

APPENDIX F

Name of EIA	<i>Council Tax Support Scheme</i>	Is this a new policy?	Y
Service / Business Unit	Service Area	Directorate	
Benefits	Exchequer	Directorate of Finance	
Start Date	Completion Date (Expected)	Completion Date (Actual)	
June 2012	July 2012	<i>July 2012</i>	
Lead Contact / Officer (extension)	Service Unit Manager Responsible	Publication Date	
Michelle Bowler	Louise Shaw	<i>24 July 2012</i>	

Is this a Service Review EIA or a Service Delivery EIA?	<i>Service Delivery EIA</i>
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Name (lead contact first)	Job title	Service	EIA Trained – Y/N
Ilys Cookson	Assistant Executive Director	Exchequer	Y
Louise Shaw	Service Unit Manager	Exchequer	Y
Michelle Bowler	Operations Manager	Exchequer	Y

Summary Box

The Government intends to introduce legislation to reduce Council Tax Benefit grant to Local Authorities (LA) by 10% from April 2013. LA will be required to design a local scheme or use the default scheme based on council tax benefit. Using the default national scheme would give a shortfall in funding in real terms of 22% (£4.2million). Tameside MBC cannot fund this 22% shortfall (£4.2m) and therefore is designing a local scheme that will meet the affordability envelope and balance the impact against the cost of providing a local council tax support scheme (CTSS).

The EIA assesses our approach to consultation on the four proposed options and final draft scheme, with a wider EIA in progress to be completed following the results of this consultation. The consultation will be monitored with information used to develop the draft scheme.

The Government has protected vulnerable pensioners and made clear to LA that vulnerable groups should be protected, with the detail of any scheme being expected to be compliant with the following legislation:

- The Equality Act 2010 – public sector Equality Duty
- The Child Poverty Act 2010 – duty to mitigate the effects of child poverty
- The Housing Act 1996 – duty to prevent homelessness

The development of the draft CTSS will be taken forward in conjunction with the Sustainable Community Strategy and sub strategies (Housing, Homelessness, Empty Homes, Economic, Children and Young Peoples Plan, Interim Child Poverty Strategy).

Background & Scoping

Background & Scope

This EIA encompasses the consultation. The draft CTSS will be prepared following the initial

consultation, a wider EIA is underpinning development of the scheme itself.

The Government is currently preparing legislation to introduce local Council Tax Support Schemes (CTSS), this includes a 10% reduction in funding to Local Authorities. The new scheme would be operational from April 2013 (subject to legislation coming into force).

The effect of a reduction in funding is 22% in real terms for new CTSS, which will require some of Tameside's current recipients to pay more than they do now by receiving less Council Tax Benefit (CTB). Tameside MBC cannot afford to absorb the expected 22% real terms funding shortfall (£4.2million) and will therefore construct a new scheme in consultation with residents, and other appropriate stakeholders, on how to balance the shortfall against the cost of the scheme.

Those of pensionable age are protected in the draft proposed arrangements by Government. This leaves a reduced number of CTB claimants (from total claimants) that could be affected by changes under the new CTSS.

The Council intends to introduce a new CTSS with effect from the 1st April 2013. In designing the new scheme we intend to use a robust consultation process to gain views from stakeholders. The consultation will support the assessment and understanding of how the changes will impact on groups of people. The consultation will take the following form:

Phase 1 - August -September 2012 – Consulting on the options for a new LTCSS

- Big Conversation (open to all 219,300 Tameside residents)
- Citizens Panel (tri annual survey of a bank of 2000 residents)
- Focus groups with appropriate organisations (e.g. Citizens Advice Bureau)
- Council Mobile Advice Centre (mobile information service)

Phase 2 – November 2012 – Consulting on the draft CTSS

- Big Conversation
- Interested consultees identified from phase 1 consultation.

The consultation will increase understanding of the potential impact of the introduction of CTSS. The consultation will also support understanding of people's views on the principles that will underpin the new scheme.

The survey methods used through Phase 1 and 2 will enable us to reach a variety of people and groups who could be affected by changes to CTB. Using the Big Conversation website we will enable all Tameside residents with computer access to respond to the consultation. The Big Conversation is the Council's central consultation tool for redesigning services and was launched in December 2011. The website has proved effective for gaining the views of residents. In the Resident Opinion Survey (ROS) 2011 only 23% of residents who responded said that they do not use the internet. Supporting the Big Conversation platform will be a paper/online survey to the Council's Citizens Panel. The Panel is made up of 2000 residents who are representative of Tameside's overall population. Another channel of consultation will be with stakeholder organisations and groups via focus groups. This will enable organisations such as Registered Social Landlords or Citizens Advice Bureau to provide their views on proposed changes and principles.

Throughout the consultation the Big Conversation website will be identified as the hub of the consultation for residents and groups.

The consultation will also be available in paper format to residents who require this format. The Mobile Advice Centre will visit areas of the borough where claimant levels are high and where customer insight suggests face to face communication is the best method of communication.

