

APPENDIX 2

Stage 1 Equality Impact Assessment – Initial Screening

Assessor(s) Name(s):	Ian Lloyd
Directorate:	Resources
Date of Completion:	September 2015

Name of Policy/Strategy/Service/Function Proposal

Local Council Tax Reduction Scheme review of scheme for 2016/17

The Aims, Objectives and Expected Outcomes:

The original EIA stage 1&2 set out the scope of the EIA and can be found at:
<http://www.iwight.com/documentlibrary/download/eia-local-council-tax-support-stage-1-2>

The EIA stage 2 review completed September 2013 for the 2014/15 scheme can be found at:
<http://www.iwight.com/documentlibrary/view/eia-stage-2-local-council-tax-support-2014-15-scheme>

The national Council Tax Benefit (CTB) scheme ended on 1st April 2013 to be replaced by a locally determined system of Council Tax Support (CTS). The funding available for the new scheme will be cash limited and be determined by the Council.

The aim of the new support scheme is to provide financial assistance to council taxpayers who have low incomes. Persons who are of state pension age (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.

Since 2014/15 the amount of grant received from Government to pay for CTS has been included within general grant (revenue support grant) which has been significantly reduced each year resulting in less money available to meet the costs of CTS as well as significantly reduced resources to pay for all council services.

In order to meet this funding gap the Council has to consider a reduction of council tax support paid to working age claimants. The estimated gross cost of the Isle of Wight Council CTS for 2015/16 is approximately £11.6 million. The Isle of Wight Council's share of this cost is around 87%, in line with the split of council tax with the Police and town and parish councils. For next year's budget (2016/17) the council has a projected revenue budget gap of some £16 million. Some of these

savings could come from reducing the amount of help provided to residents through CTS.

There are 9 proposed changes being considered for the CTS scheme from 1 April 2016 as follows;

Option 1

Increasing the minimum payment required from all working age claimants to either 25% or 30% (from the existing 20%).

Option 2

Removal of family premium for new claims (this will bring the council tax reduction scheme in line with the changes in housing benefit announced by Central Government).

Option 3

Reducing Backdating to four weeks (this will bring the council tax reduction scheme in line with the changes in housing benefit announced by Central Government).

Option 4

Taking the minimum living wage for self-employed earners after one year's self-employment (this will bring the council tax reduction scheme broadly in line with universal credit being introduced by Central Government).

Option 5

To remove the blanket protection for certain claimants and to replace it by a targeted protection scheme based on exceptional hardship.

Option 6

Reduce the capital limit from the existing £16,000 to £6,000 for all cases.

Option 7

To take both disability living allowance and personal independence payments into account when calculating council tax reduction (they are current fully disregarded).

Option 8

Taking child benefit into account when calculating council tax reduction (this is currently fully disregarded).

Option 9

To limit CTR to a maximum council tax band level – either a band B or band C.

Please delete as appropriate:

- This is a proposed review to an existing policy

Key Questions to Consider in Assessing Potential Impact

Will the policy, strategy, service or council function proposal have a negative impact on any of the protected characteristics or other reasons that are relevant issues for the local community and/or staff?

Yes

Has previous consultation identified this issue as important or highlighted negative impact and/or we have created a “legitimate expectation” for consultation to take place? A legitimate expectation may be created when we have consulted on similar issues in the past or if we have ever given an indication that we would consult in such situations

Yes

Do different groups of people within the local community have different needs or experiences in the area this issue relates to?

Yes

Could the aims of these proposals be in conflict with the council’s general duty to pay due regard to the need to eliminate discrimination, advance equality of opportunity and to foster good relations between people who share a protected characteristic and people who do not?

No

Will the proposal have a significant effect on how services or a council function/s is/are delivered?

Yes

Will the proposal have a significant effect on how other organisations operate?

Yes

Does the proposal involve a significant commitment of resources?

Yes

Does the proposal relate to an area where there are known inequalities?

Yes

If you answer **Yes** to any of these questions, it will be necessary for you to proceed to a full Equality Impact Assessment after you have completed the rest of this initial screening form.

If you answer **No** to all of these questions, please provide appropriate evidence using the table below and complete the evidence considerations box and obtain sign off from your Head of Service.

Protected Characteristics	Positive	Negative	No impact	Reasons
Age		<input type="checkbox"/>	<input type="checkbox"/>	Working age claimants of Council Tax support will receive a reduced level of assistance as compared with the current Council Tax Benefit scheme
Disability		<input type="checkbox"/>		Proposal to remove blanket protection for certain claimants and replace with a targeted protection scheme based on exceptional hardship.
Gender Reassignment			<input type="checkbox"/>	No specific impact other than for working age generally
Marriage & Civil Partnership			<input type="checkbox"/>	No specific impact other than for working age generally
Pregnancy & Maternity			<input type="checkbox"/>	No specific impact other than for working age generally
Race			<input type="checkbox"/>	No specific impact other than for working age generally
Religion / Belief			<input type="checkbox"/>	No specific impact other than for working age generally
Sex (male / female)			<input type="checkbox"/>	No specific impact other than for working age generally
Sexual Orientation			<input type="checkbox"/>	No specific impact other than for working age generally

Are there aspects of the proposal that contribute to or improve the opportunity for equality?	Yes
<p><i>If answered Yes, describe what these are and how they may be promoted or enhanced</i></p> <p>Due to the nature of the reductions required in the level of support, all working age claimants are to have reductions in their support, including the working age vulnerable, however they can be considered for further assistance under a targeted protection scheme based on exceptional hardship.</p>	

Evidence Considered During Screening
<p>A full modelling exercise has been undertaken using specialised modelling software to establish the effects of the changes on claimants.</p> <p>The government has stated that council tax support for older people will not be reduced as a result of the introduction of this reform. This is because the government wants to ensure that low income pensioners, who would struggle to pay council tax without additional support, and whom the government does not expect to work to increase their income, will continue to receive support for their council tax.</p> <p>Pensioner protection will be achieved by keeping in place national rules which broadly replicate the</p>

current council tax benefit scheme.

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

Central Government has not been prescriptive in how it expects the Council to do 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.

A full analysis of the existing caseload of those in receipt of Council Tax Support has been undertaken and the expected effects of the proposed changes will be completed in the stage 2 EIA assesement

Head of Service Sign off:	Claire Shand
Advice sought from Legal Services (Name)	Justin Thorne
Date	21 December 2015

A signed version is to be kept by your team and also an electronic version should be published on the council's website (follow the link from the EIA page on the intranet)

Isle of Wight Council Second Stage Equality Impact Assessment
Council Tax Reduction Scheme 2016/17

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Name of Policy/Strategy/Service/Function Proposal

The Council Tax Reduction Scheme for 2016/17

The Aims, Objectives and Expected Outcomes:

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

The Council has the ability to determine the level of support given to working age applicants. 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 Reduction was first introduced, Central Government provided a specified level of grant, which was approximately 14% lower than the amounts previously given (pre 1st 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 consultation, the Council originally decided to introduce a Council Tax Reduction scheme that differed from the original Council Tax Benefit scheme as follows. It should be noted that the changes only applied to working age applicants:

- A reduction in the maximum support from 100% under Council Tax Benefit to a maximum of 80%;
- Protecting claimants who receive (or their partner receives) any of the following by maintaining the potential to obtain 100% maximum reduction:
 - Disability Living Allowance Care (Higher, Middle or Lower rates);
 - Disability Living Allowance Mobility component;
 - Personal Independence Payments;
 - Attendance Allowance;
 - Employment Support Allowance (Support Component);
 - Incapacity Benefit (Long Term Rate);
 - Severe Disability Allowance;
 - War Disablement Pension;
 - War Widows Pension;
 - Armed Forces Compensation Scheme payment
- Restricting all support to a Band D maximum;
- Increasing non dependant deductions; and
- Removing Second Adult Rebate.

Prior to the scheme's introduction, Central Government made a transitional grant available to all those authorities who limited the reduction in the working age scheme to a maximum of 8.5%. Given that a further grant was available, the Council decided to maintain the basics of the Council Tax Reduction scheme as originally determined but to introduce a reduction in liability of 8.5% rather than the 20% originally proposed.

Changes since 2013

Since the introduction of Council Tax Reduction, 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.

Since 1st April 2014, as no further transitional grant was made available by Central Government, the original decision to require all applicants, who are not protected, to pay a minimum of 20% has been introduced.

The Proposed Scheme for 2016/17

During 2015, it was decided by the Council that a full review should be undertaken as to the effectiveness of the current Council Tax Reduction scheme and that recommendations should be made to change 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.

