

Title of the policy	Localisation of Council Tax Support
Date	21-08-12
Lead Officer	Ray Bowmer
Who else is involved in undertaking this assessment?	Leila-Jane Wilson- Programme Manager Localisation of Council Tax Scheme Leigh Butler, Senior Partnership Manager, The Leicestershire Partnership - Revenues and Benefits. Sue Williams-Lee, Partnership Manager, The Leicestershire Partnership - Revenues and Benefits.

Step 1 – Overview of policy/function being assessed

<p>A. Outline: What is the purpose of this policy? (specify aims and objectives)</p> <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.</p> <p>From 1st April 2013, all Councils will be required to establish a local scheme for Council Tax Support (CTLS) 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 prescribed elements which includes protecting support received by pensioners. The scheme itself must be approved and in place by 31st January 2013. The Local Government Finance Bill imposes a duty on billing authorities (North West Leicestershire DC) to consult with major precepting authorities and such other persons as it considers having an interest in the scheme. Major precepting authorities in Leicestershire are Leicestershire County Council, Leicestershire Police Authority and Leicestershire Fire Authority.</p> <p>This policy is intended to replace the current Council Tax Benefit Scheme. This must be in place by 1st April 2013 as Council Tax Benefit will be abolished from this date. It must be stressed that the Government is attempting the most significant changes to welfare that have been seen for at least 30 years.</p> <p>The current system 'Council Tax Benefit' is a national means tested scheme. Claimants may get Council Tax Benefit if they are liable for council tax and their income and capital (savings and investments) are below a certain level. The benefit is income-related (means tested) and anyone who is liable for council tax can apply, irrespective of whether they are working, unemployed, living in rented accommodation or own their own home. Decision making is devolved to Billing Authorities with funding paid by the Department for Works and Pensions from their annually managed expenditure. In essence this means that the Council is re-imbursed for 100% of its spend.</p> <p>In future funding for a localised scheme will be paid by the Department for Communities and Local Government (DCLG) from the Department Expenditure Limit budget. This means each Council will receive a fixed grant regardless of it's spend.</p> <p>Whilst the Government expect to reduce their expenditure by 10% (estimated £585,000 for North West Leicestershire), they also require that Councils do not pass any of such savings required to those of Pension Age. That decision means that the burden falls disproportionately upon those of Working Age,.</p> <p>In accordance with DCLG proposals, a replacement scheme must be adopted by 31st January 2013 to commence from 1st April 2013. Council's who are not able to comply will be obliged to adopt the default scheme. In practice, the default scheme mirrors the existing Council Tax Benefit but with a 10% cut in funding to be met from other sources.</p> <p>The Government has stated that it will protect low income pensioners as they have a fixed income and can't be expected to work to increase their income in the same way that a working age person can. Of the caseload for North West Leicestershire; approximately 52 % are pensioners and 48 % are working age; therefore the impact on working age claimants will be disproportionate. They will bear the burden of the savings applied to the scheme.</p> <p>The Government has also instructed that vulnerable groups should be protected in the same way as pensioners. The Government has not defined, and does not intend to define, any particular groups. It is therefore up to each local authority, having regard to local needs and knowledge of their population, to identify</p>

the most vulnerable in their communities.

The Local Council Tax Support Scheme will deliver the replacement for Council Tax Benefit.

The Leicestershire and Rutland Council Tax Support Scheme - Discretionary Discount Scheme will provide additional support for vulnerable groups.

B. What specific groups is the policy designed to affect/impact?

The main activity is to provide council tax support via a discount to those of working age on a low income. The discount will automatically be applied to the council tax demand notice and will reduce the amount to be paid. The support will be means tested in the same way as the present 'Council Tax Benefit' scheme.

Those on low incomes will benefit from the scheme in a similar way to the existing Council Tax Benefit, however it is likely that the majority of working age claimants will have to pay some council tax, or more than they do now.

This is because working age claimants will have to pay the funding shortfall of 10%, which in real terms equates to nearer 20%-25% due to the protection of pensioners and vulnerable groups

Working age claimants will be able to claim CTLS however it is possible they will receive less help towards their council tax than if they claimed council tax benefit.

C. Which groups have been consulted as part of the creation or review of the policy?

A full public consultation will take place for a period of eight weeks, responses will shape the scheme. Equality questions will form part of the questionnaire to enable analysis to take place.

Formal consultation will also be undertaken with precepting authorities, parish preceptors and various 3rd sector agencies that work closely with the Council. E.g. Citizen's Advice Bureau, Voluntary and Advocacy groups and community forums in North West Leicestershire.

The consultation will be jointly run with other Leicestershire authorities, this will enable us to identify any midland wide, broader issues and also report on local North West Leicestershire considerations.

The consultation will be open for a period of 8 weeks and be available to view; www.nwleics.gov.uk The letters will be sent to both working age and pensioner council tax benefit claimants to raise awareness of the consultation.

Paper copies will be distributed at road show events being held during the period.

Customer Services staff at North West Leicestershire will also encourage customers to complete the consultation, and be available to guide those who require assistance through the online questionnaire form.

Copies of the consultation will also be made available upon request in alternative formats.

The consultation documentation incorporates Plain English standards, although, we are legally obliged to provide some technical information that is not easily adapted to Plain English standards.

Meetings are being held with 3rd sector organisations to discuss the options of the scheme and enable them to voice an opinion.

Step 2 – What we already know and where there are gaps

A. List any existing information/data do you have/monitor about different diverse groups in relation to

this policy? Such as in relation to ethnicity, religion, sexual orientation, disability, age, gender, transgender etc.