Residents who need to access the consultation in languages other than English will be supported through the Language Line service which has been used to support Big Conversation consultation.

We will also make use of our consultation and engagement networks such as the Information Ambassadors Network to ensure awareness of the consultation across the widest range of groups and individuals.

The following three elements are common to each of the options, these will not form part of the consultation as there is no change to the current council tax benefit scheme:

1. Protection for all pensioners
2. Disregard of war pension/war widows pension for working age claimants
3. Continuing to award discount for 4 weeks after starting work where a claimant has previously been unemployed for 26 weeks and in receipt of a qualifying passported benefit.

The options for consultation include:

A - Households which include children or disabled people (defined as households where at least one person is in receipt of the care component of the Disability Living Allowance) continue to receive the same amount of CTS under the existing CTB scheme. Under this option everyone other than households which include children or disabled people would receive a maximum discount of 27%, requiring the household to pay the remaining 73%.

B - Everyone (except pensioners who are protected) would receive a maximum discount of 65%, requiring the household to pay the remaining 35%. This option retains the elements of the existing scheme, save for backdating claims and second adult rebates.

C – The Council's favoured option. The maximum discount for people not protected would be 80% of band B council tax. People living in properties in band C or above would also have to pay the full difference between band B and their current band. The principles used to take account of earnings would be changed to those proposed for the new universal credit which allows people to retain more earned income. This option links closely with the proposed Universal Credit principles, and takes into account income information.

D - The maximum discount for people not protected by the scheme would be 73% of band B council tax. People living in properties in band C or above would also have to pay the full difference between band B and their current band. This option is based on ability to pay, and takes into account income and savings, though not the source of income through other benefits.

The following three elements are common to each option which will form part of the consultation as they are changes to the current council tax benefit scheme:

Removing Second Adult Rebate – Under the current scheme Council Tax payers who are not entitled to council tax support due to their own level of income can receive support of up to 25% off their bill if they have other adults on a low income living with them. This might change so we no longer takes these people into account.

Abolish Backdates – Under the current scheme, benefit is usually awarded from the date the claim is received but if the claimant can evidence they had good cause for not claiming earlier then benefit may be awarded from an earlier date. This might change so the persons claim can only start from the date they applied.

Hardship Fund - To mitigate the impact on the most vulnerable it is suggested that some funding could be set aside to support a local discretionary scheme and therefore people who are suffering severe financial hardship as a result of the changes to the local scheme could apply for additional support.

Anticipated impact on customer groups & rationale

The population of Tameside is estimated at 219,300 in the 2011 Census. Trends show an ageing population. The percentage of the population aged over 65 years has increased by 7.4% between 2001 and 2011. The gender split of Tameside's overall population is 49.1% male and 50.9%

female. There are an estimated 95,000 households in Tameside as at 2011.

Tameside has 26,748 CTB claimants, of these claimants 11,404 are pensioners and are therefore protected under the proposed legislation. The remaining 15,344 claimants are all potentially affected by the changes proposed in the CTSS consultation. The general impact will be that residents will not receive the same level of CTB support as in previous years due to Government reductions in funding. This could have economic impacts on a variety of groups of people who may face additional cost pressures due to changes in benefits more generally such as the introduction of Universal Credit.

Analysis of the geographical location of working age CTB claimants shows an even spread across the borough with higher concentrations in more deprived areas.

The table below shows claimants by Tameside Insight segment. During the consultation we will use specific appropriate approaches to reach stakeholders. Claimants are mostly within segments 10 and 11 (young/dependent on benefits/low income/social housing/terraced housing). This information will help direct our consultation and engagement efforts, these groups are mostly receptive to SMS, face to face and local papers as methods of communication.

Segment	Detail	Percentage
0	Unclassified	0.13%
1	Pensioners with very low incomes living in social housing and reliant on state support.	5.65%
2	Comfortably off pensioners living in bungalows and semi-detached housing.	1.99%
3	Older people with low incomes who are reliant on benefits.	10.40%
4	People who are close to retirement with low incomes in manual occupations.	12.10%
5	Better off middle aged couples leading comfortable lifestyles.	3.12%
6	Affluent and well educated older middle aged couples with families living in large detached housing.	1.33%
7	Comfortably off middle aged couples in ex-council and terraced housing.	8.49%
8	Well educated younger middle aged couples leading comfortable lifestyles.	8.75%
9	Young to middle aged couples some with young children on low to moderate incomes living in ethnically diverse areas.	7.63%
10	Young lone parents in multi-ethnic communities living in social housing and dependent on benefits.	20.19%
11	Young, low income, transient communities living in terraced housing.	15.28%
12	Diverse communities of young well educated singles in multi person households.	3.90%

The consultation will enhance our understanding of those affected by the changes and residents views on the principle of how these groups could be affected. The consultation will aim to support our understanding around the following groups in particular.