A number of proposed changes were identified and an extensive public consultation has been undertaken from 7th September 2015 until 6th November 2015. Details of the consultation questions as well as details of responses to each of the questions are given within Appendix 1. Please note that the changes only apply to the working age scheme although the consultation was open to all Council Taxpayers.

The main proposals of the consultation were:

1. Should the Council maintain a scheme for working age applicants;
2. Should an increase be made in the minimum payment? Views were requested based on a 25% and a 30% minimum payment;
3. It was suggested that the scheme should be amended to align with Housing Benefit from 2016. It was suggested that the Family Premium will not be granted for all new claims and for any 'new' families after April 2016.
4. It was suggested that the Council Tax Reduction scheme should be amended to align with Housing Benefit from 2016 by reducing backdating for working age to 4 weeks;
5. Whether the scheme should set a minimum level of income for all Self Employed claimants (after a start up period of one year) . This would be equivalent to National Minimum (Living) Wage multiplied by 35 hours per week;
6. Whether the scheme should remove the blanket protection given to applicants with certain benefits and to replace it with a targeted (Exceptional Hardship) scheme that would require individual applications;
7. Whether the Council Tax Reduction scheme should have a maximum level of capital at £6,000. Currently the limit is set at £16,000;
8. Whether Disability Living Allowance & Personal Independence Payments which are currently disregarded in the calculation of CTR, should be included as income;
9. Whether Child Benefit payments which are currently disregarded in the calculation of CTR, should be included as income;
10. Whether to further limit the amount of CTR granted based on the band of the premises. Two bands were suggested Band C and Band B; and
11. As an alternative to changing the Council Tax Reduction scheme should the Council consider:
 - a. Increasing 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

This Equality Impact Assessment examines the potential effects of each of the changes and particularly the effects where any of the options were to be adopted. This stage 2 EIA particularly deals with the proposed changes to Council Tax Reduction Scheme.

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 1st April 2013.

As part of the changes, the Council needs to give consideration to the effects on working age claimants only and in particular any vulnerable groups in the design of a 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 following methods have been used to obtain the view of taxpayers

Stakeholders	Methodology
1.Existing claimants (both working age and pensionable age)	Individual postcards to promote the Council Tax Reduction potential changes 'this could affect you slogan.' Online survey via questionnaire explaining proposals and likely impact Paper survey if requested Benefit notifications and letters issued to claimants had notice on them to promote the survey
2.Council taxpayers and service users generally	Council Tax bills had notice on front of them promote the consultation Online Survey via questionnaire explaining proposals and likely impact Paper survey if requested
3. Interested organisations and groups.	Anti-poverty group meeting 1/10/15 Email sent to Housing Benefit Working Group Members to raise awareness and for them to circulate to their customers Email to all Parish and Town Council Clerks to raise awareness and seek their response Letter sent to the Police & Crime Commissioner seeking views.
General Awareness	
Provision of information and awareness raising of changes and proposals	www.iwight.com 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 summary of the questions posed in relation to the Council Tax Reduction Scheme together and the responses received can be found at Appendix 2. Recommendations having regard to the potential changes are given within Appendix 2 as well as the likely effect on applicants generally.

Action and Improvement Plan

An action and improvement plan is included within Appendix 3.

Appendix 1 – Analysis of responses

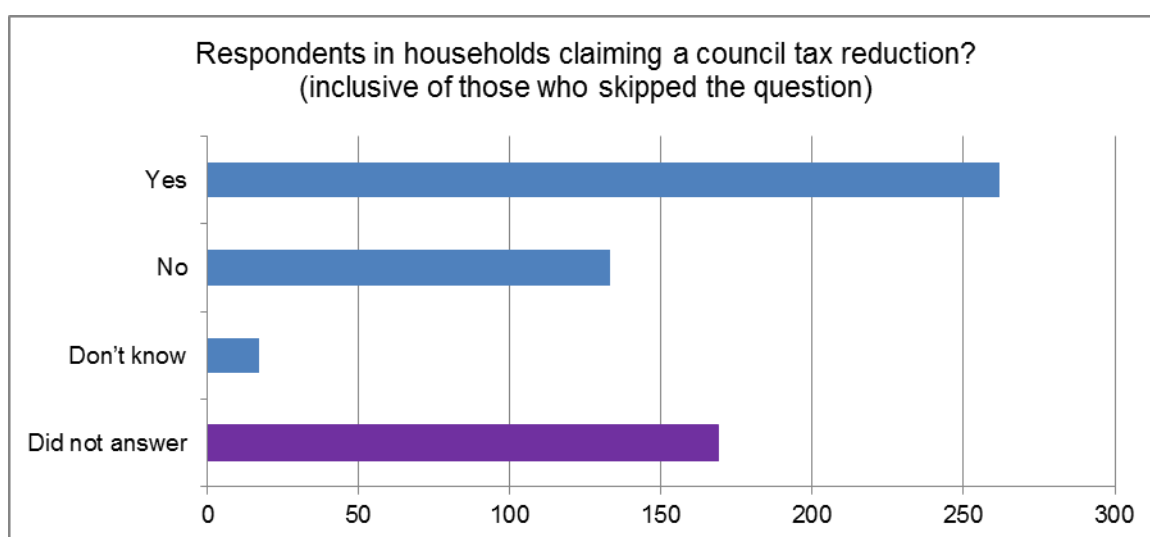
Background to the Consultation.

The survey was undertaken between 07/09/15 and 6/11/15 and received 581 individual responses. The tables below show a breakdown of respondents.

Respondents in household that are currently claiming a council tax reduction.

	Percentage of respondents households getting a Council Tax reduction	Number of respondents households getting a Council Tax reduction
Yes	63.6%	262
No	32.3%	133
Don't know/ Not Sure	4.1%	17

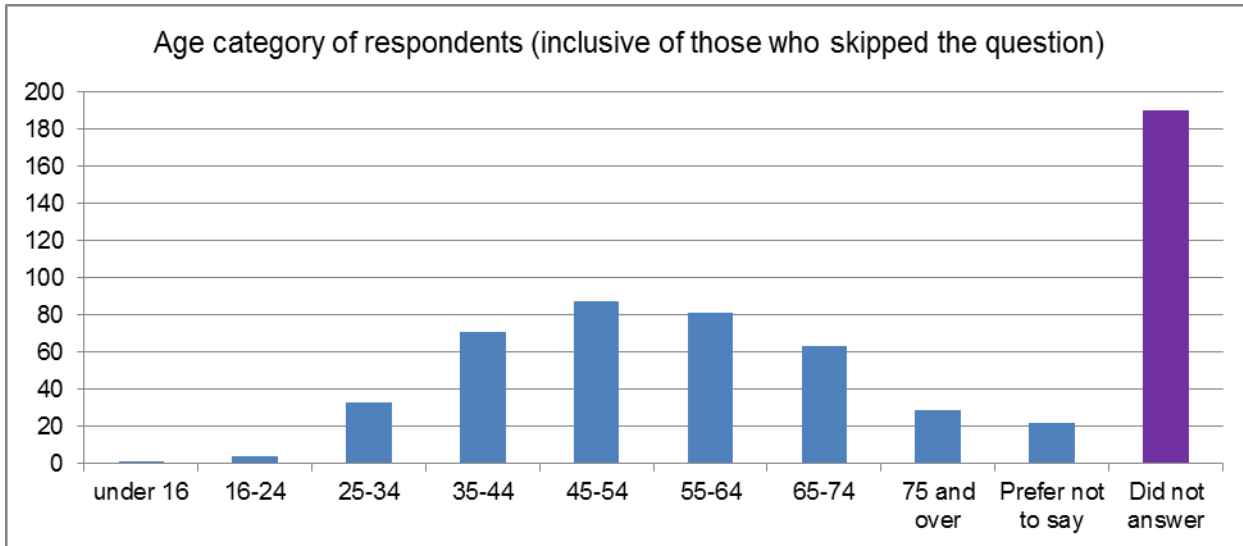
169 respondents skipped this question



Respondents in each age category.