Data/information such as:

- **Consultation**
- **Previous Equality Impact Assessments**
- **Demographic information**
- **Anecdotal and other evidence**

This is a completely new area of work, and new responsibility. Billing Authorities have always delivered Council Tax support through the national Council Tax Benefit Scheme.

A third party provider has been engaged and is currently undertaking an exercise to forecast various options for the policy. The impact upon various groups will be considered when the data is available.

The results of the forecast will be used to create the new scheme and to model various scenarios for a particular set of circumstances. Scenarios will be presented as supplementary material as part of the online consultation package.

The current council tax benefit data is available to us for modeling and forecasting purposes. Equality and Diversity data is collated and will be used for comparison purposes.

Examples have been provided to the Senior Management Team and Members. This will continue as the scheme is developed.

The current data held in the council tax benefit data base is comprehensive and will help to shape the scheme via modeling, along with the additional data provided by the third party provider engaged..

It is likely that we will need to work closely with council departments to understand how many people we have in the various identified vulnerable groups, as the Discretionary Fund must be affordable. For example; the number of potential claimants who are care leavers up to the age of 22 per year; the number of foster carer households in North West Leicestershire etc.

B. What does this information / data tell you about diverse group? If you do not hold or have access to any data/information on diverse groups, what do you need to begin collating / monitoring? (please list)

- Population density comparable with UK average
- Low number of flats and rented accommodation
- High affluence area, mainly detached housing, low deprivation, high proportion of manufacturing employment
- Ranked 252th out of 326 in the 2010 deprivation index LA ranking. Highly polarised area.
- 6.4% of population receiving benefit income, which is higher than the national average

Step 3 – Do we need to seek the views of others? If so, who?

A. In light of the answers you have given in step 2, do you need to consult with specific groups to identify needs / issues? If not please explain why.

To be identified following modeling and consultation.

Awareness

Taxpayers may also need to seek debt advice prior to April 2013 if they are already struggling to pay their bills or ensure that they are currently claiming all of the benefits that they are entitled to under the current scheme. A series of debt advice road shows aimed at 3rd sector organisations are being held in conjunction with the Leicestershire County Council Housing Partnership. These road shows will not only provide awareness of the council tax changes in April 2013, but bring together practitioners from other areas of welfare reform changes.

Information, Advice and Guidance

Taxpayers may need tools to help them understand the impact of changes to their household. Once the scheme has been agreed, scenarios will be revised and published, the council may produce a 'council tax scheme calculator' to help taxpayers work out the cost of changes.

Information will be delivered to each household with annual council tax bills to explain changes.

Discretionary fund and other sources of help for those impacted negatively will also be communicated to 3rd party organisations, groups and vulnerable people.

Step 4 – Assessing the impacts

	In light of any data/consultation/information and your own knowledge and awareness, please identify whether the policy has a positive or negative on the groups specified and provide an explanation for your decision. (please refer to the general duties on the front page)
Age	Negative affect -Working age claimants on a low income
Disability (physical, visual, hearing, learning disabilities, mental health)	Negative affect -Working age claimants on a low income
Sex	Negative affect -Working age claimants on a low income
Religious Belief	Negative affect -Working age claimants on a low income
Racial Group	Negative affect -Working age claimants on a low income
Sexual Orientation	Negative affect -Working age claimants on a low income
Transgender	Negative affect - Working age claimants on a low income
Other protected groups (pregnancy & maternity, marriage & civil partnership)	Negative affect -Working age claimants on a low income
Other socially excluded groups (low literacy, priority neighbourhoods, socio-economic, etc)	None specific to other groups, however there may be feelings of social injustice for those affected in their communities, this may create tension within small hamlets and villages.
All	Negative affect on working age claimants on a low income

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Step 5 – Action Plan

Please include any identified concerns/actions/issues in this action plan: <i>The issues identified should inform your Service Plan and, if appropriate, your Consultation Plan</i>			
Question Number (Ref)	Action	Responsible Officer	Target Date
1	How many people are likely to be affected? To be advised after modeling of a) vulnerable groups and b) the scheme.	Sue Williams-Lee Leigh Butler (The Leicestershire Partnership)	31 st October 2012
2	Help tax payers work out cost of changes 'Council Tax calculator'	Leila Wilson Programme manager	30 th November 2012
3	Notify working age customers of Council decision	Ray Bowmer Sue Williams-Lee Leigh Butler	31 st January 2013

Step 6 – Who needs to know about the outcomes of this assessment and how will they be informed

	Who needs to know (Please tick)	How they will be informed (we have a legal duty to publish EIA's)
Employees	Council Staff – in particular those within Revenues and Benefits, Customer Services, Housing and other front facing service areas	Staff briefings, email, intranet/internet.
Service users	Council Tax Benefit claimants	The council's 'Vision' magazine, press releases in local papers, on the council's website, posters, leaflets, discussion at forum meetings.
Partners and stakeholders	CAB, Money Advice, 3 rd sector voluntary groups, Housing Associations, Housing departments,	Liaison meetings, email updates, briefings/awareness sessions.
Others		
To ensure ease of access, what other communication needs/concerns are there?		We need to be able to communicate with all sectors of the community. Therefore we may need to provide information in other languages, Braille, large print etc. We may also need to arrange appointments with customers or their representatives to directly explain changes in a manner which meets their particular needs.

Step 7 – Conclusion (to be completed and signed by the [Service Head](#))

Please delete as appropriate
I agree / disagree with this assessment / action plan

If *disagree*, state action/s required, reasons and details of who is to carry them out with timescales:

Signed (Service Head):

Date: