Details of the assessment	
Name of Function/Policy/ Service being assessed	Localisation of Council Tax Support
Date of assessment	Commenced: 19 June 2012
	Updated for consultation: 6th August 2012
	Updated post consultation: 26th October 2012
	Completed: 14th November 2012
Name of officers carrying out assessment:	The assessment is being carried out by finance leads and equalities
	leads from the West Kent Equality Partnership authorities (Sevenoaks
	D.C., Tonbridge & Malling B.C., Tunbridge Wells B.C.).

Step 1	Initial Screening	
	Key Questions	Answers/Notes
1	What are you looking to achieve in this activity?	Localisation of Council Tax Benefit is part of a programme of national policy change to the welfare system ensuring that it encourages people to work.
		From 1 st April 2013, the Government will require all Councils to establish their own local schemes for council tax support to replace the nationally designed Council Tax Benefit scheme. These changes will reduce the level of funding received by Councils to deliver the scheme (by 10%) and allow the Council to decide who to financially support, outside of nationally prescribed elements which includes protecting support received by pensioners.
		It is the Councils intention is to develop a local scheme which takes the fairest overall course of action permitted by the nationally prescribed elements and the significant reduction in funding.



Step 1	Initial Screening		
	Key Questions	Answers/Notes	
2	Who in the main will be affected?	 Eligible claimants for council tax support. Potentially all council tax payers (depending on the scheme adopted, any local variations and the outcome of consultation). 	
		The Government have conducted their own EqIA on the nationally prescribed elements of the scheme which states the main benefits as: "Giving local authorities a significant degree of control over how a 10% reduction in expenditure on the current Council Tax Benefit bill is achieved, allowing councils to balance local priorities and their own financial circumstances." Ref: http://www.communities.gov.uk/documents/localgovernment/pdf/2063707.pdf	
3	Does the activity have the potential to cause adverse impact or discriminate against different groups in the community?	Yes Please explain: Various options for achieving a 10% reduction in expenditure based on the current caseload have been considered for our authorities and Kent wide. Whatever scheme is introduced it will entail money being collected from some of the more vulnerable residents in our boroughs and districts. No Please explain: Note: if the answer is 'yes' then a full equality impact assessment is required – see step 2.	
4	Does the activity make a positive contribution to equalities?	Yes Please explain: The Government has prescribed that pensioners will be protected from any reduction in support as a result of this reform. No Please explain: Note: if the answer is 'yes' then a full equality impact assessment is required - see step 2.	



	Key Questions	Answers/Notes
Step 2	Scoping the assessment	
1.	What is the overall aim, or purpose of the function/ policy/service?	The purpose of the proposed legislative changes are set out in the Department for Communities and Local Government guidance document: http://www.communities.gov.uk/documents/localgovernment/pdf/19510253.pdf
		It is the Council's intention to develop a local scheme, within the local discretion provided by Government, which takes the fairest overall course of action permitted by the nationally prescribed elements and the significant reduction in funding.
2.	What outcomes do you want to achieve with this function/policy/service and for whom?	To develop a local scheme which: - Provides support for the most vulnerable. - Assists with lifting the poorest off benefits and supporting them into work. - Minimises the risks of error and reduces financial risk to our authorities. - Takes account of the impact on non-claimants
3.	Who will be affected?	 Eligible claimants for council tax support. Potentially, all council tax payers (depending on the scheme adopted, any local variations and the outcome of the consultation).
4.	Who defines or defined the function/service/policy?	The policy is defined nationally with an element of local discretion. A preferred scheme has been devised across Kent with the three major precepting authorities (Kent County Council, Kent Police Authority and Kent & Medway Fire & Rescue Authority) agreeing to support funding the scheme for three years. The scheme is based on a set of principles to which all Kent authorities propose to agree to.
5.	Who implements the function/service/policy?	The Mid Kent Improvement Partnership - Revenues & Benefits service (Tunbridge Wells) Dartford and Sevenoaks Revenues & Benefits Service (Sevenoaks) Tonbridge & Malling Revenues & Benefits Service.
6.	How do the outcomes of the function/service/policy meet or conflict with the authority's priorities?	Sevenoaks: Effective Management of Council Resources Tonbridge & Malling: Continued delivery of priority services and a financially viable Council. Tunbridge Wells: Passionate about our customers; passionate about value.



