

The Public Sector Equality Duty

The Equality Duty requires public bodies to have **due regard** to the need to:

- Eliminate unlawful discrimination harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and people who do not share it
- Foster good relations between people who share a protected characteristic and people who do not share it

Protected Characteristics:

- Age
- Disability
- Gender Reassignment
- Pregnancy and Maternity
- Marriage and Civil Partnership (elimination of discrimination only)
- Race
- Religion or Belief
- Sex
- Sexual Orientation

Due Regard means consciously thinking about the three aims of the Duty as part of the process of decision-making. For example:

- How they act as employers
- How they develop, evaluate and review policy
- How they design, deliver and evaluate services
- How they commission and procure from others

Advancing equality of opportunity involves considering the need to:

- Remove or minimise disadvantages suffered by people because of their protected characteristics
- Meet the needs of people with protected characteristics
- Encourage people with protected characteristics to participate in public life or in other activities where their participation is low

Fostering good relations involves tackling prejudice and promoting understanding between people who share a protected characteristic and others.

Complying with the Equality Duty may involve treating some people better than others, as far as this is allowed in discrimination law. This could mean making use of an exception or positive action provisions in order to provide a service in a way that is appropriate for people who share a protected characteristic.

Officers should:

Keep an adequate record showing that the equality duties and relevant questions have been actively considered.

Be rigorous in both inquiring and reporting to members the outcome of the assessment and the legal duties.

Final approval of a proposal, can only happen after the completion of an equality impact assessment. It is unlawful to adopt a proposal contingent on an equality impact assessment

Appendix B Council Tax Support Equality Impact Assessment

Title of the Assessment:	Council Tax Support	Date of Assessment:	23/07/12 Sept.2012 Nov.2012
Responsible Officer	Name: Gary Muskett Title: Head of Revenues & Benefits Email: gary.muskett@centralbedfordshire.gov.uk	Extension Number:	74097

Stage 1 - Setting out the nature of the proposal and potential outcomes.

Stage 1 – Aims and Objectives	GU
<p>1.1 What are the objectives of the proposal under consideration?</p> <p>In April 2013 Council Tax Benefit, the current means of helping people on low incomes meet their Council Tax obligation, will be replaced by a new localised support scheme known as Council Tax Support (CTS). The Government has said that it wishes to protect pensioners in the scheme. For all other recipients, there is a requirement to agree local eligibility criteria. This means that for working age people, local councils are required to design their own scheme to provide help with Council Tax.</p> <p>The Government’s proposals have three stated objectives:</p> <ul style="list-style-type: none"> • creating the right incentives to get more people into work by ensuring that work always pays, • protecting the most vulnerable people, and • delivering fairness to those claiming benefit and to the taxpayer. <p>Under the existing Council Tax Benefit scheme, the Council generally receives 100% from the Government for the amount of Council Tax Benefit it pays out to local claimants. However, under the new system it will be given a specific sum by the Government to make support payments. This sum will be at least 10% less than the amount that is currently paid out as Council Tax Benefit.</p> <p>This also means that any increases in CTS expenditure during the year, such as an increase in the number of claimants claiming support, will need to be funded by the Council in addition to the immediate ten per cent reduction. This is currently anticipated to amount to £2.5 million for 2013/14.</p> <p>Each local authority must carry out a consultation exercise concerning their draft scheme proposals and must define and publish its local CTS scheme by 31 January 2013. If the scheme is not defined and published by this date, a default scheme will be imposed by the government and the funding reduction will need to be met from other means including for example, increasing Council Tax levels or reducing other service expenditure.</p>	
<p>1.2 Why is this being done?</p> <p>In November 2010 the Government announced a spending review, which in turn included a major overhaul of the current benefits system (the Welfare Reform Bill). Part of this reform included the abolition of Council Tax Benefit (CTB). This will be replaced by local Council Tax Support (CTS) schemes administered by individual billing authorities. The CTS reforms require local authorities to design their own schemes to deliver Council Tax Support. The schemes will be implemented from April 2013 but must be agreed by Full Council by 31 January 2013.</p> <p>Under the current national CTB system there is no “cap” on CTB expenditure with the Department for Works and Pensions (DWP) fully reimbursing billing authorities for CTB expenditure. The DCLG will instead provide local authorities with an un-ringfenced specific grant that authorities can then use as they see fit to meet the CTS liabilities that their own schemes commit them to.</p>	

1.3 What will be the impact on staff or customers?

Council Tax Benefit currently received by pensioners must not be reduced as a result of the introduction of the new Council Tax Support scheme. The Government wants to ensure that low income pensioners, who would struggle to pay Council Tax without additional support, and whom the Government does not expect to work to increase their income, will continue to receive the same level of support against their Council Tax bills.