	Percentage of respondents in each age category	Number of respondents in each age category
Under 16	0.3%	1
16-24	1.0%	4
25-34	8.4%	33
35-44	18.2%	71
45-54	22.3%	87
55-64	20.7%	81
65-74	16.1%	63
75 and over	7.4%	29
Prefer not to say	5.6%	22

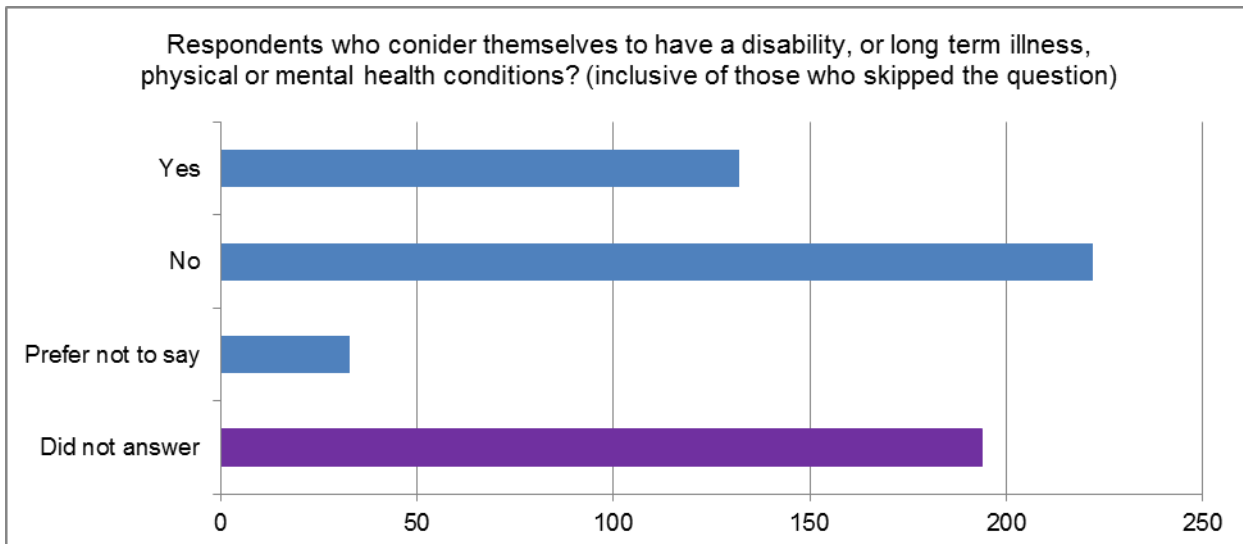
190 respondents skipped this question



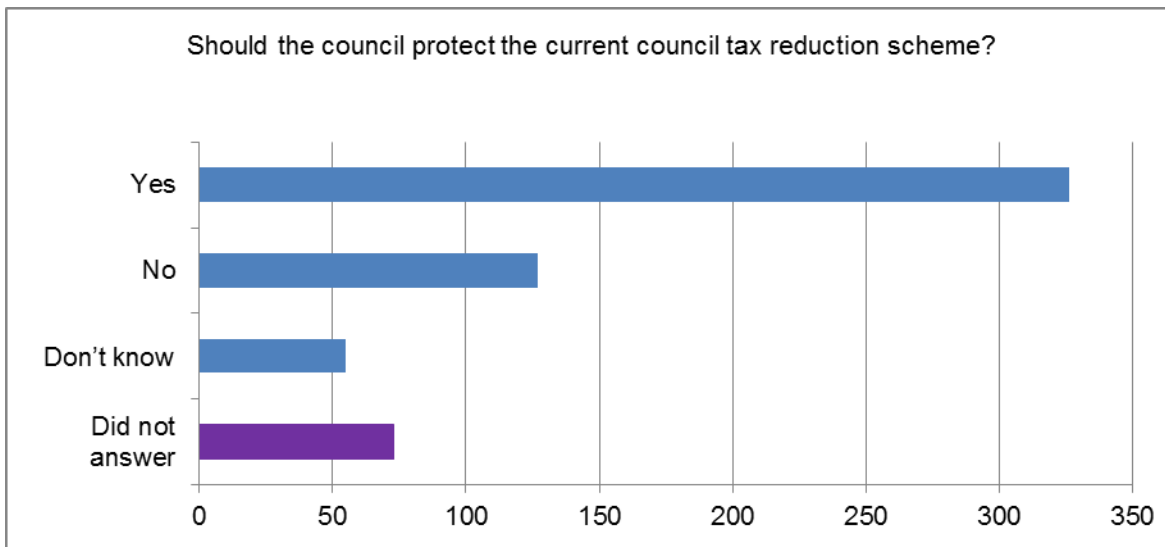
Respondents consider themselves to have a disability, or long term illness, physical or mental health conditions

	Percentage of respondents who consider themselves to have a disability, or long term illness, physical or mental health conditions.	Number of respondents who consider themselves to have a disability, or long term illness, physical or mental health conditions.
Yes	34.1%	132
No	57.4%	222
Prefer not to say	8.5%	33

194 respondents skipped this question



Should the current council tax reduction scheme be protected?

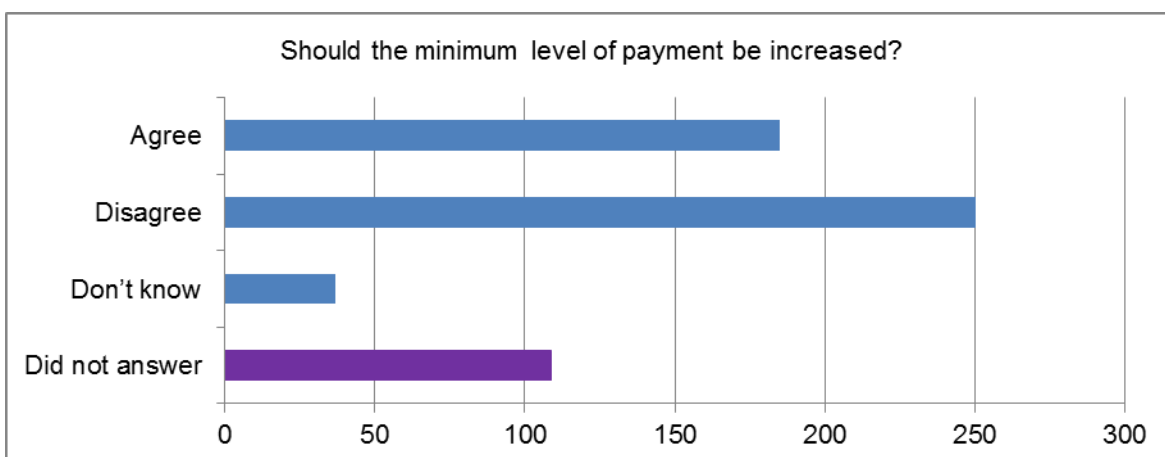


508 Respondents answered this question. 326 respondents (64%) stated that they think the council should retain a council tax reduction scheme for working age claimants, with 55 (11%) stating they did not know. 73 respondents skipped this question. Of those 326 respondents 199 (61%) were from a household that was currently getting a Council Tax Reduction. 131 (66%) of those from a household receiving a Council Tax Reduction and thinking the scheme should be retained were of working age (16-65).

Respondents were invited to provide their comments on protecting the council tax reduction scheme. The table below contains a common theme from those agreeing and disagreeing with the option.

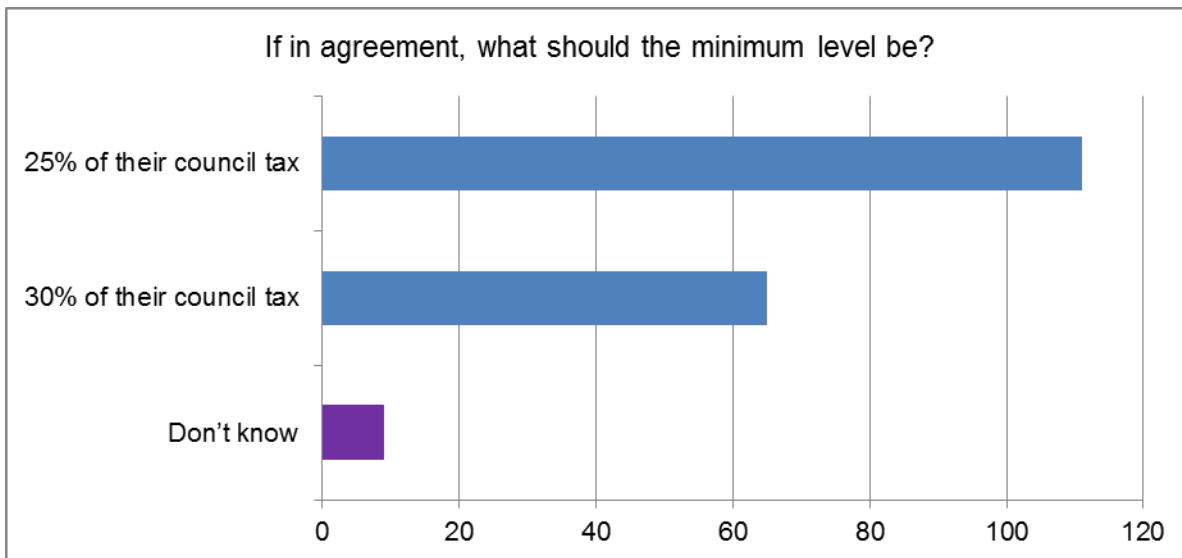
Those in agreement	It was felt that if the council tax reduction scheme was not protected, many vulnerable residents would suffer financial hardship.
Those disagreeing	It was felt that in the current climate some changes were required to reduce the current level of council tax reductions.

