

## Equality Impact Assessment

Details of the assessment	
<b>Name of Function/Policy/ Service being assessed</b>	Localisation of Council Tax Support
<b>Date of assessment</b>	Commenced: 19 <sup>th</sup> June 2012 Completed:
<b>Name of officers carrying out assessment:</b>	The assessment is being carried out by finance leads and equalities leads from Maidstone Borough Council.

Step 1	Initial Screening	
	Key Questions	Answers/Notes
1	What are you looking to achieve in this activity?	<p>Localisation of Council Tax Benefit is part of a programme of national policy change to the welfare system aimed at addressing the rising cost of welfare and ensuring that work always pays.</p> <p>From 1<sup>st</sup> April 2013, all Councils will be required to establish a local scheme 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 approximately 10%) and allow the Council to decide who to financially support, outside of nationally prescribed elements which includes protecting support received by pensioners.</p> <p>Our intention is to develop a local scheme which takes the fairest overall course of action permitted by the nationally prescribed elements whilst meeting the significant reduction in funding.</p>

## Equality Impact Assessment

Step 1		Initial Screening	
	Key Questions	Answers/Notes	
2	Who in the main will be affected?	<p>– Eligible claimants for council tax support.                      – Those in receipt of empty homes or second homes discounts.                      – Potentially all council tax payers (depending on the scheme adopted, any local variations and the outcome of consultation).</p> <p>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.”</p> <p>Ref: <a href="http://www.communities.gov.uk/documents/localgovernment/pdf/2063707.pdf">http://www.communities.gov.uk/documents/localgovernment/pdf/2063707.pdf</a></p>	
3	Does the activity have the potential to cause adverse impact or discriminate against different groups in the community?	Yes <input checked="" type="checkbox"/>	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 <input type="checkbox"/>	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 <input checked="" type="checkbox"/>	Please explain: The Government has prescribed that pensioners will be protected from any reduction in support as a result of this reform.
		No <input type="checkbox"/>	Please explain:
		Note: if the answer is 'yes' then a full equality impact assessment is required – see step 2.	

Where the screening has identified the need for a full impact assessment, this must:

- be commenced during the drafting stages of a new policy/strategy and fully completed following any consultation period before submitting the committee approval
- carried out before any policy decision is taken
- completed in the planning stages of any procurement exercise

## Equality Impact Assessment

	Key Questions	Answers/Notes
<b>Step 2</b>	<b>Scoping the assessment</b>	
1.	What is the overall aim, or purpose of the function/ policy/service?	Our intention is to develop a local scheme which takes the fairest overall course of action permitted by the nationally prescribed elements whilst meeting the significant reduction in funding.  The purpose of the proposed legislative changes are set out in the Department for Communities and Local Government guidance document: <a href="http://www.communities.gov.uk/documents/localgovernment/pdf/19510253.pdf">http://www.communities.gov.uk/documents/localgovernment/pdf/19510253.pdf</a>
2.	What outcomes do you want to achieve with this function/ policy/service and for whom?	To develop a local scheme which: <ul style="list-style-type: none"> <li>– Provides support for the most vulnerable.</li> <li>– Assists with lifting the poorest off benefits and supporting them into work.</li> <li>– Takes account of the impact on non-claimants.</li> <li>– Minimises the risks of error and reduces financial risk to our authorities.</li> </ul>
3.	Who will be affected?	<ul style="list-style-type: none"> <li>– Eligible claimants for council tax support.</li> <li>– Those in receipt of empty homes or second homes discounts.</li> <li>– Potentially, all council tax payers (depending on the scheme adopted, any local variations and the outcome of the consultation).</li> </ul>
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 fund 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 & Maidstone)
6.	How do the outcomes of the function/service/policy meet or conflict with the authority's priorities?	Tunbridge Wells: Passionate about our customers; passionate about value.  Maidstone: Corporate and customer excellence - support our most vulnerable residents and seek to reduce the different forms of deprivation across the Borough