Pensioners within Central Bedfordshire currently receiving Council Tax Benefit will receive the same level of support via our localised Council Tax Support Scheme. Pensioners currently make up 48% of our Council Tax Benefit caseload.

The Government’s consultation paper highlights that Councils need to protect vulnerable groups, although the Government has not fully specified its intentions in this regard other than to say *‘Local authorities already have clearly defined responsibilities in relation to, and awareness of, the most vulnerable groups and individuals other than pensioners in their areas’*. This includes, for example, through their responsibilities under:

- The Child Poverty Act 2010
- The Disabled Persons (Services, Consultation and Representation) Act 1986, and Chronically Sick and Disabled Persons Act 1970
- The Housing Act 1996, which gives local authorities a duty to prevent homelessness with special regard to vulnerable groups.

The Central Bedfordshire Council local scheme will also take account of the requirements of the Public Sector Equality Duty and proposes to protect existing Council Tax claimants who are lone parents with children under five years of age, disabled persons receiving specific forms of disability income and claimants who are in receipt of foster care or carers allowance.

1.4 How does this proposal contribute or relate to other Council initiatives?

The collection of Council Tax contributes to the achievement of the Council’s six key priorities:

- Enhancing Central Bedfordshire – creating jobs, managing growth, protecting our countryside and enabling businesses to grow.
- Improved educational attainment.
- Promote health and wellbeing and protecting the vulnerable.
- Better infrastructure – improved roads, broadband reach and transport.
- Great universal services – bins, leisure and libraries.
- Value for money – freezing council tax.

The Council has also published a child poverty strategy setting out its intentions to maximise opportunities for families in poverty to access employment and all available financial assistance.

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1.5 In which ways does the proposal support Central Bedfordshire’s legal duty to:

- Eliminate unlawful discrimination harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and people who do not share it
- Foster good relations between people who share a protected characteristic and people who do not share it

National research indicates that over the last 30 years, three groups below retirement age stand out as suffering particularly large and persistent employment disadvantages or penalties:

1. disabled people;
2. lone mothers with a child under 11 and partnered women with children under 11.
3. Pakistani and Bangladeshi women.

They are all significantly more likely to be out of work regardless of their qualifications or where they live. The effect of non-employment in their working years continues to cause these groups additional disadvantage in older age.

Multiple markers of disadvantages can also drastically reduce the probability of being employed:

- Disabled people have very low rates of employment when their disability is accompanied by other factors, such as lone parenthood, belonging to an ethnic minority group or a lack of educational qualifications.
- Pakistani and Bangladeshi women are more likely to have three additional disadvantaging characteristics other than ethnicity: having young children, lower educational qualifications and living in an area with relatively high unemployment rates.

The scheme currently proposes to protect existing Council Tax claimants who are lone parents with children under five years of age, disabled persons receiving specific forms of disability income and claimants who are in receipt of foster care or carers allowance.

In addition the CTS scheme will continue to be applicable to anyone assessed as being on a low income, regardless of gender, age, age of children, ethnic background etc. The Council proposes to adopt the current national Council Tax Benefit regulations, which define what amount people need to live on, how to treat income and capital, who is treated as part of household etc along with the mathematical calculation. However the base-line at which we calculate entitlement may be reduced from 100% to 75% unless the customer is in one of the stated vulnerable groups. There will therefore be a significant number of non-vulnerable customers who will remain entitled to CTS, all be it a lower amount than they would have received under CTB.

Further detail of the proposed scheme is provided in section 2.5.

1.6 Is it possible that this proposal could damage relations amongst groups of people with different protected characteristics or contribute to inequality by treating some members of the community less favourably such as people of different ages, men or women, people from black and minority ethnic communities, disabled people, carers, people with different religions or beliefs, new and expectant mothers, lesbian, gay, bisexual and transgender communities?

As part of the Comprehensive Spending Review the current benefits system is undergoing a major overhaul which is impacting upon vulnerable groups. In developing the local scheme the Council has wanted to fully understand the potential impact of these changes in order to ensure that vulnerable groups can be supported as much as possible. These issues are explored in

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section 2 of the EIA. The Council is also undertaking extensive data analysis and consultation with local residents and stakeholders in order to ensure that any potential adverse impacts are identified and considered prior to a final decision being taken.