Should the minimum level of payment be increased from 20% to either 25% or 30%?



472 respondents answered this question. 250 (53%) respondents disagreed that the minimum level of payment should be increased, with 37 (8%) stating they did not know. 109 respondents skipped this question.

185 respondents agreed that the level should be increased, of which 111 (60%) thought it should be increased to 25%, 65 (35%) thought it should be increased to 30% and 9 (5%) stated they didn't know what level it should be increased to.

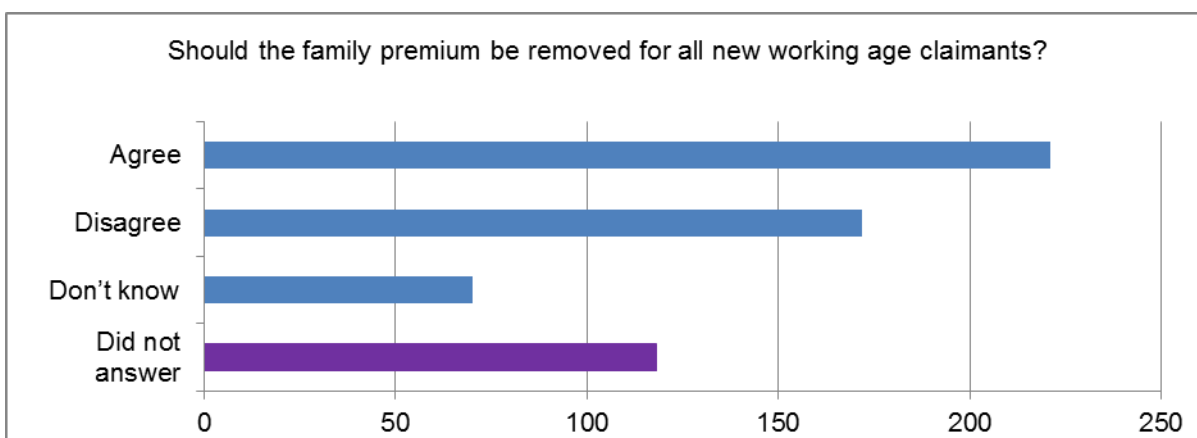


Of those 250 respondents 54 (22%) of those respondents stated were not from a household that received a council tax reduction.

Of those 54 respondents who disagreed that the minimum level of payment should be increased and were not in receipt of a council tax deduction, 43 (80%) were of working age (16-65). Respondents were invited to provide their comments on the level of minimum payment. The table below contains a common theme from those agreeing and disagreeing with the option.

Those in agreement to an increase	It was felt that a small increase in payments would not cause significant hardship.
Those disagreeing with an increase	It was felt by many who disagreed, that this option would increase financial hardship to a vulnerable section of society.

Should the family premium be removed for all new claimants of a working age?

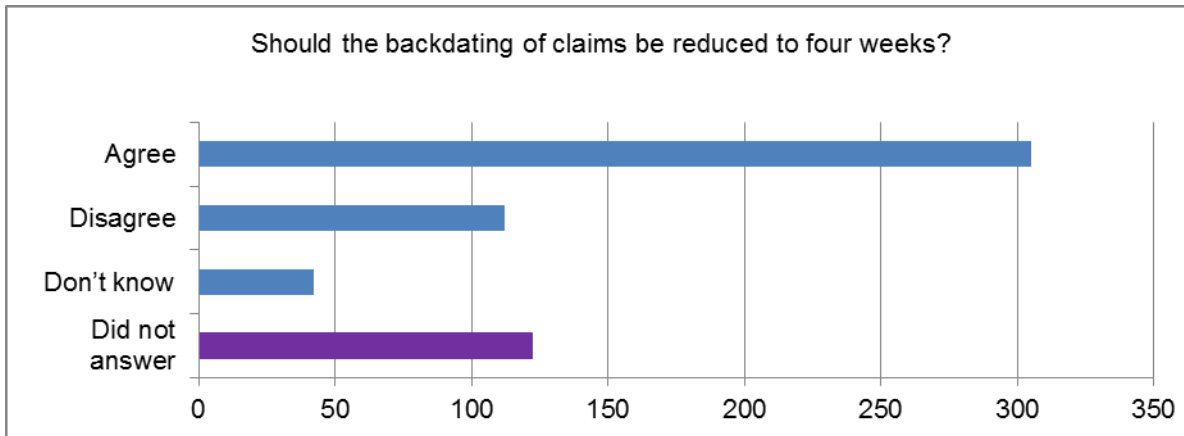


463 respondents answered this question. 221 (48%) respondents agreed that the family premium should be removed for all new claimants of a working age, with 70 (15%) stating they did not know. 118 respondents did not answer this question.

Of the 221 respondents agreeing that the family premium should be removed, 114 (52%) stated they were from a household currently receiving a council tax reduction with 61 (28%) of those being of working age (16-65). Respondents were invited to provide their comments on removing the family premium for all new working age claimants. The table below contains a common theme from those agreeing and disagreeing with the option.

Those in agreement	Many of those in agreement felt it would encourage people to live within their means
Those disagreeing	Many of those who disagreed felt that this would cause additional financial pressure to families on low incomes.
Both those agreeing and disagreeing with the option	It was felt, amongst many who disagreed and those who agreed that it would not be appropriate to treat new claimants differently from existing claimants

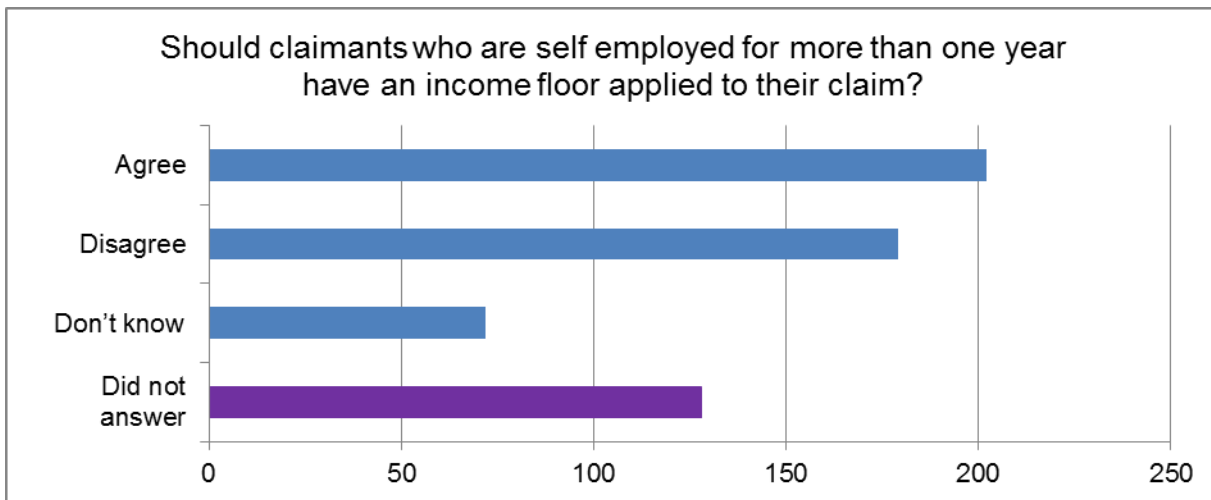
Should backdating of claims be reduced to four weeks?



459 respondents answered this question. 305 (66%) respondents agreed that the backdating of claims should be reduced to four weeks, with 42 (9%) stating they did not know. 122 respondents did not answer the question. 184 (60%) of those were of working age, with 101 (55%) of those coming from a household claiming a council tax reduction. Respondents were invited to provide their comments on reducing backing to four weeks. The table below contains a common theme from those agreeing and disagreeing with the option.

Those in agreement to an increase	It was felt that people should be making claims in a timely manner and four weeks was sufficient time.
Those disagreeing with an increase	There was a general feeling amongst those that disagreed that delays beyond the control of the claimant would cause financial hardship. However, where reference was made to delays in administrative processing over the 4 weeks this would not impact on the claim start date and is not a backdating provision as a claim is considered usually from the Monday following date of receipt.

Should claimants who are self-employed claimants for more than a year have an income floor applied to their claim?



