



HYNDBURN

The place to be
an excellent council



Council Tax
Support

EQUALITY IMPACT ASSESSMENT

Contents

Introduction.....	3
Background	3
Options.....	4
Proposed Draft Council Tax Support Scheme.....	5
1. Reduction in Council Tax Support	6
2. Removal of entitlement to backdated support	6
3. Non-dependant deductions from Council Tax Support	7
4. Removal of Second Adult Rebate/Alternative Council Tax Benefit.....	7
5. Capital Cut Off Limit.....	8
6. Disregarded Capital	8
7. Treatment of self-employed for Council Tax Support.....	8
Equality Analysis	9
Age	9
Age – under 18	10
Age – People between 18 and 34	10
Age - People between 18 and 60	11
Age - Pensioners aged 61+	12
Disability	12
Gender Reassignment.....	13
Marriage and Civil Partnership.....	13
Pregnancy and Maternity	14
Race	15
Religion and Belief	16
Sex.....	16
Sexual Orientation.....	16
Customer First Analysis	16
Purpose.....	16
Evidence	18
Impact	19
Actions	19

Introduction

The Welfare Reform Act 2012 abolishes Council Tax Benefit. Unlike most other abolished benefits, council tax benefit is to be excluded from Universal Credit and the Government has placed a duty on all local authorities to implement a local Council Tax Support Scheme.

Local Council Tax support schemes are to be devised, promoted, adopted and implemented by Local Authorities and must be a published local scheme by January 2013 ready for implementation in April 2013. Hyndburn's Council Tax Support project will focus on delivering a fair, balanced and efficient scheme which will not disproportionately disadvantage any groups sharing a protected characteristic as defined by the Equality Act 2010.

Due consideration must also be made to the Council's statutory obligations to protect vulnerable groups – responsibilities outlined in:

- The Child Poverty Act 2010
- Disabled Person's Act 1986 and the Chronically Sick and Disabled Person's Act 1970
- The Housing Act 1996

This Equality Impact Assessment details the specifics of Hyndburn's Council Tax Support project's commitment to the public sector equality duty as defined in the Equality Act 2010.

This report will use the Council's Customer First Analysis as the basis for equality considerations.

All Council Tax Support project documentation includes consideration of equality and all documents are available on request as part of our commitment to transparency throughout this process.

Background

Council Tax Benefit is the most commonly claimed benefit in the UK. Each year in Hyndburn we pay a total of £8.12m Council Tax Benefit to 9,600 households and currently it is possible to claim up to 100% of Council Tax as a benefit.

At the spending review in 2010, the Government announced that it would localise support for Council Tax from April 2013 and reduce benefit expenditure by 10%. For Hyndburn Council this means a reduction in funding of £812k.

The Government has also introduced powers into the Local Government Finance Bill to provide protection for pensioners. This means that new localised schemes will not apply to pensioners nationally or in Hyndburn and they will not see any reduction in Council Tax Support in comparison with current levels of Council Tax Benefit. Pensioners will continue to be entitled to up to 100% of their Council Tax as a benefit.

The Government has prescribed within the Bill further powers to impose a default scheme on local authorities who fail to design a new scheme by the 31 January 2013. This will be known as the “default scheme” and will have financial penalties for local authorities.

The Coalition Government’s focus on localisation and incentivising work underpins the rationale to localise Council Tax Support. By giving local authorities a greater stake in the economic future of their area it is hoped that longer term benefit dependency will reduce and local economies will be stimulated by having a population more incentivised to seek work.

The Local Government Finance Bill provides further detail and instruction to local authorities on the implementation of their local Council Tax Support Schemes. All local schemes must consider the following:

Protection for pensioners: Schedule 1A of the Bill places a duty on all local authorities to continue to provide a Council Tax Benefit scheme which covers up to 100% of a pension age claimant’s Council Tax Liability. Claimants of pension age cannot be expected to seek work in order to increase their income and therefore the changes to Council Tax Benefit will not affect pensioners.

Protection for vulnerable groups: the Council has a duty to protect vulnerable groups such as people with disabilities, families with children and those facing homelessness and these considerations must be made when proposing any draft Council Tax Support scheme. How this protection is to be applied and which groups are to be defined as vulnerable has not been prescribed by Government. There is no provision for 100% Council Tax Support to any groups other than pensioners.

Incentives to work: the local Council Tax Support scheme will contribute to the local and national economy by providing national savings of £412M per year as well as by incentivising work.

Options

Funding for Council Tax Support will be 10% less than what we currently receive to fund Council Tax Benefit and as already outlined in this report, for Hyndburn this is a funding shortfall of £812k. How local authorities manage this funding shortfall has been left almost entirely to local discretion and top level option for all authorities are:

1. Maintain current Council Tax Benefit levels and use council reserves to subsidise the Council Tax Support scheme.
2. Maintain current Council Tax Benefit levels and make savings by reducing funding to other council services.
3. Maintain current Council Tax Benefit levels but increase Council Tax rates in order to subsidise the benefit awarded.

4. Make changes to the current Council Tax Benefit scheme and pass the funding shortfall on to working age Council Tax Support claimants.

All options have been considered and while the final Council Tax Support scheme has not yet been finalised, and will not be until it has been through a public consultation exercise, options 1 and 2 have been discounted using Council reserves cannot be a sustainable long term option as other Council services have seen major reductions in funding already since the spending review in 2010.

Option 3 has also been discounted as this is also not a sustainable option long term and raising Council Tax levels each year to cover the Council Tax Support funding shortfall will not incentivise work and places a larger financial burden on all other Council Tax Payers.

Option 4, designing a new local scheme for Council Tax Support which passes the funding shortfall on to working age claimants of Council Tax Support is currently the Council's preferred option and forms the basis of this equalities assessment.

Proposed Draft Council Tax Support Scheme

Hyndburn Council's intention is to make the Council Tax Support Scheme fair and equitable for all claimants.

When designing the draft scheme, all options and scenarios were put through an extensive financial modelling process which calculated the potential impact on any and all affected groups. As a result of the financial modelling this draft scheme does not propose to provide any additional benefits to individuals or groups outside of the personal allowances and applicable amounts currently used in the assessment of Council Tax Benefit.

The personal allowances and applicable amounts currently used to calculate Council Tax Benefit are the amounts deemed necessary to provide for basic needs based on household composition and disability. These allowances and applicable amounts already take the claimant's circumstances into account and mean that they are awarded more benefit if they have children or if someone in the household has a disability.

For example, a single person aged over 25 is deemed to have weekly needs of £71. This is increased to £101.35 if that person is in receipt of a disability benefit and this leads to a more generous assessment of weekly Council Tax Benefit.

As we intend to keep this system of ensuring that certain groups are awarded more benefit, we do not intend to make further allowances for household circumstances in the new scheme.

Hyndburn draft Council Tax Support scheme proposes to maintain the majority of the rules and assessment criteria as the current Council Tax Benefit scheme with the exception of seven key changes:

1. Reduction in Council Tax Support

Council Tax Benefit currently allows for up to 100% of a working age claimant's Council tax to be paid as a benefit. Entitlement to Council Tax Support will be reduced by 20% for all working age claimants, which means that all claimants, whether in work or in receipt of a passported benefit (as defined below) will have to make a contribution towards their Council Tax. The indicative figure of 20% is based on current funding proposed by the Government and may rise or fall depending on final grant funding allocations set by the Government and the Council.

Passported benefits are Income Support, Job Seekers Allowance (Income Based), Employment and Support Allowance (Income Related) and from October 2013, recipients of Universal Credit.

By ensuring that all benefit recipients have to pay a contribution towards their Council Tax, the scheme is fair and does not disadvantage people who are already in work, which would undermine the principles of Universal Credit and welfare reform.

This means that some people will have to pay Council Tax for the first time and no working age claimant will be able to claim 100% of their Council Tax as a benefit.

Example: Claimant A is on Income Support and receives 100% of his Council Tax as Council Tax Benefit, which as a single person living alone is £14.89 per week¹. This will be reduced by 20% and Claimant A will now receive £11.91 per week in Council Tax Support and must pay the remaining £2.98 per week towards his Council Tax.

2. Removal of entitlement to backdated support

Currently, Council Tax Benefit awards can be backdated for up to six months. This draft scheme proposes what applications for Council Tax Support will commence from the date the application is receipted as having been received by the council. There will be no provision to backdate applications for Council Tax Support.

This will allow for a more streamlined administrative process, reducing the cost of administering the new scheme as well as offering potential savings of £20,000 per year.

Example: Claimant B made a claim for Council Tax Benefit on 1 October and requested that the claim was backdated for six months. Following the current rules, his circumstances meant that this was allowed and an additional £532 was awarded in Council Tax Benefit as the claim was paid from 1 April.

¹ All examples are based on the claimant(s) living in a Band A property in Hyndburn and use 2012-13 Council tax rates.

3. *Non-dependant deductions from Council Tax Support*

Under the current scheme various deductions apply to a claimant's benefit entitlement based on their circumstances and that of any non-dependants who live in their household.

A non-dependant is another adult, other than the claimant, who lives in the household but who is not the claimant's partner, joint tenant or lodger. This is usually grown up son or daughter, friend or relative living with the claimant.

Council Tax Benefit currently takes the non-dependant's income into account when assessing Council Tax Benefit and deducts an amount from the final assessment of benefit to reflect the contribution that the non-dependant should make towards Council Tax. If the non-dependant is on Income Support, the claimant's Council Tax Benefit is not reduced at all. If the non-dependant is working or on certain benefits such as maternity allowance, then depending on their income, we make deductions of between £3.30 and £9.90 per week.

The new scheme proposes to increase the deductions made for each non-dependant and to introduce a deduction when previously no deduction was applied to reflect the Government's expectation that everybody should be contributing financially to the household in which they reside.

A standard deduction of £10 will be applied to each non-dependant living in the household, regardless of their income status. The income and capital of the non-dependant will no longer be collected for Council Tax Support further streamlining the administration of the new scheme.

Example: Claimant C receives £15 per week in Council Tax Benefit and her adult son who lives with her is claiming Job Seeker's Allowance. Currently we do not make a deduction from her Council Tax Benefit. The new scheme will deduct £10 from her Council Tax Support and she will receive £5 per week.

4. *Removal of Second Adult Rebate/Alternative Council Tax Benefit*

Currently, Council Tax Benefit can be awarded to a person who is liable to pay Council tax if their income is too great to qualify, if a second adult in the property is on a low income or a passported benefit such as Income Support. (The second adult cannot be liable to pay Council Tax and cannot be the claimant's partner, joint tenant or lodger).

These rules will not apply to the Council Tax Support Scheme and only the income of the claimant will be considered in the new scheme.

Example: Claimant D has more than £16,000 in capital and so does not qualify for Council Tax Benefit, but his grown up son living with him is claiming Income Support, and so he currently receives 25% off his Council Tax bill as a Second Adult Rebate - £4.96 per week. Under the new scheme, this will not apply and the Claimant D will not qualify for any Council Tax Support.

5. Capital Cut Off Limit

The current capital cut off limit for claiming Council Tax Benefit is £16,000. From April 2013, the new capital cut off limit for Council Tax Support will be £10,000.

This means that any claimant on Council Tax Benefit on 31 March 2013 who has capital over £10,000 will no longer be entitled to Council Tax Benefit and any new claimants after 1 April 2013 will not qualify for any Council Tax Support if their capital is over £10,000.

6. Disregarded Capital

Current Council Tax Benefit rules say that for every £250 that the claimant has in capital and savings over £6,000, £1 per week is added to their income as tariff income. Capital and savings up to £6,000 is 'disregarded'.

The new scheme proposes to remove this disregard and to use all capital in the calculation of Council Tax Support

This will apply to savings accounts and other forms of capital such as bonds and shares and not to 'current accounts' used for the payment of wages and other benefits and for every day expenses.

This means that for every £250 of capital, £1 per week will be added to the income used to calculate Council Tax Support which will reduce the final amount of Council Tax Support awarded.

Example: Claimant E has an income of £100 per week and has £5,000 in a savings account. Currently, only the £100 per week would be used to assess Council Tax Benefit. The new scheme will add £1 per week for every £250 in capital held – which in this case will increase Claimant E's income to £120 per week and will mean that a lower level of Council Tax Support will be awarded.

7. Treatment of self-employed for Council Tax Support

Verification of self-employed status and proof of income will be required by Hyndburn Council upon receipt of self-employed applications for Council Tax Support.

Currently, all claimants are required to provide proof of their earnings if working and for employed claimants this is normally wage slips or a statement from their employer. For self-employed claimants, it can be difficult to ascertain an accurate income figure and many new business owners do not have full accounts for at least the first year. Many self-employed claimants do not provide accounts when requested and many provide an inadequate record of accounts which does not allow for a fair assessment of their income.

The new scheme proposes that if the self-employed claimant does not provide a complete record of income and expenditure in respect of their business, we will use the minimum wage as their income figure and use this to assess entitlement to Council Tax Support. The minimum wage will also be applied where income is

produced that suggests they are earning less than the minimum wage but which cannot be verified through proper accounts.

Equality Analysis

In order to assess the impact of the seven key changes proposed in the draft scheme, each key change has been considered in terms of its impact on people with protected characteristics as well as its impact on the Council's statutory obligation to protect vulnerable groups as outlined in:

- The Child Poverty Act 2010
- Disabled Person's Act 1986 and the Chronically Sick and Disabled Person's Act 1970
- The Housing Act 1996

Protected characteristics are defined in the Equalities Act 2010 and include:

- Age
- Disability
- Gender Reassignment
- Marriage and Civil Partnership
- Pregnancy and Maternity
- Race
- Religion and belief
- Sex
- Sexual orientation

Age

The Equality Act defines *age* as a protected characteristic in terms of both being of a specific age i.e. 31 year olds or belonging to a groups of people defined by a range of ages i.e. people over the age of 61. The Council Tax Support scheme has made due consideration throughout to age in terms of age ranges as there is no specific change or rule which will impact anyone of a particular age.

Age as a protected characteristic is a consideration throughout the consultation planning stage of this project and details of how this has been considered include:

- Formatting of all publicity material including large fonts and web-readers for online materials
- Suitability of consultation feedback methods – telephone as well as face to face channels will be available as may suit an older person and online material will be included as may suit a younger person.
- Targeted publicity – advertising material will be sent to community centres, as well as local charities working with older people and youth groups. Social

networking will target our younger audience as well as online networks and forums.

- Forum invitations will be sent to community groups and charities working with older and younger people
- Age will be included in the equality questions in order to analyse responses

Age – under 18

The minimum age for receiving Council Tax Support will be 18 and so people under the age of 18 will not be impacted directly by the proposed Council Tax Support scheme.

Indirect impact has been considered as people under the age of 18 are included as part of a claimant's household and the Council has a duty to prevent child poverty as outlined in the Child Poverty Act 2010.

The proposed Council Tax Support scheme will retain the majority of the current Council Tax Benefit assessment rules including the use of applicable amount and personal allowances.

The personal allowances and applicable amounts currently used to calculate Council Tax Benefit are the amounts deemed necessary to provide for basic needs based on household composition and disability. These allowances and applicable amounts already take the claimant's circumstances into account and mean that they are awarded more benefit if they have children or dependents under the age of 18.

For example, a single person aged over 25 is deemed to have weekly needs of £71. This is increased to £218.38 for a lone parent with two children which leads to a more generous assessment of benefit and the lone parent will have to pay less Council Tax than the single person.

The Council Tax Support scheme also intends to retain the current disregard of Child Benefit in income calculations which means that the added income that Child Benefit provides will not reduce the amount of Council Tax Support that a claimant receives.

Retaining this system of allowances and applicable amounts will provide additional protection for households with children or dependents under the age of 18.

Age – People between 18 and 34

Changes to Housing Benefit legislation in January 2012 had an impact on claimants of Housing Benefit aged under 35. From January 2012, single claimants without children or a disability who are under the age of 35 are entitled to the Shared Accommodation Rate of Local Housing Allowance. This used to apply to claimants under 25 but was changed and claimants between the ages of 25 and 34 saw a reduction in their Housing Benefit of £23.81 per week. Council Tax Support will impact this group as all claimants of Housing Benefit and Council Tax Support from April 2013, between the ages of 18 and 34, will receive the Shared Accommodation

Rate of Local Housing Allowance and will see an increase in their Council Tax bill of approximately 20%. Those currently in receipt of a passported benefit such as Income Support will also have to pay approximately 20% of their Council Tax liability, which for some will be for the first time.

This group is potentially the most financially disadvantaged of all the groups identified as they receive the lowest amount of Housing Benefit and do not receive any other state benefits other than Job Seeker's Allowance, Income Support or Employment Support Allowance – and all at the lowest rates. They do not receive Disability Living Allowance, Child Benefit or Tax Credits and their applicable amounts and personal allowances are the lowest as children and disabilities are not a factor in their needs.

The details that we hold on our current Housing Benefit caseload identified 150 claimants who were affected by changes to the new Under 35 rules for Housing Benefit, and this mailing list was used to provide them with details of Discretionary Housing Payments and other options available to them as part of an incentive to reduce the potential for homelessness as a result of these changes.