Stage 2 - Consideration of national and local research, data and consultation findings in order to understand the potential impacts of the proposal.

Stage 2 - Consideration of Relevant Data and Consultation

In completing this section it will be helpful to consider:

- **Publicity** – Do people know that the service exists?
- **Access** – Who is using the service? / Who should be using the service? Why aren't they?
- **Appropriateness** – Does the service meet people's needs and improve outcomes?
- **Service support needs** – Is further training and development required for employees?
- **Partnership working** – Are partners aware of and implementing equality requirements?
- **Contracts & monitoring** – Is equality built into the contract and are outcomes monitored?

2.1. Examples of relevant evidence sources are listed below. Please tick which evidence sources are being used in this assessment and provide a summary for each protected characteristic in sections 2.2 and 2.3.

Internal desktop research

<input type="checkbox"/>	Place survey / Customer satisfaction data	<input checked="" type="checkbox"/>	Demographic Profiles – Census & ONS
<input checked="" type="checkbox"/>	Local Needs Analysis	<input type="checkbox"/>	Service Monitoring / Performance Information
<input type="checkbox"/>	Other local research	<input type="checkbox"/>	

Third party guidance and examples

<input checked="" type="checkbox"/>	National / Regional Research	<input checked="" type="checkbox"/>	Analysis of service outcomes for different groups
<input type="checkbox"/>	Best Practice / Guidance	<input checked="" type="checkbox"/>	Benchmarking with other organisations
<input type="checkbox"/>	Inspection Reports	<input type="checkbox"/>	

Public consultation related activities

<input checked="" type="checkbox"/>	Consultation with Service Users	<input checked="" type="checkbox"/>	Consultation with Community / Voluntary Sector
<input type="checkbox"/>	Consultation with Staff	<input type="checkbox"/>	Customer Feedback / Complaints
<input type="checkbox"/>	Data about the physical environment e.g. housing market, employment, education and training provision, transport, spatial planning and public spaces		

Consulting Members, stakeholders and specialists

<input checked="" type="checkbox"/>	Elected Members	<input checked="" type="checkbox"/>	Expert views of stakeholders representing diverse groups
<input checked="" type="checkbox"/>	Specialist staff / service expertise		

Please bear in mind that whilst sections of the community will have common interests and

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concerns, views and issues vary within groups. E.g. women have differing needs and concerns depending on age, ethnic origin, disability etc

Lack of local knowledge or data is not a justification for assuming there is not a negative impact on some groups of people. Further research may be required.

2.2. Summary of Existing Data and Consultation Findings: - Service Delivery Considering the impact on Customers/Residents

National Research on Welfare Reform:

In order to understand the potential impact on vulnerable groups of the recent and proposed changes in welfare benefits, research undertaken by University of Warwick, Centre for Local Economic Strategies, Race Equality Foundation, Fawcett Society, Demos, Age UK and the Centre for Research on Aging and Gender at the University of Surrey has been reviewed and is summarised at Appendix 1. The analysis details the main changes relating to Housing, Families, Disability and Pensions and the potential impacts. Key findings are highlighted below in section 2.2:

Local Data Analysis - Breakdown of Council Tax Support protected/non-protected groups:

The Council Tax Support modelling undertaken through the Civica Open Revenues system provides a detailed breakdown of claims falling both within the protected groups proposed under the Council Tax Support scheme, and those claims which will fall (by definition) outside of such protection. The Council Tax modelling tool uses the current case data from the Council Tax Benefit awards. As these awards are period based duplicate entries can arise and wherever possible I've reduced such duplicate entries to a minimum. However some must remain which can result in a higher number of claims being shown than would be expected, but does accurately reflect the changes that arise in claims over a period of time

The modelling tool itself reports on cases by a primary category. So, where a case is protected as being of pensionable age even though the conditions of that claim mean that protection would also apply in one or more of the other categories, they will only appear once under the pensionable age category. This is most noticeable where some of the protected categories show as a nil population.

- **Age:** e.g. Under 16 yrs / 16-19 yrs / 20-29 yrs / 30-44 yrs / 45-59 yrs / 60-64 yrs / 65-74 yrs / 75+

Key Findings of National Research:

- For the one third of pensioners aged over 65 who are tenants, cuts in HB could drive them out of their area, breaking up the social support networks on which they depend and risking their social exclusion.
- Restrictions in eligibility for Incapacity Benefit (IB) will affect older workers in poor physical or mental health. Many will be moved from IB either onto the means-tested Employment and Support Allowance or onto Jobseekers Allowance
- Along with lone parents and their children, pensioners, especially women, are among the poorest in society.
- Over half of pensioner households are poor enough to be eligible for a means tested top-up.
- A fifth of pensioners live below the official OECD poverty line (about £170/week for a lone pensioner)

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- 90% of these are in persistent poverty (poor in 3 of the 4 years measured).
- Pensioners differ from working age population in having no opportunity to increase their income: those who are poor remain so, while those on slightly higher incomes face a decline into poverty and means testing as they age, due to inadequate indexing of pensions
- The shift to the Consumer Prices Index will exacerbate the trend for pensioners to sink into poverty as they age.

Local Data Analysis:

- Pensioners currently make up 48% of the Central Bedfordshire Council Tax Benefit caseload.
- Number of pension age claimants at 30 November 2012 was 8,100

Findings from Local Consultation:

Age	Frequency	Percent
No answer	76	4.6
Under 30	55	3
30-49	270	16
50-69	590	35
70+	698	41
Total	1689	100.0

- **Disability:** *e.g. Physical impairment / Sensory impairment / Mental health condition / Learning disability or difficulty / Long-standing illness or health condition / Severe disfigurement*

Key Findings of National Research:

- 26% of **disabled people** are in the poorest fifth of all households in the UK with an average income of about £10,450 per year per household. (This compares with 19% for non-disabled people.
- A further 27% of disabled people are in the next poorest quintile with an average income of £15,800.
- Average income of household with a disabled person is about a 1/5th lower than other households
- Loss to each claimant will average £2,630 over five years or about £526 per claimant per year.
- Cuts to DLA have significant impact upon the capability of disabled people to work & travel to work.
- The employment rate of disabled people is around 48% compared with 78% for non-disabled people. This gap of 30% has come down a bit since 2002 when it was 36% (ODI website).
- There are said to be 1.3 million disabled people (19% to 24% of disabled people of working age) who say they are available for work and who want to work (Demos Oct 2010, 19).
- At every level of qualification, the proportion of people with a work-limiting disability who lack, but want, paid work is much greater than those without a disability.
- With *growing* unemployment, the prospects of getting a job are not good for disabled people
- The median income of disabled people was £342 per week compared with a median for nondisabled of £424 per week. The average income of disabled people was about 81% that of the non-disabled.
- 53% of disabled people are in the poorest 40% of the population & 75% are in the poorest 60%.
- The proportion of disabled working age population who live in low-income households (that is,

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live in 'poverty') was double - at 36% - of the poverty rate (18%) for their non-disabled counterparts

Local Data Analysis:

- 800 disabled claimants will be protected
- Number of claimants attracting disability premiums at 30 November 2012 was 2,811, this includes pension age claimants

Findings from Local Consultation:

Disability	Frequency	Percent
No answer	76	4.5
No	631	37.4
Yes	982	58.1
Total	1689	100.0

- There was strong support for the proposal to protect **A single person, their partner or children if they are disabled** from both the survey (80%) and the consultation (80%). There was less support from respondents with a household income of £30,000 or more (66%). A few respondents raised some concerns about protecting disabled people. These comments were, in the main, reflecting the general feeling that this should be means tested and that these people are already likely to be receiving some sort of benefit.

Interestingly, a couple of people were concerned that this protected group did not go far enough and should be extended to include ill family members. The Equality Forum was also concerned about this. For example, not all people with learning disabilities get disability benefits so would not be protected (i.e. those with Autism) and these people find it difficult to get a retain employment. A few people questioned weather mentally ill people would also be expected to pay

- Carers: *A person of any age who provides unpaid support to family or friends who could not manage without this help due to illness, disability, mental ill-health or a substance misuse problem*

Key Findings of National Research:

- Carer Allowance benefits are low compared to other countries in the European Union. The indexation change will reduce CA
- Someone caring for a person who loses disability living allowance will also lose carers allowance. A carer in this situation would have to move onto universal credit. It is not clear whether they would then be expected to look for work, even though they are still responsible for full time care.

Local Data Analysis:

- 140 claimants receiving carers allowances will be protected
- The number of single people in receipt of Carer's Allowance at 30 November 2012 was 67
- The number of couples where both receive Carer's Allowance at 30 November 2012 was 73

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Findings from Local Consultation:

- There was strong support for the proposal to protect a **Single person with caring responsibilities (for elderly or disabled relatives for example)** from both the survey (84%) and the consultation (79%).

From the comments there were a few respondents who were concerned that carers already receive support so they should be able for pay a contribution towards Council Tax.

- Again there was strong support for the proposal to support **Couples who both have caring responsibilities (for elderly or disabled relatives for example)** from both the survey (71%) and the consultation (74%). There was less support from respondents with a household income of £30,000 or more (56%).

There was slightly less support for couples with caring responsibilities than single carers, although the majority did still support this proposal.

From the comments there was some concern that it was possible for them to continue earning and therefore not need support or that support should be based on an assessment of their individual circumstances.

- **Gender Reassignment:** *People who are proposing to undergo, are undergoing or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex*

Key Findings of National Research:

- Changes to benefits and the move from IB to JSA for people deemed 'fit for work' also has implications for the **trans community**. Under the previous system, claimants were able to start work and if they were unable to cope they could move back to IB with the same level of benefit. With the focus on sustainable employment, if trans communities are unable to cope with the demands of the workplace it is unlikely that they will be able to move back onto IB at all.

Local Data Analysis: **N/A**

Findings from Local Consultation:

Is your gender identity the same as it was at birth	Frequency	Percent
No answer	65	3.8
No	3	.2
Yes	1598	94.6
Prefer not to say	23	1.4
Total	1689	100.0

- **Pregnancy and Maternity:** *e.g. pregnant women / women who have given birth & women who are breastfeeding (26 week time limit then protected by sex discrimination provisions)*

Key Findings of National Research:

- **The Health in Pregnancy Grant** was abolished in January 2011. It was a universal grant of £190 available to all mothers to promote child and maternal health and engagement with health services.

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- **Eligibility for the Sure Start Maternity Grant** was restricted to the first child only from April 2011, thus penalising families who have any subsequent children. The grant is a one-off payment available to low-income households receiving an out-of-work benefit, to help towards the cost of maternity and baby items. This cut amounts to a loss of £500 for low-income mothers and will affect 150,000 families

Local Data Analysis: N/A

Findings from Local Consultation:

There were no specific findings related to this protected characteristic

- **Race:** e.g. Asian or Asian British / Black or Black British / Chinese / Gypsies and Travellers / Mixed Heritage / White British / White Irish / White Other

Key Findings of National Research:

- As HB is paid to people on a low income, the planned cuts in benefit will affect the poorest and most vulnerable. Black and minority ethnic communities will be disproportionately affected as they are more likely to be unemployed or to have a low income.
- Approximately two-fifths of people from minority ethnic communities live in low-income households, twice the rate for white people

Local Data Analysis:

Findings from Local Consultation:

Ethnicity of respondents	Frequency	Percent
No answer	66	3.9
British	1491	88.3
European	40	2.4
Irish	23	1.4
Gypsy/ Romany / Irish Traveller / Show People	3	.2
Other White background (please specify)	7	.4
Caribbean	5	.3
African	6	.4
Bangladeshi	1	.1
Indian	7	.4
Pakistani	2	.1
Chinese	2	.1
White & Asian	2	.1
White & Black African	2	.1
White & Black Caribbean	2	.1
Other (please specify)	30	1.8
Total	1689	100.0

There were no specific findings related to this protected characteristic

- **Religion or Belief:** e.g. Buddhist / Christian / Hindu / Jewish / Muslim / Sikh / No religion /

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Other

Key Findings of National Research:

- Only 61% of Muslim men have jobs compared to 80% of Christian men and 82% of Hindu men. (Government Equalities Office)
- There is emerging evidence that Indian and White Muslims experience employment disadvantage when compared to Indian and White Christians. (Equality Review)
- Women from nearly all ethnic / religious backgrounds have pay between a quarter and a third less than a White British Christian man with the same qualifications, age and occupation. (National Equality Panel)

Local Data Analysis:

Findings from Local Consultation:

Religion or Belief	Frequency	Percent
No answer	76	4.5
Christian	1200	71.0
No religion	265	15.7
Buddhist	7	.4
Jewish	7	.4
Muslim	5	.3
Sikh	4	.2
Hindu	3	.2
Other	122	7.2
Total	1689	100.0

There were no specific findings related to this protected characteristic

- **Sex:** e.g. Women / Girls / Men / Boys

Key Findings of National Research:

- Cuts to Local Housing Allowance will have a disproportionate impact on women since women are the main recipients - single women constitute approximately 50% of recipients of housing benefit, with couples composing around 25% and single males 25%.
- 47% of those affected will have children, of which 32% will be lone parents.
- 19% will be disabled.
- 8% will be pensioners.
- 13% will be from BME groups who will also be disproportionately affected by the 4 bedroom cap.
- People with non-dependents (e.g. elderly relatives) living in the same house will incur extra charges
- The cap on total benefits that a family can receive will disproportionately affect **women and affect lone parents** worst of all. The DWP's own Equality Impact Assessment of this policy states:

*"We expect around 60% of customers who are likely to have their benefit reduced by the cap to be single females but only around 3% to be single men. Most of the single women affected are likely to be lone parents, this is because we expect the vast majority of households affected by this policy (around 90%) to have children. Approximately 60% of those who will be capped are single women.
Single women form around 40% of the overall benefit population."*

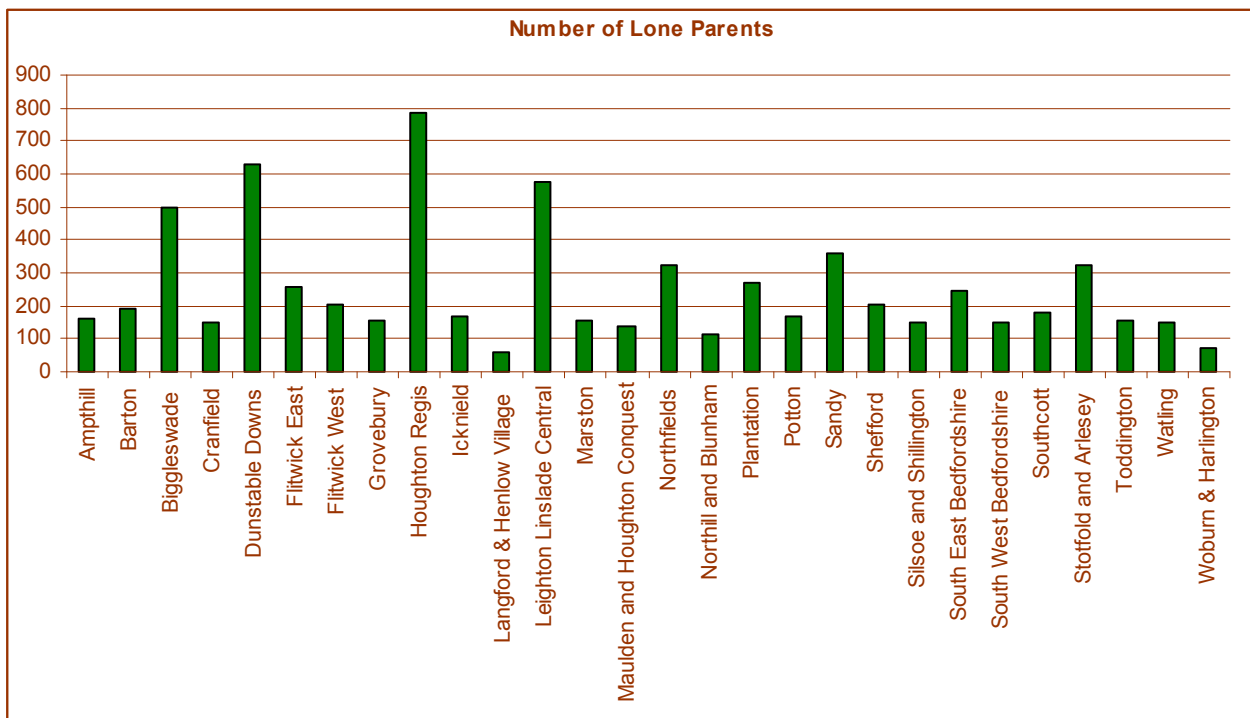
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The DWP argues that these impacts will be mitigated by policies to support lone parents into paid work. However this will still leave women who are unable to find work, particularly work that fits around their childcare responsibilities, facing a significant drop in income.

- Lone parents face particular barriers to entering paid work including the cost of childcare which has to be met from one salary and It can be very hard to find childcare outside 'standard' working hours (before 8am, after 6pm or weekends).
- Lone parents face biggest loss as a result of the tax / benefit changes to be introduced by 2014–15
- Lone parent households 92% are headed by women stand to lose the equivalent of around 18.5% of their net income, the equivalent of *one month's income a year*

Local Data Analysis:

The highest levels of lone parenthood in Central Bedfordshire are in Houghton Regis (784 households), Dunstable Downs (622 households) and Leighton Linslade Central (568 households). However when this is calculated as a percentage of households in the Ward Northfields has the highest (11.79%), followed by Houghton Regis (11.72%) and Dunstable Downs (10.35%).