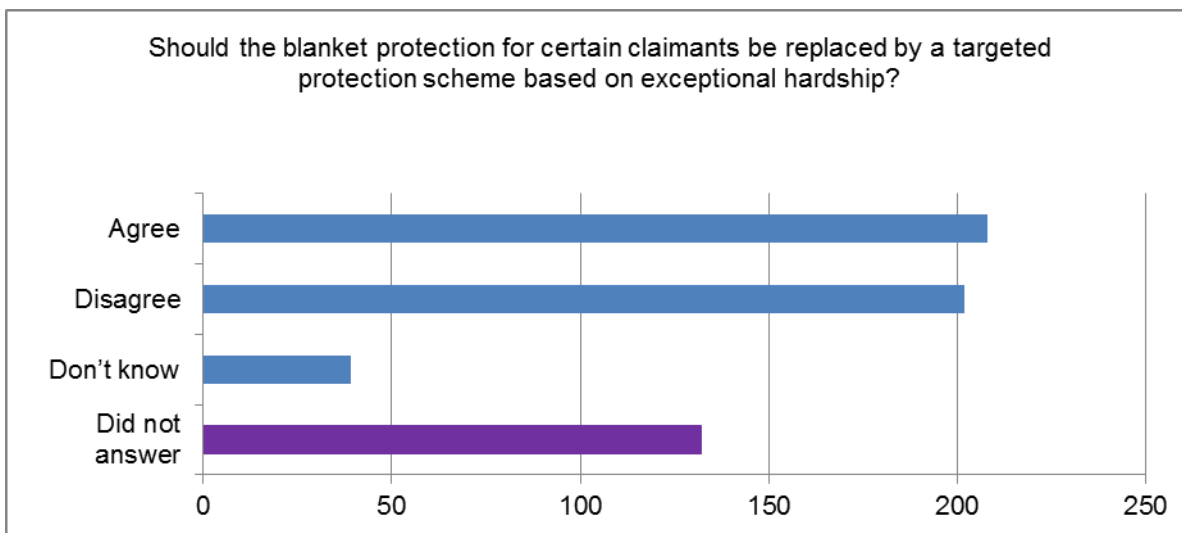
453 respondents answered this question. 202 (45%) respondents agreed there should be a floor applied, with 72 (16%) stating they did not know. 128 respondents did not answer the question.

Of the 202 respondents agreeing with the statement, 122 (60%) were of working age (16-65) with 57 of those stating they were from a household claiming a council tax reduction.

Respondents were invited to provide their comments on claimants who are self-employed for more than one year having a minimum income floor applied. The table below contains a common theme from those agreeing and disagreeing with the option.

Those in agreement to an increase	There were suggestions from some respondents that those in self-employment may not be declaring all their income
Those disagreeing with an increase	It was felt that this option could disadvantage self-employed claimants who may not be earning the minimum wage and should be based on actual income.

Should the blanket protection for certain claimants be replaced by a targeted protection scheme based on exceptional hardship?



449 respondents answered this question. 208 (46%) of respondents agreed that the blanket protection for certain claimants should be replaced, with 39 (9%) stating they did not know. 133 respondents did not answer this question.

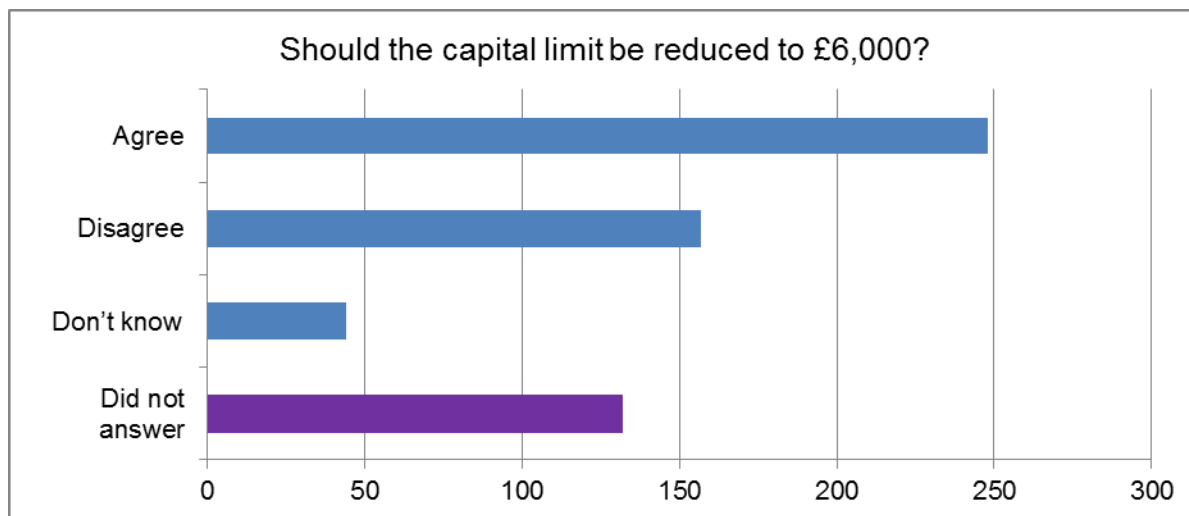
From 208 respondents who agreed 126 (61%) were of working age, with 55 (44%) of those being from a household currently claiming a council tax reduction.

Of those 55 respondents, 15 (27%) stated that they considered themselves to have a disability or long term illness, physical or mental health conditions as defined by the Disability Discrimination Act 1995 and the Equality Act 2010.

Respondents were invited to provide their comments on this option. The table below contains a common theme from those agreeing and disagreeing with the option.

Those in agreement	It was considered that means testing was the fairest approach based on ability to pay rather than blanket protecting all in the current category who may not be the most vulnerable.
Those disagreeing	It was felt that this would be detrimental to the vulnerable and those most in need.
Both those agreeing and disagreeing with the option	There was a common concern raised from both respondents who agreed and disagreed that this would create a very costly administration process.

Should the capital limit be reduced to £6,000?



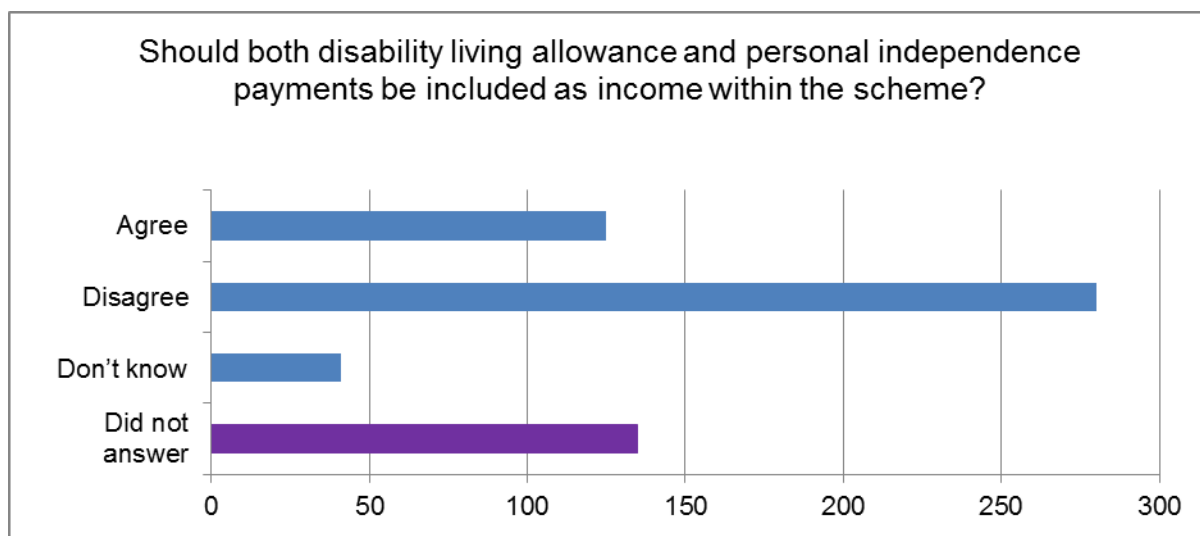
449 respondents answered this question. 248 (55%) respondents stated they agreed that the capital limit should be reduced to £6,000, with 44 (10%) stating they did not know. 133 respondents did not answer the question.

Of the 248 respondents agreeing with the reduction, 142 (57%) were from a household in receipt of a council tax reduction and 97 (68%) of those were of a working age (16-65).

Respondents were invited to provide their comments on reducing the capital limit. The table below contains a common theme from those agreeing and disagreeing with the option.

Those in agreement	It was felt that £16,000 savings is excessive, and if people had the money they should be paying for their services.
Those disagreeing	It was felt by many that disagreed, that £6,000 wasn't a lot of money and would represent a significant decrease with a compromise of £8,000 to £10,000 suggested as a more appropriate level.

Should both disability living allowance and personal independence payments be included as income within the scheme?



446 respondents answered this question. 280 (63%) respondents disagreed that both disability living allowance and personal independence payments be including as income within the scheme, with 41 (9%) stating they did not know. 136 respondents did not answer the question.