## Equality Impact Assessment

	Key Questions	Answers/Notes
7.	What factors could contribute or detract from the outcomes identified earlier?	<p><b>Contribute:</b></p> <p>The preferred Kent-scheme would:</p> <ul style="list-style-type: none"> <li>– Disregard some earned income.</li> <li>– Reduce benefit on a sliding scale as income increases.</li> <li>– Continue payment for four weeks after moving into work when there would otherwise be no entitlement.</li> <li>– Automatically transfer most people on council tax benefit to the new scheme.</li> <li>– Reduce confusion for claimants moving between authorities.</li> <li>– Allow one scheme for consulting across Kent.</li> <li>– Provide opportunities to standardise forms and processes.</li> <li>– Limit adverse financial affects for the lead authorities for three years as the precepting authorities have agreed to fund additional collection costs.</li> <li>– Provide an element of stability during the current economic climate.</li> <li>– Be possible to implement within the timescales set by the Government.</li> </ul> <p><b>Detract:</b></p> <ul style="list-style-type: none"> <li>– 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.</li> <li>– An increase in council tax to cover the reduction in funding is not a realistic option due to Government restrictions in respect of allowable tax increases.</li> <li>– Legislative requirements and the amount of grant received by local authorities are yet to be fully clarified.</li> <li>– 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.</li> <li>– Demand for council tax benefit is rising.</li> <li>– 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.</li> <li>– Additional Government proposals for welfare reform could also impact on those affected by the changes to council tax benefit.</li> <li>– Lack of finalised legislation.</li> </ul>

## Equality Impact Assessment

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<b>Step 3</b>	<b>Consideration of data and information</b>	
8.	What do you already know about who uses this function/service/ policy?	<p>We have analysed available data for current council tax benefit recipients allowing us to consider the impact on people according to:</p> <ul style="list-style-type: none"> <li>- Age</li> <li>- Disability</li> <li>- Those with caring responsibilities.</li> <li>- Gender</li> </ul> <p>A summary of the data analysis for the options being considered by Maidstone Borough Council is attached at Annex 1.</p>
9.	What consultation with service users has taken place on the function/service/ policy and what were the key findings?	<p>Maidstone Borough Council will carry out a consultation exercise between 10<sup>th</sup> August – 8<sup>th</sup> October 2012. This will set out our preferred option (based on the Kent-wide scheme) and other options about how the scheme will operate that are still to be decided. The consultation will give the opportunity for stakeholders affected by each of the options to give their views before the Council takes further decisions.</p>
10.	What, if any, additional information is needed to assess the impact of the function/service/policy?	<p>The response to the consultation will be analysed following the closing date on 8<sup>th</sup> October 2012.</p>
11.	How do you propose to gather the additional information?	<ul style="list-style-type: none"> <li>- A letter will be sent out to affected stakeholders informing them of the changes and inviting them to complete a questionnaire.</li> <li>- The consultation will be placed on Maidstone Borough Council's website.</li> <li>- Meetings with stakeholder organisations will take place.</li> </ul>

## Equality Impact Assessment

	Key Questions	Answers/Notes
<b>Step 4</b>	<b>Assessing the Impact</b>	
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	<p><b>Impact:</b> 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.</p> <p>As pensioners are protected, all options being considered by Maidstone Borough Council will result in a degree of negative impact on some non-pensioner age groups. We will consider any necessary options for mitigating the impact following the consultation.</p> <p><b>Mitigation:</b> The decision to protect pensioners was taken by Government who are therefore responsible for conducting their own EqlA on this aspect. This is available at: <a href="http://www.communities.gov.uk/documents/localgovernment/pdf/2063707.pdf">http://www.communities.gov.uk/documents/localgovernment/pdf/2063707.pdf</a></p>
b.	Disability	<p><b>Impact:</b> Maidstone Borough Council's preferred option has potential to negatively impact on people with disabilities by virtue of the relative proportion in protected, pensioner households. However, our current scheme treats people with disabilities more favourably by disregarding some income and allowing for additional premiums within the calculation; this will remain under the new scheme.</p> <p><b>Mitigation:</b> This will be considered following the consultation.</p>
c.	Carers	<p><b>Impact:</b> Maidstone Borough Council's preferred option has potential to negatively impact on carers by virtue of the relative proportion in protected, pensioner households. However, our current scheme treats carers more favourably within its calculation allowing for additional premiums within the calculation; this will remain under the new scheme.</p> <p><b>Mitigation:</b> This will be considered following the consultation.</p>
d.	Gender	<p><b>Impact:</b> Maidstone Borough Council's preferred option has potential to negatively impact on females as they are more likely to be the primary applicant and / or have dependent children. Our current scheme already mitigates this to some extent by making allowances for childcare costs.</p> <p><b>Mitigation:</b> This will be considered following the consultation.</p>