	Key Questions	Answers/Notes
7.	What factors could contribute or detract from the outcomes identified earlier?	Contribute: The preferred Kent-scheme would: Disregard some earned income. Reduce benefit on a sliding scale as income increases. Continue payment for four weeks after moving into work when there would otherwise be no entitlement.
		 Automatically transfer most people on council tax benefit to the new scheme. Reduce confusion for claimants moving between authorities. Allow one scheme for consulting across Kent. Provide opportunities to standardise forms and processes. Limit adverse financial affects for the lead authorities for three years as the precepting authorities have agreed to provide some support with additional collection costs. Provide an element of stability during the current economic climate. Be possible to implement within the timescales set by the Government.
		 Detract: The timescale for implementation is extremely tight and limits the options available for a new scheme. The software used to administer council tax benefit permits only limited changes to be made for any new scheme within these timescales. An increase in council tax to cover the reduction in funding is not a realistic option as it would further increase the cost of the local council tax support scheme in excess of the grant payable by Government. In addition Government limits allowable tax increases before a costly local referendum would be required. Failure to reach a local scheme and having to adopt the default scheme would result in a severe negative impact on Council finances and would reduce expenditure on other services. Demand for council tax benefit is rising. The proportion of the local population that is of pension age is rising.



Key Questions	Answers/Notes
	 The preferred Kent-wide scheme would limit local flexibility and create potential for an increase in complaints and appeals as a result of the scheme adopted. Additional Government proposals for welfare reform could also impact on those affected by the changes to council tax benefit.



Step 3	Consideration of data and inform	nation
8.	What do you already know about who uses this function/service/ policy?	We have analysed available data for current council tax benefit recipients allowing us to consider the impact on people according to: - Age - Disability - Those with caring responsibilities Gender - Those with families and young children A summary of the data analysis for the proposal put forward for consultation by Sevenoaks District Council is attached at Annex 1. This is supported by comprehensive data sheets which are available as background information.
		Annex 2 summarises the impact of the recommendation being presented for decision.
9.	What consultation with service users has taken place on the function/service/policy and what were the key findings?	Sevenoaks District Council carried out a consultation exercise between 6 August and 30 September 2012. This set out the Council's preferred option of an 18.5% reduction in current benefit levels for all working age claimants (based on the Kent-wide scheme). It provided an opportunity for respondents to comment on the scheme and offer suggestions that could assist with the final scheme design. The consultation provided the opportunity for stakeholders affected by each of the options to give their views before the Council takes its decision on the final scheme design.
		In total the Council had 82 responses to the consultation. Of these 57 were completed online and 25 were sent in by post. Analysis of those that responded showed that:
		67% of responses came from current benefit claimants;
		72% of respondents were working age;
		50% of respondents were female;
		21% of respondents were carers; and
		48% responses were from people with a disability.



Step 3	Consideration of data and information	
9.	What consultation with service users	The results of the consultation exercise are summarised as:
Cont.	has taken place on the function/service/policy and what were the key findings?	71% of respondents agreed that pensioners should be protected from any changes to council tax benefit;
		61% of respondents agreed that the amount of local council tax support claimants receive should be based on the current council tax benefit calculation;
		62% of respondents disagree with the Council's proposal for an 18.5% reduction in council tax support for all working age claimants; and
		• 71% of respondents providing comments to the open text question suggested that further protections should be put in place within the Council's local support for council tax scheme. 21% of respondents commented that the reductions should not occur at all.
10.	What, if any, additional information is needed to assess the impact of the function/service/policy?	Following completion of the consultation, the Government have announced further proposals for the localisation of council tax benefit, offering a transition grant if certain criteria are adopted within local schemes. In light of this the Kent-wide scheme has been reviewed and it is subsequently proposed that the local scheme should limit the reduction in council tax support to 8.5% for all working age claimants and each authority will apply to the Government for transition grant to assist in meeting the financial costs of the scheme.
11.	How do you propose to gather the additional information?	Government has provided sufficient information to set out a recommendation to Council and no further information is required prior to the decision being taken.