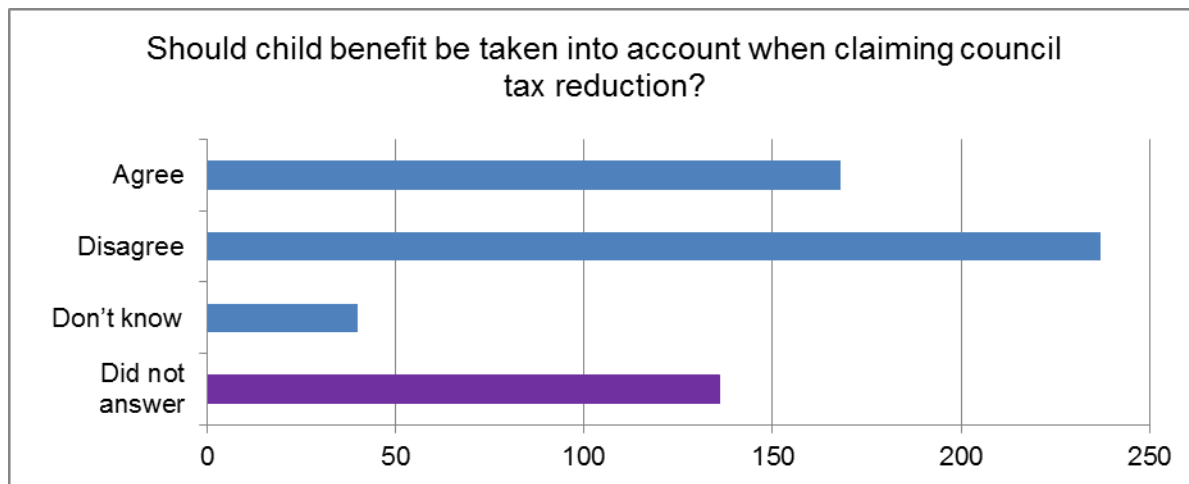
Of those 280 respondents who disagreed, 131 (47%) stated that they considered themselves to have a disability or long term illness, physical or mental health conditions as defined by the Disability Discrimination Act 1995 and the Equality Act 2010.

101(77%) respondents who disagreed and also considered themselves to have a disability or long term illness, physical or mental health conditions were of working age (16-65).

Respondents were invited to provide their comments on this option. The table below contains a common theme from those agreeing and disagreeing with the option.

Those in agreement	Many of those respondents agreeing to this option felt that all income should be included in calculations.
Those disagreeing	Many of those respondents disagreeing with this option felt that the payments were spent of specific expenses by the most vulnerable members of our community and therefore should not be treated as additional income.

Should child benefit be taken into account when claiming a council tax reduction?

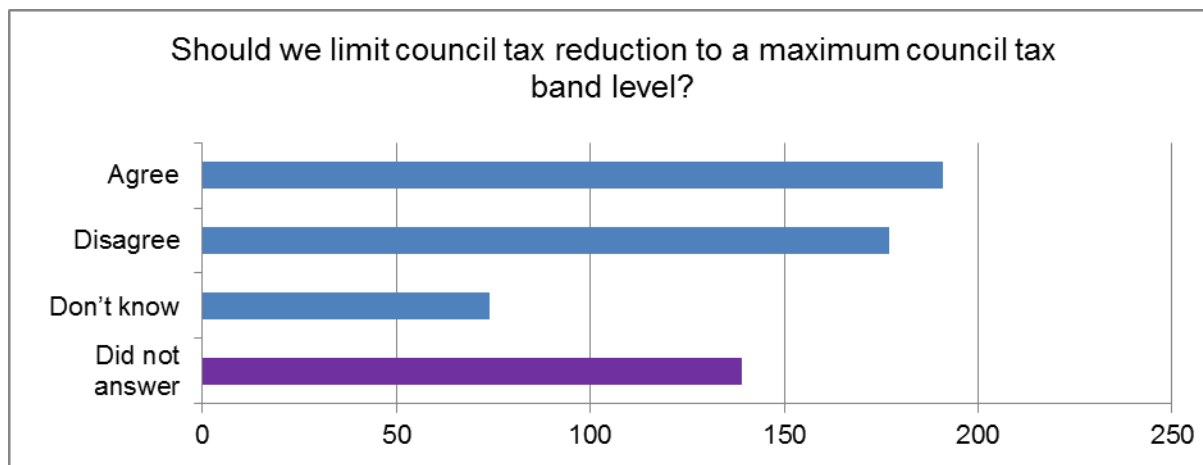


445 respondents answered this question. 237 (53%) disagreed that child benefit should be taken into account when claiming a council tax reduction, with 40 (9%) stating they did not know. 136 respondents did not answer the question. Of the 237 who disagreed 67 (28%) were not in receipt of a council tax reduction, with 53 (79%) of those 67 respondents are of working age (16-65).

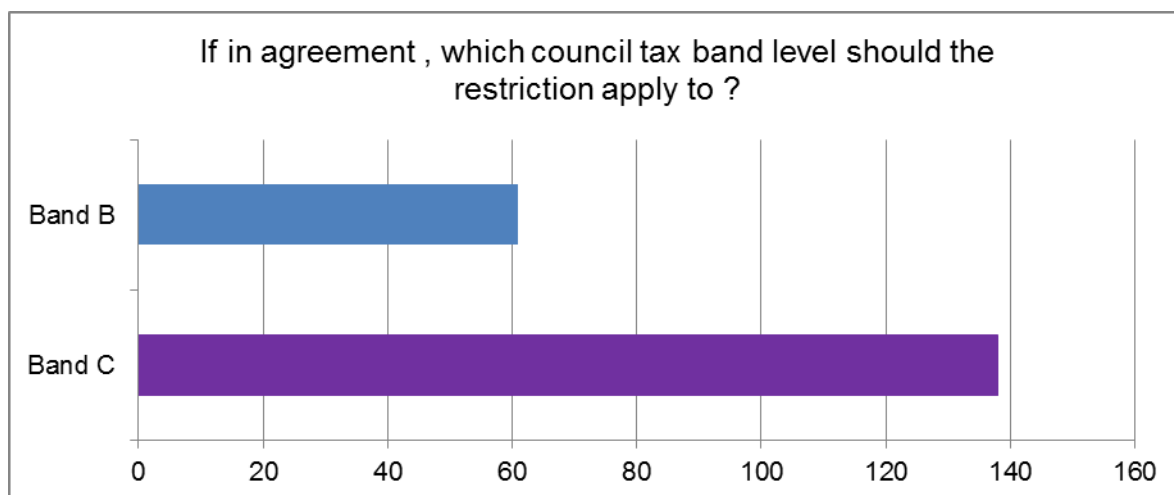
Respondents were invited to provide their comments on taking child benefit into account when calculating council tax reduction. The table below contains a common theme from those agreeing and disagreeing with the option.

Those in agreement	Many respondents in agreement considered that all income should be included in the calculation.
Those disagreeing	Many respondents who disagreed with the option felt it would impact adversely on the children and therefore should not be included within the calculation.

Should we limit council tax reduction to a maximum council tax band level (Band B or C)?



442 respondents answered this question. 191 (43%) respondents agreed that the council tax reduction scheme should be limited to a council tax band level, with 74 (17%) stating they did not know. 140 respondents did not answer the question. Of the 191 respondents who agreed that the council tax reduction scheme should be limited to a council tax band, 61 (31%) thought it should be restricted to band B and 138 (69%) thought it should be restricted to band C.

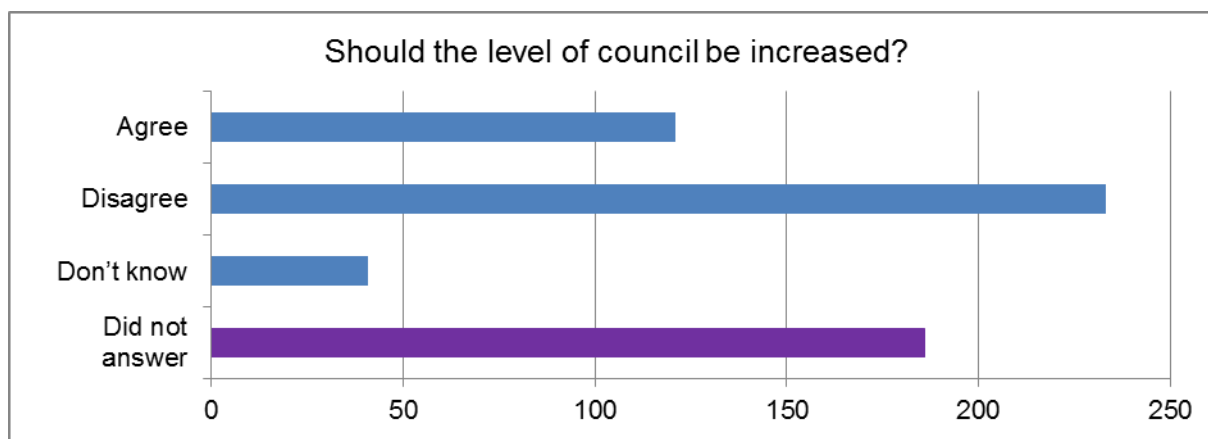


Of those 191 respondents who agreed, 99 (52%) were from a household receiving a council tax reduction, with 65 (66%) of those being of working age (16-65)

Respondents were invited to provide their comments on limiting council tax support to band level when calculating council tax reduction. The table below contains a common theme from those agreeing and disagreeing with the option.

Those in agreement	It was felt that if people were in a high band house, they have the option of downsizing, particularly if the property is owned and not rented.
Those disagreeing	It was considered that some claimants have been unable to find rented accommodation in a lower band that meet their requirements (family, location, disability) and therefore some of the most vulnerable members of the community would be disadvantaged.
Both those agreeing and disagreeing with the option	There were suggestions from those both agreeing and disagreeing with this option that Band D may be a more appropriate level.

Should the Council increase the council tax?

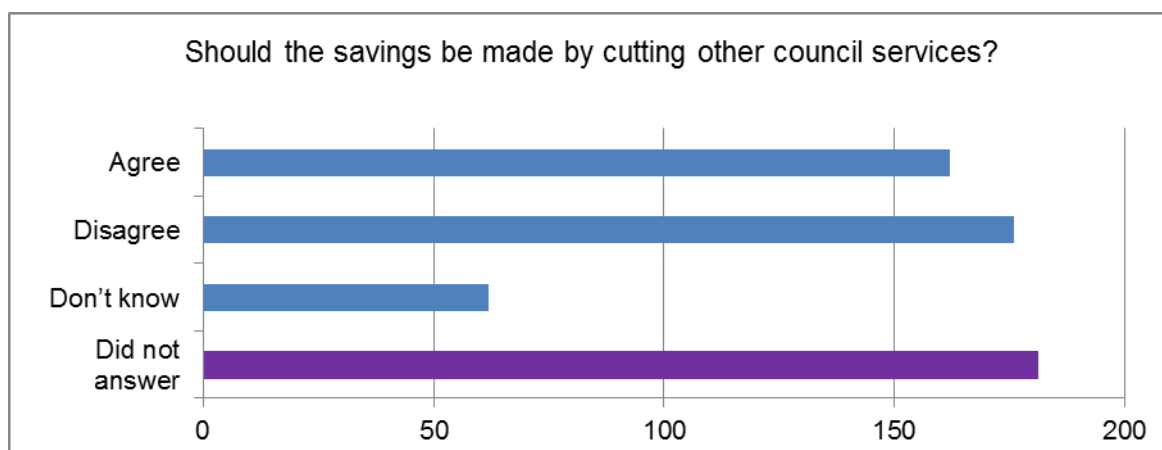


395 respondents answered this question. 121 (31%) of respondents thought council tax should be increased, with 41 (10%) stating they did not know. 186 respondents did not answer the question.

Of the 121 who thought the council should increase the council tax, 49% did not want to cut other council services, 53% wanted to use council reserves and 73% wanted the council to increase its income.

69 (57%) of those who thought the council tax should be increased are from a household that is claiming a council tax reduction, with 41 (59%) of those being of working age (16-65)

Should the council find savings from cutting other council services?

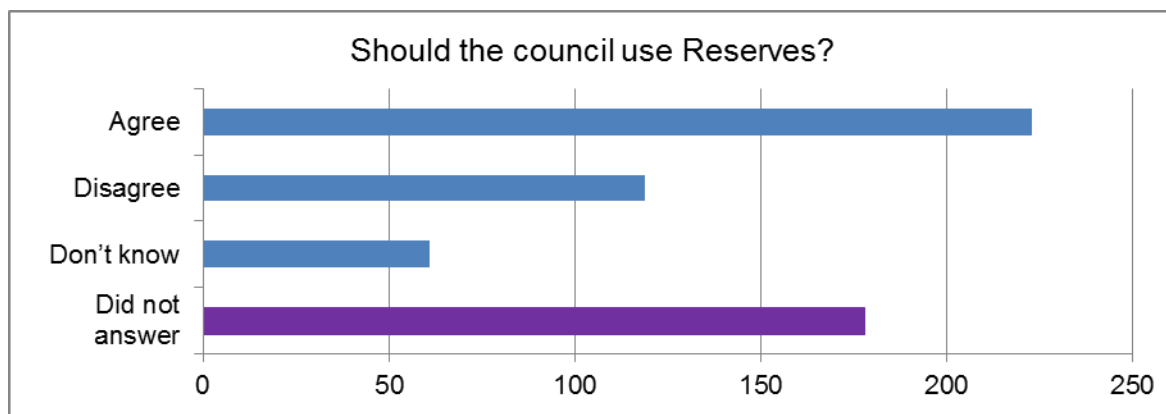


400 respondents answered this question. 162 (41%) of respondents thought the council should cut other council services, with 62 (16%) stating they did not know. 182 respondents did not answer the question.

Of the 162 who thought the council should cut other council services, 65% did not want to increase council tax, 66% wanted to use council reserves and 56% wanted the council to increase its income.

109 (67%) of those who thought the council should cut other services are from a household that is claiming a council tax reduction, with 70 (64%) of those being of working age (16-65)

Should the council use its reserves?

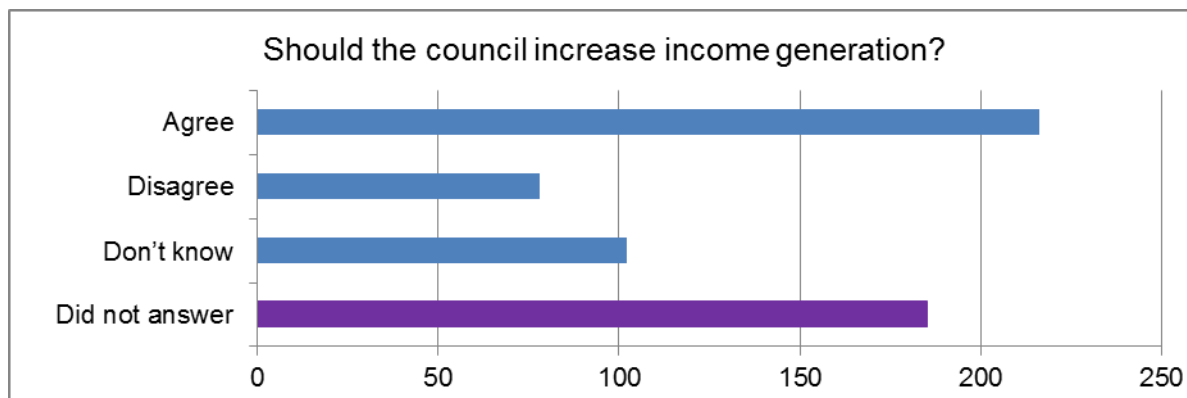


403 respondents answered this question. 223 (55%) of respondents thought the council should use its reserves, with 61 (15%) stating they did not know. 179 did not answer the question.

Of the 223 who thought the council should use reserves, 65% did not want to increase council tax, 48% wanted the council to make savings from other services and 56% wanted the council to increase its income.

162 (73%) of those who thought the council should use its reserves are from a household that is claiming a council tax reduction, with 99 (61%) of those being of working age (16-65).

Should the council increase income?



396 respondents answered this question. 216 (55%) of respondents thought the council should increase its income, with 102 (26%) stating they did not know. 184 did not answer the question.

Of the 216 who thought the council should increase its income, 54% did not want to increase council tax, 41% wanted the council to make savings from other services and 56% wanted the council to use reserves.

127 (59%) of those who thought the council should increase its income are from a household that is claiming a council tax reduction, with 81 (64%) of those being of working age (16-65).

