expensive properties with have a larger shortfall. This change would affect the following working age groups:

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## *Age*

1,835 working age claims reside in a property band B or above, 16% of the working age caseload and 9% of the total caseload.

1,135 (10%) of which reside in a band B property.

## *Gender*

1,268 claims in a band B or above are female, which is 69% of all claims in Band B and above. 43% are female and reside in a band B property.

18% are male and reside in a band C property or above.

## *Ethnicity*

91% of the people affected are white and 9% are Non-white.

## *Disability*

22% of the people affected have a disability.

## *Carers*

166 (9%) of the people affected are carers.

## *Children*

620 (34%) are single people with children, of which 589 (95%) are female.

400 (35%) reside in a band B property.

253 (14%) are couples with children

## *War Pensioners*

There is 1 working age war pensioner who would be affected by this change.

## *Religion and Belief / Sexual Orientation / Gender Re-Assignment / Pregnancy and Maternity / Marriage and Civil Partnership*

Specific data is not available on these protected characteristics for the CT client base. It is not anticipated that there will be any disproportionate impact on these protected characteristic groups.

**PROPOSAL B** - Reduce the maximum limit to the amount of Council Tax Support that can be paid to 75%

Currently support is limited to a maximum discount of 80% for all working age claimants.

It is proposed that the maximum discount would be reduced to a limit of 75%.

All working age households would receive less support, leaving households having to pay at least 25% of their Council Tax.

## *Age*

11,760 (55%) of claims are working age.

# Equality Impact Assessment Form

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## *Gender*

61% of the people affected are female, which is 33% of the total CTS caseload.

## *Ethnicity*

Of those people who have informed the Council of their ethnic origin, 8141 are white and 841 are Non-white.

## *Disability*

There are 2,412 working age claims where it can be determined that there is a disability, which is 21% of the affected claims.

282 of these claims have received some protection as Disability Living Allowance income is not taken into consideration in the calculation of the CTS award.

## *Carers*

558 (5%) of the people affected are carers. 65 carers are pension age.

## *Children*

3,317 (28%) of those affected are single people with children, of which 93% are female.

400 single people with children reside in a band B property.

1,612 (14%) are couples with children

## *Religion and Belief / Sexual Orientation / Gender Re-Assignment / Pregnancy and Maternity / Marriage and Civil Partnership*

Specific data is not available on these protected characteristics for the CT client base. It is not anticipated that there will be any disproportionate impact on these protected characteristic groups.

**PROPOSAL C** - Changing the amount deducted for working age claimants in respect of non-dependants residing in the household to align with claimants who are pension age.

A non-dependant is a person who normally resides with a claimant on a non-commercial basis, such as an adult family member or friend. A deduction is made from a claimant's Council Tax Support dependant on the non-dependant's income.

Currently only non-dependants with a net weekly earned income of £189.00 or above contribute £7.00 per week towards the household Council Tax liability for working age claimants.

This proposal would align the deduction income levels and amounts to pension age claimants, which are prescribed amounts i.e. set by the Government. The prescribed amounts are not currently set for 2016 / 2017.

The deduction for all non-dependant's aged 18 or over residing with working age claimants would increase.

# Equality Impact Assessment Form

Non-dependant deductions do not apply to some claimants with entitlement to specific components of Disability Living Allowance and would be protected from the proposed change.

## *Age*

1015 claims with a non-dependant, of which 617 are working age claims or 5% of the working age caseload and 3% of the total caseload.

## *Gender*

461 claims (75%) of the people affected are female

## *Ethnicity*

63% of the people affected are white and 12% are Non-white. The other 25% of working age claims have not declared their ethnicity.

## *Disability*

139 (22%) of the people affected have a disability.

## *Carers*

64 (10%) of the people affected are carers.

## *Children*

134 (22%) are single people with children.

100 (16%) are couples with children

## *Religion and Belief / Sexual Orientation / Gender Re-Assignment / Pregnancy and Maternity / Marriage and Civil Partnership*

Specific data is not available on these protected characteristics for the CT client base. It is not anticipated that there will be any disproportionate impact on these protected characteristic groups.

The Council has a hardship fund to support people suffering severe financial hardship as a result of the changes to the Council Tax Support Scheme.

## **Section 4 – Proposals & Mitigation**

### **PROPOSALS & MITIGATION**

#### **PROPOSALS**

Tameside Council have considered and consulted on the following proposed changes to the Council Tax Support Scheme;

1. Capping Council Tax Support to a Band A
2. Reduce the maximum limit to the amount of Council Tax Support that can be paid to 75%

# Equality Impact Assessment Form

3. Changing the amount deducted for working age claimants in respect of non-dependants residing in the household to align with claimants who are pension age.

## MITIGATION

The Hardship Fund introduced in 2013/14 when the local council tax support scheme was set will remain in place to support claimants in exceptional circumstances, who suffer severe financial hardship as a result of the introduction of the scheme and may apply for additional monies to help pay their council tax. The Hardship Fund will remain at £5k in 2016/7 however this amount does not exclude approved applications being granted should the maximum allocated funding being exceeded. Hardship Funding will be identified from existing budgets and be administered via Tameside Resettlement Scheme.

Mitigations will continue to be in place to protect the following equalities groups in the following ways:

Workers on low incomes / or reduced means as a result of a previous period of unemployment are protected by virtue of keeping support for 4 weeks once back in employment after having been out of work for more than 26 continuous weeks.

Disabled claimants of working age are protected by the exclusion of Disability Living Allowance from their income taken into account when calculating CTS. Claimants in receipt of Carer's Allowance are provided with extra support by having an additional element of allowable income in the assessment. Disabled claimants in receipt of war pensions or war widow's pensions are protected as this income is also excluded from the CTS assessment.

Women are affected more by the scheme than men because there are a higher proportion of female claimants. The number of female lone parents has remained static since the scheme was set in 2013 at 93% of all lone parent households. There are 5,571 female pensioners. A total of 2,702 female single parent households receive maximum CTS benefit with the remainder being protected by the exclusion of Child Benefit from the CTS calculation.

Children and Families are protected by disregarding child benefit in full within the CTS calculation and child care costs being disregarded for claimants in work

There is no anticipated impact on the following protected characteristic groups – ethnicity, marriage/civil partnership, sexual orientation, religion and belief, gender re-assignment.

## **Section 5 – Monitoring**

### **MONITORING PROGRESS**

Ilys Cookson – Assistant Executive Director / Michelle Bowler – Service Unit Manager

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Issue / Action	Lead officer	Timescale
Ensure that changes to the Council Tax Support scheme are communicated appropriately (i.e. different media) and in a timely manner.	Ilys Cookson	On-going
Monitoring (by protected characteristic group where appropriate) those presenting to the Council with concerns over Council Tax Liability, eligibility for Council Tax Support, and access to help / advice.	Ilys Cookson	On-going

*NB – The version sent to Corporate Performance should be the version agreed and signed off by the relevant Senior Manager.*

**Sign off**

<b>Signature of Service Unit Manager</b>	<b>Date</b>
<b>Signature of Assistant Executive Director / Assistant Chief Executive</b>	<b>Date</b>

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