	Key Questions	Answers/Notes
Step 4	Assessing the Impac	t
12.	Based on what information you already know, in relation to each of the following consider whether a) there is anything in the function/service/policy that could discriminate or put anyone at a disadvantage b) for an existing function/service/policy, how it is actually working in practice	
a.	Age	Impact: The Government have prescribed that low income pensioners should be protected from any reduction in support. We therefore have no discretion in implementing this aspect of the scheme.
		A reduction in support of 18.5% across all working age claimants would see those aged 18-24 receiving the lowest reduction (£178) and those aged 35-44 receiving the highest reduction (£188), on average, per year. The difference in average reduction of £10 per year equates to an additional payment towards a claimants council tax of £0.19 per week.
		As pensioners are protected, the initial proposal considered by Sevenoaks District Council would result in a degree of negative impact on some non-pensioner age groups. The option of an 18.5% reduction in council tax support would see people of working age paying £3.06 more per week towards their council tax bill than people of pension age.
		The consultation showed that:
		 71.2% of working age people disagree that working age people should receive an 18.5% reduction to their council tax benefit.
		 38.1% of pension age people disagree that working age people should receive an 18.5% reduction to their council tax benefit.
		Mitigation: The decision to protect pensioners was taken by Government who are therefore responsible for conducting their own EqIA on this aspect. This is available at: http://www.communities.gov.uk/documents/localgovernment/pdf/2063707.pdf
		Continued on next page



	Key Questions	Answers/Notes
	Age (continued)	The mitigating action being taken by the Council to reduce council tax support by 8.5% and apply for transitional grant being offered by the Government would reduce the impact in relation to age.
		The proposal of an 8.5% reduction in council tax support would see people of working age paying £1.12 more per week towards their council tax bill than people of pension age.
		A reduction in support of 8.5% across all working age claimants would see those aged $18-24$ receiving the lowest reduction (£82) and those aged $55-64$ receiving the highest reduction (£87), on average, per year. The difference in average reduction of £5 per year equates to an additional payment towards a claimants council tax of £0.10 per week.
b.	Disability	Impact: Sevenoaks District Council's initial proposal (18.5% reduction) has potential to negatively impact on people with disabilities as a result of the relatively high proportion in protected pensioner households. People with a disability would pay £2.10 more per week towards their council tax bill whilst the average additional payment for all claimants without a disability would be £1.68 more per week. The consultation showed that 76.9% of people with a disability disagree that working age people should receive an 18.5% reduction to their council tax benefit. The most frequently made comments in the consultation related to protecting disabled people / families and their carers.
		Mitigation: The current council tax benefit calculation that will be continued in the proposed scheme treats people with disabilities more favourably by disregarding some income. This raises their benefit entitlement when compared to some other groups by comparing the amount needed for basic living needs (set by Government) against a person's income. Disability Living Allowance is not included in any calculation of income; neither would any permitted income under Employment Support Allowance be included, which gives people with disabilities a higher council tax benefit entitlement.
		The mitigating action being taken by the Council to reduce council tax support by 8.5% and apply for transitional grant being offered by the Government would reduce the impact in relation to disability.
		People with a disability would pay £0.96 more per week towards their council tax bill whilst the average additional payment for claimants without a disability would be £0.77 more per week. This is a gap of £0.19 per week or £10 per year.