- Families with children
- Lone parents
- Carers
- Full time and part time workers

- People with disabilities
- Single people and childless couples.

The information below shows the profile of our existing CTB recipients by group (not including those of pensionable age). The information is subject to change due to the use of Capita Modelling Tool in designing and modelling our future scheme. (For information claimants of pensionable age account for (42.6%) of all claimants).

- Claimants with disability (17.9%)
- Claimants out of work with disability (17.1%)
- Claimants in work with disability (0.9%)
- Claimants who are carers (4.7%)
- Male (64.1%)
- Female (35.9%)
- Claimant couples with children (27.7%)
- Lone parent claimants (41.6%)
- Claimant couples with no children (16.6%)
- Claimants in work (17.9%)
- Claimants out of work (82.1%)
- Claimants with maternity benefits (0.3%)
- Claimants who are war widows (0.01%)

Age

According to the Government's equality impact assessment the greatest impact to changes in benefit support would be to vulnerable pensioners. Pensioners are a protected group for the purposes of council tax support scheme so they will not be financially affected. However there is a small risk that younger people who will bear all the financial impact of the changes, may resent the fact that pensioners are exempt. In order to discharge our duty to promote good relations between people of all ages it may be necessary to publish the Government's equality impact assessment. The consultation will monitor views by age. Customer insight profiling suggests young households make up a significant proportion of claimants.

Disability

17.9% of working age claimants have a disability. Of those 5% are in work (0.9% of the total working age claimants). The consultation will solicit wider views on changes in relation to the support disabled people receive and also the views of disabled people. Consultation will be undertaken with groups who represent the interests of disabled people and the consultation pack will be available in accessible formats on demand. In 2011 the Annual Population Survey estimated that (26.9%) of Tameside's working age population (16-64) had a disability.

Gender

Analysis shows a higher proportion of male (64.1%) claimants compared to female (35.9%). However, there is one claim submitted on behalf of the household and the impact of changes would extend to the whole household which will frequently include people of both genders. The consultation will monitor views on changes specifically by gender, particularly in single person households.

Pregnancy and Maternity

(0.3%) of claimants fall into this group. The consultation will monitor views on the levels of support all claimants will be given including those within the pregnancy and maternity group.

Carers

(4.7%) of claimants are carers. The consultation will seek the views of carers on the principles underpinning the new scheme and also the wider views on what support should be received by those who care for others.

Economic vulnerability

(82.1%) of claimants are currently out of work. The reduction in support by Government (22% in real terms) will have an impact on recipients including our most vulnerable and those on lowest income. Tameside Council would like to incentivise people who get into work and then support them to stay in work for a short period. The consultation will support our understanding of views on how a new scheme will impact on those on lower incomes. We will ensure we fully understand the effect on increasing child poverty and potential homelessness through our needs assessment and consultation.

There will be no anticipated specific impacts negative or positive on the following protected characteristic areas as a result of proposed changes to CTSS – ethnicity, marriage/civil partnership, sexual orientation, religion and belief, gender reassignment. We will monitor consultation responses to determine any potential impacts.

Analysis of evidence & impact

Data sources / evidence used

- Communities and Local Government Department Guidance - Localising Support for Council Tax Vulnerable people: key local authority duties
- Communities and Local Government Department Guidance – Localising Support for Council Tax – Taking work incentives into account
- Communities and Local Government Department Guidance – Localising Support for Council Tax – A statement of intent
- Communities and Local Government Department Guidance - Localising Council Tax: Equality Impact Assessment
- Residents Opinion Survey 2011
- Capita Modelling Toolkit
- Capita CDS reporting module
- Census 2011 First Release

Consultation & Engagement

This EIA is focused specifically on the consultation process for CTSS.

Conclusions drawn from evidence & analysis of the effects on equality

The consultation will support the design of the draft CTSS. Views of residents will support our understanding of the impacts on those who could be affected by changes in CTSS . Information from the consultation will be used to inform the wider EIA on the draft CTSS.

The consultation proposed supports the Council to understand views from residents and groups on the principles underpinning a draft CTSS. The approach taken to consult residents provides a variety of formats for residents to engage between July and November 2012. Groups considered hard to reach will be targeted through focus groups.



It will be important to ensure in particular that representatives of disabled people are consulted and that the consultation materials are available in an accessible format.

Taking action					
Issue	Action	Lead officer	Timescale	Equality LPI	Further comment
Ensuring good engagement in consultation	Monitor responses to consultation and take appropriate steps to ensure hard to reach groups are engaged.	Louise Shaw	July-November	N/A	N/A

Monitoring progress
Ilys Cookson - Assistant Executive Director (Exchequer Services)

Contact officer(s)
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Sign off

Signature of Service Unit Manager	Date
Louise Shaw 	24 July 2012
Signature of Assistant Executive Director / Assistant Chief Executive	Date
Ilys Cookson 	24 July 2012