The Council is committed to preventing homelessness and as part of the Council Tax Support scheme will aim to consult specifically with this group of people through both the wider consultation process as well as through representative groups such as the Council's own Housing Advice Team and local community groups and charities working with single, young people at risk of homelessness.

As a Class of Persons, this group is not defined by the Local Government Finance Bill and it is not expected to be defined by any supplementary regulations, however we have identified this as a group at risk of homelessness and the social exclusion and poverty associated with homelessness.

Age - People between 18 and 60

Working age claimants of Council Tax Support will see a reduction in Council Tax Support in comparison to their current levels of Council Tax Benefit of approximately 20%. The financial modelling process has determined that an equal percentage cut of approximately 20% is the only way to allow for the £812k annual funding shortfall from April 2013. As pension age claimants are not to be affected by the new scheme, the funding shortfall will be passed on to all working age claimants between 18 and 60 (18 is the minimum age for applying for Council Tax Support). As a result, further consideration based on age is not possible and spreading the cost of the funding shortfall over the largest group possible (all working age claimants between 18 and 60) is viewed as the fairest possible option.

No adverse impact has been identified as a result of belonging to this age group. The consultation questionnaire will gather information specific to this age group in order to determine any relevance and should the result identify any inequalities then

potential mitigating steps to reduce or remove any adverse impacts will be considered.

Age - Pensioners aged 61+

The Government is committed to protecting pensioners on low incomes and therefore will prescribe a scheme for pensioners through legislation.

Under the current Council Tax Benefit regulations a person becomes eligible for pensioner-related Council Tax Benefit at the age at which they can qualify for State Pension Credit (the pensionable age for a woman). From April 2013, the qualifying age will be 61.

This means that pensioners nationally as well as in Hyndburn will not see any reduction in their Council Tax Support in comparison with their current levels of Council Tax Benefit. Pensioners will still be entitled to claim up to 100% of their Council Tax liability as a benefit.

The Council's general equality duty is lessened to an extent with regard to older people as Government has prescribed that pensioners are not to be affected by Council Tax Support. However, we have a responsibility to foster good relationships between people who share a protected characteristic and those who do not and there is a risk of harming the relationship between pensioners and working age claimants of Council Tax Support when it is realised that pension age claimants are not affected and that working age claimants will see a greater percentage reduction to their Council Tax Support to cover the shortfall in funding that affects all people who can claim Council Tax Support.

We aim to mitigate this potential risk to the relationships between the different age groups by promoting the Government's intentions behind its policy decision – that pensioners cannot be expected to find work in order to increase their income as well as by illustrating that all other key changes have been made with the intention of reducing the overall reduction in benefits for working age people.

Disability

One of the main considerations when proposing the Council Tax Support scheme has been with regard to additional protections for people with disabilities. As outlined previously under *age* the new Council Tax Support scheme proposes to retain the current Council Tax Benefit assessment rules on the use of applicable amount and personal allowances.

The personal allowances and applicable amounts currently used to calculate Council Tax Benefit are the amounts deemed necessary to provide for basic needs based on household composition and disability. These allowances and applicable amounts already take the claimant's circumstances into account and mean that they are awarded more benefit if they or anyone in their household has a disability.

As an example, a couple without children or disabilities is deemed to have weekly needs of £111.45. If one of them has a disability, depending on the severity of that disability, this can increase to £303.70 which means that a more generous assessment of Council Tax Support will be made and the couple will have to pay less Council Tax than a couple without disability.

Disability as a protected characteristic is a consideration throughout the consultation planning stage of this project and details of how this has been considered include:

- Formatting of all publicity material including large fonts, braille and web-readers for online materials
- Suitability of consultation methods – telephone responses as well as face to face responses will be available
- Targeted publicity – advertising material will be sent to doctors' surgeries, local hospitals, DWP offices as well as local charities working with disabled people
- Forum invitations will be sent to community groups and charities working with disabled people to represent disabled people
- Disability will be included in the equality questions in order to analyse responses

Gender Reassignment

As a group of people sharing this protected characteristic, people considering or undergoing the process of gender reassignment is one of our hardest to reach groups. Forum invitations will be sent to LGBT (Lesbian, Gay, Bisexual and Transgender) groups working locally in order to gain an opinion on our proposals and gender reassignment will be included in the equality questions in order to analyse responses.

Gender reassignment will not be a factor in any part of the assessment of Council Tax Support and it is not considered to be a characteristic which requires a higher applicable amount when assessing benefit. For these reasons, it is expected that Council Tax Support will not adversely affect transgendered people as a specific group.

However, based on the data that we hold currently, we do not have sufficient evidence to determine the relevance of this protected characteristic and so further consideration will take place once we have completed the consultation process.

Marriage and Civil Partnership

The Council Tax Support scheme proposes to retain the majority of the assessment criteria used currently in the assessment of Council Tax Benefit which specifies that a 'couple' is:

- A man and woman who are married to each other and are members of the same household
- A man and woman who are not married to each other but are living together as husband and wife
- Two people of the same sex who are civil partners of each other and are members of the same household
- Two people of the same sex who are not civil partners of each other but are living together as if they were civil partners.

Marital or civil partnership status is not currently a factor in determining the amount of Council Tax Benefit a couple receives and will not be a factor when assessing Council Tax Support as it is not considered to be a characteristic which requires a higher applicable amount. For these reasons, it is expected that Council Tax Support will not adversely affect people based on their marital or civil partnership status.

However, based on the data that we hold currently, we do not have sufficient evidence to determine the relevance of this protected characteristic and so further consideration will take place once we have completed the consultation process.

Pregnancy and Maternity

For the purposes of Council Tax Support, pregnancy and maternity must be considered as two separate characteristics as while the claimant is pregnant, her applicable amounts and personal allowances are lower as once a child is born, it becomes part of the household composition and increased allowances are applied.

Pregnancy alone is not a factor in the current assessment of Council Tax Benefit and will not be a factor in the assessment of Council Tax Support as it is not considered to be a characteristic which requires a higher applicable amount. For these reasons, it is expected that pregnant women will not be adversely affected by Council Tax Support. However, based on the data that we hold currently, we do not have sufficient evidence to determine the relevance of this protected characteristic and so further consideration will take place once we have completed the consultation process.

In a non-work context such as this, The Equality Act 2010 provides for protection against maternity discrimination for 26 weeks after giving birth, including as a result of breastfeeding. Providing that the child (or children) forms part of the mother's household composition once it is born, the claim for Council Tax Support will then include the child (or children) as part of the household and the applicable amount will increase which, once other income changes have been taken into account may provide for a more generous assessment of Council Tax Support and reduced Council Tax payments.

The Council Tax Support scheme intends to retain the current disregard of Child Benefit in income calculations which means that the added income that Child Benefit

provides will not reduce the amount of Council Tax Support that a claimant receives as a result of having a baby.

Race

Race alone is not a factor in the assessment of Council Tax Benefit and will not be a factor in the assessment of Council Tax Support as it is not considered to be a characteristic which requires a higher applicable amount. For these reasons, it is expected that Council Tax Support will not adversely affect people based on their race.

The Local Government Finance Bill will define a 'class of persons' who will be restricted from receiving Council Tax Support nationally and this is expected to include 'persons from abroad'. The Government intends to apply the same restrictions as exist under the Council Tax Benefit system to exclude foreign nationals with limited immigration status and non-economically active EEA individuals who are not exercising EU treaty rights from receiving Council Tax Support.

Hyndburn's Council Tax Support scheme will include these provisions once finalised and published by the Government.

With the exception of some nationalities, as outlined above, it is not anticipated that any claimant will be adversely affected by the changes made as a result of their race. We hold sufficient data on the make-up of Hyndburn's population to make an informed decision about how we should target our consultation and promotional material but as we do not gather data on race as part of the Council Tax Benefit claim process, we do not hold data specific to race within our caseload. For this reason, we will analyse consultation responses based on race and nationality and will be in a better position to determine the relevance of this protected characteristic so further consideration will take place if necessary.

Race as a protected characteristic is a consideration throughout the consultation planning stage of this project and details of how this has been considered include:

- Formatting of all publicity material including community languages such as Urdu and Polish
- Targeted publicity – advertising material will be sent to local places of worship and community groups working with the BME community.
- Forum invitations will be sent to community groups and representatives of the BME community
- Race and nationality will be included in the equality questions in order to analyse responses

Religion and Belief

Religion and belief will not be a factor in any part of the assessment of Council Tax Support as it is not considered to be a characteristic which requires a higher applicable amount when assessing benefit. For these reasons, it is expected that Council Tax Support will not adversely affect anyone based on their religion or belief.

However, based on the data that we hold currently, we do not have sufficient evidence to determine the relevance of this protected characteristic and so further consideration will take place once we have completed the consultation process.

Consultation and publicity material will be sent to local places of worship in order to try to capture opinion from the religious community.

Sex

Sex will not be a factor in any part of the assessment of Council Tax Support as it is not considered to be a characteristic which requires a higher applicable amount when assessing benefit. For these reasons, it is expected that Council Tax Support will not adversely affect anyone based on their sex.

However, based on the data that we hold currently, we do not have sufficient evidence to determine the relevance of this protected characteristic and so further consideration will take place once we have completed the consultation process.

Sexual Orientation

Sexual orientation will not be a factor in any part of the assessment of Council Tax Support as it is not considered to be a characteristic which requires a higher applicable amount when assessing benefit. For these reasons, it is expected that Council Tax Support will not adversely affect anyone based on their sexual orientation.

However, based on the data that we hold currently, we do not have sufficient evidence to determine the relevance of this protected characteristic and so further consideration will take place once we have completed the consultation process.

Consultation and publicity material will be sent to LGBT groups working locally in order to try to capture opinion from the Lesbian, Gay and Bisexual community.

Customer First Analysis

The Council's response to the public sector equality duty is a comprehensive Customer First Analysis which has been adapted here to encompass this large project:

Purpose

- **What are you trying to achieve with the policy / service / function?**

This project's main aim is to design, adopt and implement a local Council Tax Support Scheme to replace Council Tax Benefit. This scheme must be

published by 31 January 2013 and implemented ready for the financial year beginning on 1 April 2013.

Council Tax Support must deliver a 10% (£812k) spending reduction based on current levels of Council Tax Benefit spending and must include public consultation and the protection of pensioners, it must incentivise work and protect vulnerable groups.

- **Who defines and manages it?**

The Welfare Reform Act 2012 and Local Government Finance Bill 2012 provide the scope for Council Tax Support local schemes.

The project and scheme will be designed and implemented by Benefits, Revenues and Customer Contact management team. Project sponsor is Deputy Chief Executive, Joe McIntyre and project lead is Head of Benefits, Revenues and Customer Contact, Pauline Duckworth.

- **Who do you intend to benefit from it and how?**

All considerations have been made throughout this project to militate any adverse affected on any defined group. This is not possible with working age people between 18 and 60 as the Local Government Finance Bill provides specific protection for pension age claimants of Council Tax Support. As a result, while pensioners will not see any increase in their benefits, they will not see a reduction as a result of the new Council Tax Support Scheme and so are considered to benefit from it.

By using the applicable amounts and personal allowances currently used in the assessment of Council Tax Benefit, vulnerable groups will have a more generous assessment of Council Tax Support and so are considered to benefit from the new scheme as the reductions that they will see in their Council Tax Support will be smaller in real terms in comparison with claimants not afforded any additional protection based on their household composition or disability.

- **What could prevent people from getting the most out of the scheme?**

As with the current Council Tax Benefit scheme, hard to reach groups will continue to be the focus of benefit take-up campaigns and provisions have been made to target harder to reach groups during the consultation process so that as many people as possible can have their say.

- **How will you get your customers involved in the analysis and how will you tell people about it?**

This project includes an extensive public consultation as well as consultation with stakeholders, charities and support groups. A separate consultation strategy has been produced as part of this project.

Evidence

- **How will you know if the policy delivers its intended outcome / benefits?**

Implementation deadlines will be achieved, the scheme will find 10% spending reduction and an efficient and transparent, easy to administer scheme will be in place.

The scheme will have been through a public consultation exercise which will be as wide ranging as possible to take all relevant protected characteristics into account to ensure that as many people from different equality target groups are given the opportunity to respond.

The consultation questionnaire will capture equalities data with the aim of analysing the opinion and potential impact on groups as defined by their characteristics.

- **How satisfied are your customers and how do you know?**

It is not possible to say at this stage – this analysis will be updated periodically throughout this process and in particular after public consultation feedback has been analysed.

- **What existing data do you have on the people that use the service and the wider population?**

We hold extensive and detailed data about our current CTB customer base and have used it to process model different financial scenarios as detailed earlier in this report.

Data we hold includes household composition, income (including other benefits claimed), employment status and disability (based on benefits claimed, not medical information).

We also have access to population statistics which we have used for example to determine which community languages will be appropriate for consultation material.

- **What other information would it be useful to have? How could you get this?**

Further details on the Local Government Finance Bill and Welfare Reform Act 2012 are expected from the Government – this will include details on restrictions to local schemes, confirmation of deadlines and more details on the migration to Universal Credit and how UC will co-exist with Council Tax Support.

In terms of information about our customers, information that we do not hold on protected characteristics will be gathered as part of the consultation process.

- **Are you breaking down data by equality groups where relevant (such as by gender, age, disability, ethnicity, sexual orientation, marital status, religion and belief, pregnancy and maternity)?**

This document discusses protected characteristics and how the Council Tax Support scheme has been designed with these considerations in mind throughout, and the results of the consultation will be broken down into relevant equality groups.

- **Are you using partners, stakeholders, and councillors to get information and feedback?**

Yes – as part of the consultation process. Details are available in the Council Tax Support Consultation Strategy.

Impact

- **Are some people benefiting more – or less - than others? If so, why might this be?**

Pension age claimants of council tax benefit will not see a reduction in their Council Tax Support and so will benefit more from this scheme than working age claimants. This is prescribed by the Local Government Finance Bill and will apply nationally. Pension age claimants cannot be expected to find work in order to increase their income and so it is deemed unfair to reduce their benefit/increase their Council Tax contributions as a result.

Actions

- **If the evidence suggests that the policy / service / function benefits a particular group – or disadvantages another - is there a justifiable reason for this and if so, what is it?**

As above, The Welfare Reform Act 2012 and the Local Government Finance Bill set out provisions for the abolition of council tax benefit and the localisation of support for council tax in England – these pieces of legislation state that pension age claimants cannot reasonably be expected to seek paid work in order to increase their income and so are excluded from this scheme and this aspect of the scheme is outside our control.

Organisations such as the Citizen's Advice Bureau, Disabilities Rights Partnership and 'entitled-to' have already stated clear cases for the direct impact that Council Tax Support could have on disabled people as well as people on very low incomes and state benefits. The process modelling we have conducted has found no other way of absorbing the funding shortfall other than to reduce current Council Tax Benefit levels by approximately 20% across all working age categories. Eliminating any group from the calculations will increase the financial impact on all other groups and is likely to be seen as an even more divisive issue than smaller impacts spread across more groups.

The Council Tax Support scheme will retain applicable amounts and personal allowances currently used in the assessment of Council Tax Benefit which will allow for more Council Tax Support to be awarded to households with children and/or disabilities.

- **Is it discriminatory in any way?**

No.

- **Is there a possible impact in relationships or perceptions between different parts of the community?**

There is a potential for conflict between working age and pension age groups as the financial impact will only affect working age claimants. There is also the potential for residents to compare Hyndburn's scheme to schemes in other authorities who may have off-set benefit protection against other funds such as reserves or have implemented a system which provides protection using different definitions of vulnerable and conclude that Hyndburn is squeezing its residents more.

Nationally there is likely to be unrest when the full impact of Council Tax Support is realised as comparisons have already been drawn with the 1988 changes to social security when there was an 80% ceiling on Local tax Rebate and,(after 1990), Community Charge Rebate. It is easy to see how parallels can be drawn when a 20% reduction is our only way of achieving targets.

- **What measures can you put in place to reduce disadvantages?**

All options have been explored as part of this project including using council reserves, reducing council tax discounts and exemptions, using a nationally prescribed scheme and incurring financial penalties. None of which will mean in the long term that Hyndburn will sustain its 10% spending reduction.

The definitions of vulnerable will be carefully considered and the consultation process will be as robust as we can make it and regular reviews will be conducted.

- **Do you need to consult further?**

The Council Tax Support Consultation is outlined in the Consultation Strategy.

- **Have you identified any potential improvements to customer service?**

Streamlining the administration of the scheme as well as the application and appeals process is intrinsic to this project and improvements to customer services remains a priority for this service.

- **Who should you tell about the outcomes of this analysis?**

This analysis will form part of the wider Council tax Support project and will be included with all documents available to the public as part of our commitment to transparency.

- **Have you built the actions into your Business Plan with a clear timescale?**

Yes. The Council Tax Support plan and all related project documents will be made available to the public as part of our commitment to transparency.

- **When will this assessment need to be repeated?**

Periodically throughout this project as more details are received from Government as well as once the scheme has been implemented in order to screen for unexpected equality impacts.