	Key Questions	Answers/Notes
C.	Carers	Impact: Sevenoaks District Council's initial proposal (18.5% reduction) has potential to negatively impact on carers as a result of the relatively high proportion in protected pensioner households, as they would pay £2.87 extra per week towards their council tax bill, whilst the average additional payment for claimants that are not carers would be £1.69 more per week. The consultation showed that 82.4% of carers disagree that working age people should receive an 18.5% reduction to their council tax benefit. The most frequently made comments in the consultation related to protecting disabled people / families and their carers.
		Mitigation: The current council tax benefit calculation that will be continued in the proposed scheme treats carers more favourably by disregarding some income. This raises their benefit entitlement when compared to some other groups by comparing the amount needed for basic living needs (set by Government) against a person's income. Carers Allowance is not included in any calculation of income; neither would any permitted income under Employment Support Allowance be included, which gives carers a higher council tax benefit entitlement.
		The mitigating action being taken by the Council to reduce council tax support by 8.5% and apply for transitional grant being offered by the Government would reduce the impact in relation to carers.
		Carers would pay £1.33 more per week towards their council tax bill whilst the average additional payment for claimants that are not carers would be £0.77 more per week. This is a gap of £0.56 per week or £29 per year.



	Key Questions	Answers/Notes
d.	Gender	Impact: Sevenoaks District Council's initial proposal (18.5% reduction) has potential to negatively impact on females as they are more likely to be the primary applicant and / or have dependent children. Females would pay £1.85 extra per week toward their council tax bill whilst males would pay £1.60 extra per week. This is a gap of £0.25 per week or £13 per year. The consultation showed that:
		 58.5% of females disagree that working age people should receive an 18.5% reduction to their council tax benefit.
		 72.2% of males disagree that working age people should receive an 18.5% reduction to their council tax benefit.
		Mitigation : The current council tax benefit scheme mitigates this to some extent by making allowances for childcare costs, raising benefit entitlement and this will be continued.
		The mitigating action being taken by the Council to reduce council tax support by 8.5% and apply for transitional grant being offered by the Government would reduce the impact in relation to gender.
		Females would pay £0.85 more per week towards their council tax bill whilst the average additional payment for males would be £0.73 more per week. This is a gap of £0.12 per week or £6 per year.
e.	Race	Impact: This information is not collected from claimants as it is not relevant to the calculation of council tax benefit. There may be a possible indirect impact for options affecting larger households.
		Mitigation: We are not aware of any impacts in need of mitigation and do not anticipate that our proposed scheme will have any particular impacts on larger households.
f.	Religion & Belief	Impact: This information is not collected from claimants as it is not relevant to the calculation of council tax benefit.
		Mitigation: We are not aware of any impacts in need of mitigation at this stage.
g.	Sexual Orientation	Impact: This information is not collected from claimants as it is not relevant to the calculation of council tax benefit.
		Mitigation: We are not aware of any impacts in need of mitigation at this stage.



	Key Questions	Answers/Notes				
g.	Marital or Civil Partnership Status	Impact: This information is not collected from claimants as it is not relevant to the calculation of council tax benefit.				
		Mitigation: We are not aware of any impacts in need of mitigation at this stage.				
h.	Pregnancy & maternity	Impact: This information is not collected from claimants as it is not relevant to the calculation of council tax benefit.				
		Mitigation: We are not aware of any impacts in need of mitigation at this stage.				
		Impact: This information is not collected from claimants as it is not relevant to the calculation of council tax benefit.				
		Mitigation: We are not aware of any impacts in need of mitigation at this stage.				
j.	General (i.e. affecting all of the above) / Other (i.e. socio economic)	Impact: As pensioners are protected, the reduction in the level of support falls to working age claimants. The actual average cut for any given group will depend on how many of that group are in protected pensioner households.				
		 Mitigation: Sevenoaks District Council will implement the following measures to mitigate any further affects of the funding deficit on non-pensioner households: Under separate legislation reducing the council tax discount on empty homes from six months to three months; Under separate legislation remove the council tax discount on second homes; and Carry out a review persons claiming Single Person Discount. 				
		 During year 1 of the scheme, Sevenoaks District Council will consider any further mitigating measures needed including: Considering the implications of reducing the reduction in council tax support from 18.5% in year 2 Examining other discounts and exemptions that could allow for more council tax support to be available to vulnerable groups Continuing to focus on Economic Development to provide support to local businesses and enable the creation of new local employment opportunities Continuing to maximise the positive outcomes of the HERO project with the provision of advice and support to help people back in to work. 				



	Key Questions Answers/Notes							
Step 5	Reviewing and Scrutinising the Impact							
13.	What conclusions can you draw about any differential impact and how people are adversely or positively affected?	Sevenoaks District Council's proposed local council tax support scheme suggests that the shortfall in funding as a result of the Governments decision to reduce money available for council tax support by 10% will be met from paying less council tax support. As the Government has said that pensioners must be fully protected from the changes, working age claimants will be affected by a reduction in council tax support. This will enable the Council to minimise the impact for all residents as council tax increases can be minimised and priority essential services safeguarded from savings and/or cuts.						
		Although the Council is proposing that all working age claimants will be impacted to the same extent (18.5%, reduced to 8.5% in year 1), the Council has identified that its proposed scheme has the potential to have a negative impact on people with disabilities, carers, women and younger age groups. This is because the extent of the impact on people with protected characteristics is directly determined by the proportion of pensioners that fall within each protected characteristic group. For example if one group has no protected pension age claimants then the impact on the working age group is negative to the effect of 18.5%. If another group has 50% of claimants of pension age then the impact of the working age group is halved and the negative effect reduced to 9.25%.						
14.	What actions can you take to address any impacts identified?	Sevenoaks District Council's proposed scheme continues to adopt the calculation methods of the current council tax benefit scheme. As a result it already provides more support to some groups than others (households with young families, people with disabilities and carers) which will be retained under the preferred scheme.						
		The Council is also proposing to take mitigating action by limiting the reduction in council tax support for all working age claimants to 8.5% in year 1 of the scheme. The Council will apply for transitional grant being offered by the Government to support the costs of delivering this increase in the council tax support that will be payable to claimants.						
		Options for mitigating the impacts in Years 2 and 3 will continue to be considered.						
15.	If no changes can be made, what reasons are there to justify this?	Whilst the Council's preferred option has potential to result in a degree of negative impact on some non-pensioner age groups, this is as a result of the protection of pensioners being prescribed by Government. We therefore have no discretion in implementing this aspect of the scheme.						



Step 5	Reviewing and Scrutinising the Impact				
16.	How might any of the changes, in relation to the adverse impact, have a further adverse affect on any other	Annex 1 to this Impact Assessment summarises the impact of each of the options on people in Sevenoaks District with protected characteristics based on current data, with additional data available as background information. Annex 2 summarises the impact of the options being presented for decision.			
	group?	, which 2 can manage the impact of the options somig procented for decicion			



Step 6	Decision making and future monitoring				
17.	Which decision making process do these changes need to go through i.e. do they need to be approved by a committee/Council?	Sevenoaks District Council reported its proposed local council tax support scheme to both Cabinet and Council. It was resolved that the scheme would be put to public consultation.			
	committee/ Council?	An update was provided to Services Select Committee and the Cabinet. The full Council consider the results of the consultation, the recommendations of Cabinet and this equality impact assessment on 27 November 2012, and formally adopt its local scheme for Council Tax support.			
18.	How will you continue to monitor the impact of the function/service/policy on diverse groups?	Measures for monitoring the impact will include ensuring that this assessment is kept under review, analysing claimant and council tax payment data and monitoring feedback and complaints.			
19.	When will you review this equality impact assessment?	Prior to any further decisions being taken about how the scheme will operate after Year 1, or sooner should any of aspects of the scheme need to be reconsidered.			