## Equality Impact Assessment

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e.	Race	<p><b>Impact:</b> 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.</p> <p><b>Mitigation:</b> This will be considered following the consultation.</p>
f.	Religion & Belief	<p><b>Impact:</b> This information is not collected from claimants as it is not relevant to the calculation of council tax benefit.</p> <p><b>Mitigation:</b> We are not aware of any impacts in need of mitigation at this stage.</p>
g.	Sexual Orientation	<p><b>Impact:</b> This information is not collected from claimants as it is not relevant to the calculation of council tax benefit.</p> <p><b>Mitigation:</b> We are not aware of any impacts in need of mitigation at this stage.</p>
g.	Marital or Civil Partnership Status	<p><b>Impact:</b> This information is not collected from claimants as it is not relevant to the calculation of council tax benefit.</p> <p><b>Mitigation:</b> We are not aware of any impacts in need of mitigation at this stage.</p>
h.	Pregnancy & maternity	<p><b>Impact:</b> This information is not collected from claimants as it is not relevant to the calculation of council tax benefit.</p> <p><b>Mitigation:</b> We are not aware of any impacts in need of mitigation at this stage.</p>
i.	Gender reassignment	<p><b>Impact:</b> This information is not collected from claimants as it is not relevant to the calculation of council tax benefit.</p> <p><b>Mitigation:</b> We are not aware of any impacts in need of mitigation at this stage.</p>
j.	General ( <i>i.e. affecting all of the above</i> ) /other ( <i>i.e. socio economic</i> )	<p><b>Impact:</b> 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.</p> <p><b>Mitigation:</b> Maidstone Borough Council could consider the following measures to mitigate any further affects of the funding deficit on non-pensioner households:</p> <ul style="list-style-type: none"> <li>– Reducing the empty homes discount from six months to one month.</li> <li>– Removal of the discount on second homes.</li> <li>– Target extra support for vulnerable people</li> <li>– Capping the amount of support to the level for a Band D property.</li> <li>– Reviewing the scheme after three years to implement any longer-term measures needed</li> </ul>

## Equality Impact Assessment

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		<p style="text-align: center;">to mitigate any ongoing impacts. A decision on these options will be taken following the consultation exercise.</p>
<b>Step 5</b>	<b>Reviewing and Scrutinising the Impact</b>	
13.	What conclusions can you draw about any differential impact and how people are adversely or positively affected?	<p>Maidstone Borough Council's preferred scheme proposes that the funding shortfall will be met from paying less council tax support to allow us to safeguard priority essential services. 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.</p> <p>We have identified that our preferred scheme has the potential to have a negative impact on people with disabilities, carers, women and younger age groups. 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.</p>
14.	What actions can you take to address any impacts identified?	<p>Maidstone Borough Council's current scheme already provides more support to some groups than others (households with young families, people with disabilities) which would be retained under the preferred scheme. We will consider whether measures for mitigating the impact are needed once we know if stakeholders agree with our preferred scheme and their views on the other options being considered.</p>
15.	If no changes can be made, what reasons are there to justify this?	<p>This will be considered following the consultation exercise.</p>
16.	How might any of the changes, in relation to the adverse impact, have a further adverse affect on any other group?	<p>Annex 1 shows the impact of each of the options on people in Maidstone Borough with protected characteristics based on current data. This will be reviewed following the consultation exercise.</p>



## Equality Impact Assessment

<b>Step 5 continued...</b>		<b>Actions to address any differential impact</b>		
Action	Outcome/monitoring information and targets	WK Equality Aims & Commitments	Date for Completion	Responsible Officer
We will put any necessary actions in place, once the response to the consultation has been analysed.				