Appendix 2
Recommendations

It is recommended, based on the original intentions of the Council and also on the outcomes of the consultation that the following actions are taken:

1. Should the Council maintain a scheme for working age applicants?
Recommendation – to retain the current means tested approach to Council Tax Reduction in line with the schemes that have been in place since 2013
2. A further reduction in the minimum payment. Views were requested based on a 25% and a 30% minimum payment.
Recommendation – to leave the minimum payment as currently set at 20% - that **no change** in the minimum payment be made for 2016/17
3. It was suggested that the scheme should be amended to align with HB from 2016. Family Premium will not be granted for all new claims and for any 'new' families after April 2016.
Recommendation – to align the Council Tax Reduction scheme with HB from 1st May 2016. This will align exactly with Housing Benefit for both working and pension age claimants
 - The effect of this change will be to remove the family premium for all new claims from 1st May 2016 and also for any applicants who have a break in their CTR claim after that date. The change is likely to affect 395 applicants in the first year. With an average weekly reduction in support of approximately £3.44.
 - Where a applicant experiences exceptional hardship the applications can be made under the Exceptional Hardship Fund
4. To suggest that the CTR scheme should be amended to align with HB from 2016. 'Do you agree, or disagree with reducing backdating to 4 weeks;
Recommendation – to align the CTR scheme with Housing Benefit from 1st April 2016
 - The effect of this change will be to reduce the maximum period for backdating any new claim for CTR (where there is proven good cause) to 1 calendar month. This will be in line with Housing Benefit and will only affect working age claimants. The change is likely to affect 149 applicants and the average reduction in support will be £1.67 per week
 - Where a applicant experiences exceptional hardship the applications can be made under the Exceptional Hardship Fund
5. Whether the scheme should set a minimum level of income for all Self Employed claimants (after a start up period of one year) - This would be equivalent to National Minimum (Living) Wage multiplied by 35 hours per week;
Recommendation – to fully implement the Minimum Income Floor from April 2016
 - The effect of this change will be to introduce a minimum income level (floor). This will be in line with Universal Credit and will only affect working age claimants who declare an income of less than 35 hours per week x the National Living Wage. A period of one year will be allowed from the commencement of the business where the actual income of the claimant will be taken into account.
 - Where a claimant is both employed and self employed, the 'floor' will be calculated by taking into account 35 hrs less the number of hours employed. 481 applicants are likely to be affected in the first year and support is likely to reduce by £13.62 per week.
 - Where a applicant experiences exceptional hardship the applications can be made under the Exceptional Hardship Fund
6. Whether the scheme should remove the blanket protection given to applicants with certain benefits and to replace it with a targeted (Exceptional Hardship) scheme that would require individual applications;
Recommendation – to introduce a targeted protection scheme from April 2016
 - The introduction of a targeted protection scheme rather than a blanket protection. The targeted protection will take into account individual circumstances including the applicant's income and essential outgoings. The scheme will continue to protect disabled through the continued granting of:
 - Disability Premium

- Disabled Child Premium
 - Enhanced Disability Premium
 - Severe Disability Premium
 - The scheme will continue to protect carer through the continued granting of:
 - Carers premium
 - The scheme will continue to protect families and children through the continued granting of:
 - Dependants additions
 - Disabled Child Premium
 - The change will affect approximately 3089 applicants and reduce support by approximately £3.80 per week.
 - Where an applicant experiences exceptional hardship the applications can be made under the Exceptional Hardship Fund
7. Whether the Council Tax Reduction scheme should have a maximum level of capital at £6,000. Currently the limit is set at £16,000;
- Recommendation** – to reduce the capital limit to £6,000 from April 2016;
- The effect of this change will be to reduce the current limit for capital from £16k to £6k from 1st April 2016 for all working age claimants who are not currently in receipt of a passported benefit (e.g. Income Support, Jobseeker's Allowance Income Based or Employment and Support Allowance (Income Related)).
 - The change is expected to affect 95 applicants in the first year and the likely reduction for those would be in the region of £14.50 per week.
8. Whether DLA & PIP payments which are currently disregarded in the calculation of CTR, should be included as income;
- Recommendation** – not to change the CTR scheme and to continue to disregard both DLA & PIP
9. Whether Child Benefit payments which are currently disregarded in the calculation of CTR, should be included as income;
- Recommendation** – not to change the CTR scheme and to continue to disregard Child Benefit
10. Whether to further limit the amount of CTR granted based on the band of the premises. Two bands were suggested Band C and Band B;
- Recommendation** – not to limit Council Tax Reduction to Band C levels from April 2016
- Although the consultation responses suggested recommendation to this option, it was considered to be a disproportionate impact on households with children before applying the other recommendations
11. As an alternative to changing the Council Tax Reduction scheme should the Council consider:
- a. Increasing 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
- Recommendation** – It is recommended that the scheme be adjusted as highlighted above rather than using these alternative approaches

Appendix 3
Action / Improvement Plan

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	No Impact	Other than that for working age claimants generally	<p>The proposed scheme applies to all people of working age and whose income falls beneath the applicable amount and is therefore considered overtly neutral with respect to age.</p> <p>Although retirement age is an age based criterion, it is not the councils proposed scheme that excludes pensioners from the 100% scheme but the primary legislation. The discretion afforded to billing authorities to promote a scheme reducing council tax support is limited to people of working age.</p>	<p>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, ESA Components, and Dependants Additions. Certain incomes will continue to be fully disregarded in the calculation of Council Tax Reduction including:</p> <ul style="list-style-type: none"> • Child Benefit; • Disability Living Allowance; • Personal Independence Payments <p>An exceptional hardship fund will be available for those claimants in most severe financial need</p>
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	<p>The council is making this decision to 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</p>	<p>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 and to disregard certain disability benefits. All applicants will have access to the exceptional hardship fund should they experience exceptional hardship.</p> <p>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, ESA Components, and Dependants Additions. Certain incomes will continue to be fully disregarded in the calculation of Council Tax Reduction including:</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)
			<p>and services it provides</p> <p>The council notes that disabled people are more likely to be unemployed than able bodied people and that unemployment generally may only be for short periods.</p> <p>The proposed scheme has a greater impact on disabled people under retirement age than others of a similar age, because more members of that class are likely to be unable to access employment that would result in earnings exceeding the applicable amount but it is not considered there will be indirect discrimination on such grounds by the application of a single blanket rule to those whose situations are significantly different</p> <p>The fact that the scheme impacts on disabled people is expressly taken into account in the various disregards to income made and the premiums awarded in ascertaining the applicable amount. The different situation of the able bodied and disabled with respect to access to the labour market has thus already been acknowledged in calculating the scheme.</p> <p>On basis that different rules are proposed for the disabled in calculating the applicable amount, it is not considered there is either a difference in treatment or an unlawful failure to treat people differently who are situated differently, to expect that a modest percentage of council tax support will be absorbed in the subsistence budgets of the poor generally, even if the benefits forming that budget are provided because of eligibility through the disability gateway. Further in the light of the above and with the existence of a discretionary</p>	<ul style="list-style-type: none"> • Child Benefit; • Disability Living Allowance; • Personal Independence Payments <p>An exceptional hardship fund will 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)
			<p>scheme to address exceptional hardship it is considered that any indirect difference in treatment on the grounds of age or disability is justified; in particular maintaining the distinction in the statutory scheme of people above and below retirement age is justified.</p> <p>The discretion to top up those with genuine need is seen as an important part of the scheme and a further mitigating measure, in addition to income disregard and the premiums that are deployed in the calculation of the applicable amount.</p> <p>It is noted that a scheme that exempts all those considered to be severely disabled would not necessarily address those with the most serious hardship. Where budgets are tight it is appropriate to ensure that that the greatest help is given to those who most need it. Household budgets and resources may vary in circumstances that can only be assessed on an individual examination of the budget.</p>	
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		

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)
HR & workforce issues	Not known at this stage	-	The council will monitor the overall impact of work and resource accordingly if the preferred scheme is adopted and undertake an initial EIA screening on the impact of HR workforce issues.	
Human Rights implications if relevant	n/a			

Summary	
Date of Assessment:	21 December 2015
Signed off by Head of Service/Director	Claire Shand
Review date	December 2016
Date published	4 January 2016

<i>Publishing checklist</i>	Yes	No
<ul style="list-style-type: none"> • <i>Plain English – will your EIA make sense to the public?</i> • <i>Acronyms – check you have explained any specialist names or terminology</i> • <i>Evidence – will your evidence stand up to scrutiny; can you justify your conclusions?</i> • <i>Stakeholders and verification – have you included a range of views and perspectives to back up you analysis?</i> • <i>Gaps and information – have you identified any gaps in services or information that need to be addressed in the action plan?</i> • <i>Success stories – have you included any positive impacts that have resulted in change for the better?</i> • <i>Action plan – is action plan SMART? Have you informed the relevant people to ensure the action plan is carried out?</i> • <i>Review have you included a review date and a named person to carry it out?</i> • <i>Challenge – has your equality impact assessment been taken to Diversity Board/Call Over for challenge?</i> • <i>Signing off – has your Head of Service/Director signed off your EIA?</i> • <i>Basics – have you signed and dated your EIA and named it for publishing?</i> • <i>A signed version to be kept by your team for review and electronic version to be uploaded on to the council’s website</i> 		