Localisation of Council Tax Support – Equality Impact Assessment Annex 1 – Summary of impacts from data analysis of Sevenoaks District claimants

This information provides a summary of the impacts of the proposed changes to Council Tax Benefit, based on data analysis of current Sevenoaks District claimants. The summary below is based on a comparison between the current average council tax benefit paid and the amounts that are proposed to be paid under the Sevenoaks District Council consultation proposal.

Average amount of council tax benefit

Sevenoaks District Council currently pays out £6,647,993 in council tax benefit. It is expected that Government will reduce funding to pay for council tax benefit by 10% from April 2013, leaving an estimated shortfall in the council tax benefit bill of £665,000.

The average actual reduction in weekly council tax benefit, following a blanket 18.5% reduction whereby pensioner households are protected from any cut, would be **9.1%** for an average household.

Profile of claimants (based on the current caseload of 6,662 households):

- 63.5% of primary applicants are female
- 36.5% of primary applicants are male
- 51.4% of claimant households are of pension age
- 27.4% of claimant households have children (of those 9.6% have a child under 5 years of age)
- 16.4% of claimants are categorised as having a disability of having a person with a disability in their household
- 3.7% of claimants receive a carer premium

Consultation Proposal:

Protect pensioners so that they see no reduction in their current council tax benefit levels. All other (working age) claimants will receive a reduction of 18.5% on their current benefit entitlement.

Impact:

Looking at the impact on all claimants, both working age and pension age:

- People with disabilities are affected more (their amount of award would fall by an average of 12.6%) than those without a disability (8.4% reduction).
- Households with carers would also be affected more (their amount of award would fall by an average of 12.6%) than those with no carers (9.0% reduction).
- Female applicants would be affected more (their amount of award would fall by an average of 9.8%) than male applicants (8.0% reduction).
- Applicants aged under 54 would face larger reductions (between 17.9 and 18.5%) than those aged 55-64 (9.3% reduction). For a pensioner household, there will be no change in the amount of benefit they receive.
- People from Minority Ethnic groups (66.7%) are more likely to be of working age (16-64) than White residents (57.7%) and less likely to be of pension age (6.9%) compared with White residents (23.3%)¹. As ethnicity data is not relevant to the calculation of council tax benefit it is not collected from claimants. The impact on ethnic groups is unclear at this stage.

¹ Source of data: Mid-Year Population Estimates 2009.

Localisation of Council Tax Support – Equality Impact Assessment Annex 2 – Summary of the impacts of applying the transition grant in year one of the scheme

	All Claimants Gender		Disability Ca	Carer	Families with	
	All Claimants	Female	Male	Disability	Carei	children
Current Benefit per Year						
Total benefit paid	£6,647,693	£4,123,473	£2,524,220	£1,037,609	£295,842	£1,868,320
Number of claimants	6,662	4,231	2,431	1,116	249	1,823
Average benefit paid per claimant	£998	£975	£1,038	£930	£1,188	£1,025
Proposed Benefit with 18.5% reduction						
Total benefit paid	£6,041,089	£3,719,111	£2,321,978	£916,137	£258,618	£1,532,330
Number of claimants	6,662	4,231	2,431	1,116	249	1,823
Average benefit paid per claimant	£907	£879	£955	£821	£1,039	£841
Proposed Benefit with 8.5% reduction						
Total benefit paid	£6,368,983	£3,937,685	£2,431,298	£981,797	£278,739	£1,713,947
Number of claimants	6,662	4,231	2,431	1,116	249	1,823
Average benefit paid per claimant	£956	£931	£1,000	£880	£1,119	£940
Impact of change from 18.5% reduction to						
Increase in total benefit paid - Value	£327,894	£218,574	£109,320	£65,660	£20,121	£181,617
Increase in total benefit paid - %	5.4%	5.9%	4.7%	7.2%	7.8%	11.9%
Increase in average benefit paid - Value	£49	£52	£45	£59	£81	£100
Increase in average benefit paid - $\%$	5.4%	5.9%	4.7%	7.2%	7.8%	11.9%