<b>Step 6</b>	<b>Decision making and future monitoring</b>	
17.	Which decision making process do these changes need to go through i.e. do they need to be approved by a committee/Council?	Full Council will formally adopt is local scheme for Council Tax support in December 2012.
18.	How will you continue to monitor the impact of the function/service/ policy on diverse groups?	Measures for monitoring the impact will be considered once the final scheme has been developed and the impacts are known.
19.	When will you review this equality impact assessment?	Following the response to the consultation, prior to the Full Council decision being taken.

Localisation of Council Tax Support – equality impact assessment  
Annex 1 – Summary of impacts from data analysis of Maidstone Borough claimants

This information provides a summary of the impacts of the proposed changes to the Council Tax Benefit Scheme, based on data analysis of current Maidstone Borough claimants. The conclusions below are based on a (non-statistical) comparison between the current average weekly council tax benefit and the actual average reduction for specific groups, once various options have been applied.

**Average amount of council tax benefit**

The average actual reduction in weekly council tax benefit, following a blanket 24.5% reduction whereby pensioner households are protected from any cut, would be £224.52 for an average household.

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 £169.53 for an average household.

The average actual reduction in weekly council tax benefit, following a blanket 13% reduction whereby pensioner households are protected from any cut, would be £119.13 for an average household.

**Profile of claimants** (based on the current caseload of 6091 working age households):

- 15% of claimants receive a disability premium
- 65% of primary applicants are female
- 35% of primary applicants are male
- 4% of claimants receive a carer premium

**Option 1: Keep the amount of help that pensioners currently receive the same as it is now. Everyone else will receive a reduction of 24.5%.**

- Impact:**
- People with disabilities are affected more (their amount of award would fall by an average of £235.77) than those without a disability (£222.50 reduction).
  - Households with carers would also be affected more (their amount of award would fall by an average of £274.49) than those with no carers (£222.37 reduction).
  - Households with children would be affected more (their amount of award would fall by an average of £227.73) than those with no children (£220.92 reduction).
  - People from Minority Ethnic groups (69%) are more likely to be of working age (16-64) than White residents (60.3%) and less likely to be of pension age (6%) compared with White residents (21.6%)<sup>1</sup>. As ethnicity data is not relevant to the calculation of council tax benefit it is not collected from claimants and the impact of this option on ethnic groups is unclear.

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<sup>1</sup> Source of data: Mid-Year Population Estimates 2009.

**Option 2: Keep the amount of help that pensioners currently receive the same as it is now. Everyone else will receive a reduction of 18.5%.**

- Impact:**
- People with disabilities are affected more (their amount of award would fall by an average of £178.03) than those without a disability (£168.01 reduction).
  - Households with carers would also be affected more (their amount of award would fall by an average of £207.27) than those with no carers (£167.91 reduction).
  - Households with children would be affected more (their amount of award would fall by an average of £171.96) than those with no children (£166.82 reduction).
  - People from Minority Ethnic groups (69%) are more likely to be of working age (16-64) than White residents (60.3%) and less likely to be of pension age (6%) compared with White residents (21.6%)<sup>2</sup>. As ethnicity data is not relevant to the calculation of council tax benefit it is not collected from claimants and the impact of this option on ethnic groups is unclear.

**Option 3: Keep the amount of help that pensioners currently receive the same as it is now. Everyone else will receive a reduction of 13%.**

- Impact:**
- People with disabilities are affected more (their amount of award would fall by an average of £125.00) than those without a disability (£118.06 reduction).
  - Households with carers would also be affected more (their amount of award would fall by an average of £145.69) than those with no carers (£117.99 reduction).
  - Households with children would be affected more (their amount of award would fall by an average of £120.84) than those with no children (£117.22 reduction).
  - People from Minority Ethnic groups (69%) are more likely to be of working age (16-64) than White residents (60.3%) and less likely to be of pension age (6%) compared with White residents (21.6%)<sup>3</sup>. As ethnicity data is not relevant to the calculation of council tax benefit it is not collected from claimants and the impact of this option on ethnic groups is unclear.

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<sup>2</sup> Source of data: Mid-Year Population Estimates 2009.

<sup>3</sup> Source of data: Mid-Year Population Estimates 2009.

