



Equality Impact Assessment:

Full assessment

Name/title of the policy area/strand or programme with which this assessment is concerned

Further potential changes to Council Tax Support (formerly Council Tax Benefit) in Peterborough in 2018/19

Description/summary of the policy area/strand or programme

Previously CTB was a means tested benefit which compared the claimant's income and capital against needs assessment of how much they need to live on with 100% of any benefit awarded reimbursed to Peterborough City Council by the Government (individual households paying less or no council tax).

In the 2010 spending review the Government announced its plans to abolish Council Tax Benefit (CTB) and localise support for council tax from 2013-14, reducing expenditure by 10%. This meant Peterborough City Council had around £2.4m less to help low income households with their council tax. The Welfare Reform Act 2012 contained provision for the abolition of CTB and the Local Government Finance Act 2012 enabled billing authorities to construct Local Council Tax Support (CTS) schemes by 31 January 2013 for implementation by 1 April 2013.

The Department for Communities and Local Government produced an impact assessment on the original policy of localising support for council tax which can be found through the following link: <http://www.communities.gov.uk/publications/localgovernment/lqfblocalisingcounciltax>

During the second half of 2012, PCC consulted and developed a scheme that would see a reduction in council tax support of 30% for working age claimants (originally consulted at 35%, but improved funding enabled this to be reduced).

As part of this project, an initial and Full EIA (EIA-12-0048) were developed and can be found at the link below:

http://www.peterborough.gov.uk/council_and_democracy/equalities/equality_impact_assessment.aspx?&EIA=59

The original consultation proposals included an option to protect recipients of disability premiums, in the same manner as pensioners, so that these households had no reduction in benefit. Such protection would have meant higher reductions for working age claimants to keep the scheme self-funding in line with the MTFs strategy. Rather than the 30% reduction proposed, the reduction in benefit for working age claimants would have been 7.5% higher at 37.5%. If the protection were not covered by working age claimants, it would have cost the Council around £0.5m to protect all.

Given the additional impact on working age claimants, or the costs to the Council if funded directly, it was not recommended that the protection is included. It should be noted that when the means testing is undertaken to assess whether the claimant is eligible for benefit the applicable amount is increased by the amount of any disability premium that the disability benefit attracts. As such the system does already have an element of protection built in for such claimants.

Further details can be found in the Cabinet report from January 2013:

<http://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=116&MId=2856&Ver=4>

The original EIA and decision remain relevant to the proposed draft scheme for consultation. The proposed amendments to the scheme are as follows:

1. Make no changes to the existing 30% reduction for eligible working age claimants
2. Continue to align the scheme to Housing Benefit rule changes. Based on proposed government known changes the council is anticipating:
 - to limit the award of Council Tax Support based on a maximum of 2 children;
 - to provide protection to existing claims that already include more than 2 children;
 - to make provision for more than 2 children in the applicable amount where the child tax credit calculation includes additional children; and
 - to disregard earnings from part-time fire fighters and payments from the infected blood payment scheme.

The 30% scheme has been in place since its introduction in April 2013 and every year since. During this time there has been no representations that impact the original equality impact assessment.

The evidence base (list the principal sources of relevant evidence, both quantitative and qualitative.

Quantitative evidence:

Currently 9,229 working age households receive council tax support.

Information relating to equalities groups are not held on the council tax system as a matter of course. There is some proxy information in the case of disabilities.

The number of households receiving disability premiums as part of their council tax benefit is outlined below. As outlined above, it should be stressed this can only be a proxy for whether there is a disabled resident for the following reasons:

- It should be noted that households can claim more than one of these benefits, so the numbers do not necessarily relate to individual households (one household could be in receipt of disability premium and Enhanced Disability premium).
- Some households may not claim a premium – this can potentially happen if the case has been ‘passported’ through by DWP

The current position is as follows:

- 376 claim the Disability premium
- 79 claim the Disabled Child premium
- 994 claim the Enhanced Disability premium
- 1159 claim the Severe Disability premium

What the evidence shows – keys facts

Particular Age Groups:

- Up to 9,229 working age claimants will be disadvantaged by the new CTS scheme
- Under Council Tax Law the following groups are not included or treated differently in the council tax calculation:
 - Children under 18 years old
 - Apprentices
 - 18 and 19 year olds in full-time education
 - Full-time college and university students
 - People under 25 years old receiving funding from the Skills Funding Agency or Young Peoples Learning Agency
- People who have reached pension credit age are protected and not affected by the new scheme

Disabled people:

- The initial consultation included options for additional protection of households in receipt of disability premia – ultimately this was not recommended
- Current levels claiming premia are outlined in the evidence section above
- Under Council Tax Law the following groups are not included or are treated differently in the council tax calculation:
 - People who have a severe mental impairment
 - Live-in carers who look after someone (not a partner, spouse or child)
- The consultation process will include the disability forum

Married couples or those entered into a civil partnership:

- Not affected; Marriage, civil partnerships and polygamous marriages will continue to be recognised by the new CTS scheme as they currently are under CTB

Pregnant women or women on maternity leave:

- Not affected; will continue to be recognised by the new CTS scheme as they currently are under CTB

Particular Ethnic Groups:

- May be affected by these changes if the communications are not clear and available in a format that is easily understood and presented

Those of a particular religion or who hold a particular belief:

- Not affected; will continue to be recognised by the new CTS scheme as they currently are under CTB – for example, members of religious communities are not included or treated differently in the council tax calculation

Male/Female:

- Not affected; will continue to be recognised by the new CTS scheme as they currently are under CTB

Gender reassignment:

- Not affected; will continue to be recognised by the new CTS scheme as they currently are under CTB

Sexual orientation:

- Not affected; will continue to be recognised by the new CTS scheme as they currently are under CTB

Challenges and opportunities

(indicate the policy's potential to reduce and remove existing inequalities)

- Public and direct consultation will take place until 22 February 2018
- The negative impact is to align government's proposed amendments to the Housing Benefit rules, however this will make it easier for claimants to understand if the scheme contains the same criteria as Housing Benefit criteria. The scheme would also align to Universal Credit which is being rolled out within the Peterborough area at present.
- A neutral or positive impact those affected is the introduction of a Council Tax Discretionary Hardship Policy for claimants that are experiencing significant financial hardship and sought financial advice on their debt

Summary of Equality Impact Assessment

Adverse impact for those in receipt of council tax support but consulting on the draft scheme as a whole can be justified. Cabinet will need to consider all feedback in making their recommendation, including revisiting the EIA as necessary.

Next steps

This Equality Impact Assessment as a whole is a living document that will be revised and updated as appropriate in the light of further evidence, discussions and representations.

This will include the consultation, which will be open to the public to respond to via an online consultation document, and hard copies will also be available on request in the Town Hall and Bayard Receptions and at the Central Library. Members’ scrutiny will be undertaken as part of the scrutiny meeting set aside for phase one budget discussions, including stakeholder consultation meetings.

The next steps are:

- Analyse consultation responses with the affected groups. The consultation closes 22 February 2018
- Enable a recommendation to be made to the Council meeting of 7 March 2018
- Use this data to formulate an updated CTS scheme for Peterborough City Council to approve by 11 March 2018

Policy review date	Autumn 2018
Assessment completed by	Chris Yates
Date Full EqIA completed	Original scheme - 10 September 2012 Revised EIA published – November 2015 Revised EIA published – January 2016 Final EIA published – February 2018
Signed by Head of Service	Peter Carpenter