- about 1,400 lone parents with children under 5 will be protected by the proposal.
- The number of Lone parents with a dependant child aged under 5 at 30 November 2012 was 1,904

Findings from Local Consultation:

Sex	Frequency	Percent
No answer	45	2.7
Female	937	55.5
Male	707	41.9
Total	1689	100.0

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- There was majority support for the proposal to protect **Single parents with children under the age of five** from both the survey (58%) and the consultation (61%). There was less support from respondents with a household income of £30,000 or more (44%) or without children (58%). However, there was more support from those respondents who were looking after the home (86%) and those aged 30 or under (80%).

This proposal received a lot of comments, people felt that single parents already get support and that giving the more support will make it more appealing to continue to have children and live off benefits. Others were concerned that asking for a contribution from single parents with children under five years of age would potentially affect the quality of the care the children receive.

A few people felt this proposal should be extended to include children older than five, some suggested 11 years of age should be the cut off and others suggested support until they leave full time education. Some stakeholders commented that some single parents have maintenance (income) which is completely ignored in benefit calculations and this is not even handed. This fits with the general feedback that support should be based on an assessment of the individual's financial circumstances and that maintenance payments should be included in this.

- **Sexual Orientation:** e.g. *Lesbians / Gay men / Bisexuals / Heterosexuals*

Key Findings of National Research: No specific impacts identified.

Local Data Analysis: N/A

Findings from Local Consultation:

Respondents' Sexual Orientation	Frequency	Percent
No answer	225	13.3
Heterosexual	1236	73.2
Bisexual	20	1.2
Lesbian/ gay woman or man	18	1.1
Prefer not to say	158	9.4
Other	32	1.9
Total	1689	100.0

There were no specific findings related to this protected characteristic

- **Other:** e.g. *Human Rights, Poverty / Social Class / Deprivation, Looked After Children, Offenders, Cohesion, Marriage and Civil Partnership*

Key Findings of National Research:

- The number of couples with an income of less than £50 a week after rent has been paid will double
- 23% of individuals in families with at least one disabled person live in relative income poverty compared to 16% of individuals in families with no disabled member
- The national Households below Average Income figures show that children in large families are more likely to live in low income households than children in smaller families, with under three children.
- Larger families are more likely to be dependent on benefits for longer periods of time and also the rate of worklessness in larger families is higher than for parents in smaller families, often due to the affordability and availability of childcare (Barnados 2006).
- A child in a large family is between 50% and 180% more likely than a one-child family to be poor and a child in a 4 or more family is between 280% and 800% more likely to be poor than

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a one-child family

Child Poverty:

- DWP estimates that 48% of the 450 000 households affected by changes to local housing Allowance will include children
 - The value of Child Benefit will be cut by over 10% by 2014.
 - 51% spend their Child Benefit on clothes or shoes
 - 26% spend it on food
 - 16% spend it on their child's education or related costs
- By 2014, a family with one child will be around £130 a year worse off than if Child Benefit had been increased each year in line with inflation. A family with three children will be £285 a year worse off

Changes in Child Tax Credit:

- low-income families with one child who have weekly childcare costs of £175 (the maximum childcare costs that parents of one child can claim for) will lose £17.50 a week (£910 a year) and
- low-income families with two children who have weekly childcare costs of £300 (the maximum childcare costs that parents of two children can claim for) will lose £30 a week (£1,560 a year).
- UK Parents spend 33% of their net household income on childcare compared to an Organisation for Economic Co-operation and development (OECD) average of 13%.
- 24% of mothers have had to give up work as a result of the changes.
- reduction in support through the childcare element of tax credits will particularly affect women in lone parent households" as 60% of the recipients of the childcare element of WTC are single parents
- Women in couples will also suffer as a result of this change, as they are more likely to be the ones to give up work when the household budget no longer balances
- 58% of families in extreme poverty said they are not better off working when childcare has been paid
- 40% families in extreme poverty have considered giving up work, as an average of £500 per year has been added to their childcare bill.
- 25% of families across all income demographics stated that the rising costs of childcare and reduced payments of WTC had caused them to get into debt

Local Data Analysis:

Age range of children and young people population in Central Bedfordshire, 2009

0 – 4	15,800
5 – 9	15,200
10 – 14	15,600
15 - 19	15,500

*ONS – estimates June 2009

Central Bedfordshire has 12.1% (7,452) of its children living in Poverty. This statistic is provided by Her Majesty's Customs and Revenue (HMRC) and relates to the year 2008-2009. However this figure masks some high levels of poverty within particular areas. The five areas (equating to former wards) with the highest levels of Poverty are;

- Tithe Farm 31.4%
- Parkside 27.1%
- Manshead 25.6%
- Northfields 24.8%
- Houghton Hall 22.9%

Central Bedfordshire's Joint Strategic Needs Assessment states 27% of Children in Central Bedfordshire live in workless or low income households, rising to between 45% and 50% in parts of Houghton Regis

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and Dunstable.

In Autumn term 2010 there were about 2,850 children in Central Bedfordshire claiming free school meals

	2007	2008
Children in families in receipt of IS/JSA	4875	3640
Children in families receiving WTC & CTC, income <60% median income	590	775
Children in families receiving CTC only, income <60% median income	1370	1225
Children in families in receipt of CTC <60% median income or IS/JSA	6670	6870

It is currently estimated that there are 7,336 children (under 16) in families living in poverty who will be worse off resulting from these changes.

- The numbers in receipt of **War Disablement pension** or **War Widow's pension** at 30 November 2012 was 35
- The number of **working age claimants** at 30 November 2012 who will have to pay a minimum of 25% of their Council Tax bill was 8,552.
- The number of claimants in receipt of **Second Adult Rebate** at 30 November 2012 was 186

Findings from Local Consultation:

Marital status	Frequency	Percent
No answer	76	4.5
Single	1047	62.0
Married or civil partnership	509	30.1
Living with partner	57	3.4
Total	1689	100.0

Current economic activity	Frequency	Percent
No answer	55	3.3
Permanent employee in full-time job (30 hours plus per week)	87	5.2
Permanent employee in part-time job (under 30 hours per week)	92	5.4
Temporary employee in full-time job (30 hours plus per week)	1	.1
Temporary employee in part-time job (under 30 hours per week)	13	.8
Self employed full or part-time	45	2.7
On a government supported training programme (e.g. Modern Apprenticeship/ Training for Work)	2	.1
Full-time education at school, college or university	6	.4
Unemployed and available for work	100	5.9
Wholly retired from work	922	54.6
Permanently sick/disabled	251	14.9
Looking after the home	48	2.8
Doing something else	67	4.0
Total	1689	100.0

Annual household income	Frequency	Percent
No answer	143	8.5

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Less than £10,000	983	58.2
Between £10,000 and £20,000	457	27.1
Between £20,000 and £30,000	42	2.5
Over £30,000	64	3.8
Total	1689	100.0

Benefits	Frequency	Percent
Jobseekers Allowance, income related Employment and Support Allowance or Council Tax Benefit for low income	951	56.3
Disability premiums	256	15.2
Carers Allowance	138	8.2
Second Adult Rebate for Council Tax	83	4.9
Non-Dependant Adult deductions for Council Tax	64	3.8
Discounts or Exemptions for second home, empty property or a repossessed home	26	1.5

17% of respondents had children

- From the survey, the majority (55%) supported the council's proposed **approach** to fill the funding gap, however just under half of the consultation responses (47%) supported this approach although it was the most favoured approach from the consultation
- Half of the survey respondents (56%) and the consultation respondents (51%) supported the proposal to **freeze allowances and premiums** at the current levels. There was less support for this proposal from people under 30 years of age (40% agree). People who opposed this proposal did so because they felt this would create greater hardship in years to come and that the allowances and premiums should reflect inflation.
- Almost three-quarters (74%) of the survey respondents agreed with the proposal that all working age people (except vulnerable protected groups) should pay a **minimum contribution** of 25%. This proposal was also supported by the majority of the consultation respondents too but to a lesser degree (57%). This proposal was particularly supported by those in permanent full time work (63%) and those aged 70 and over (68%).

Respondents who opposed this proposal were concerned about how, particularly people on low income/ unemployed were going to afford to pay.

Others said that expecting those on low incomes to pay would only serve increase the poverty gap and this proposal is not in line with the council's agenda to tackle poverty, particularly child poverty.

A few people suggested a lower minimum contribution

- There were many comments throughout the consultation that Council Tax benefits should be based on **individual circumstances** or be means tested not a blanket rule for specific groups
- Although the majority of the survey respondents (70%) supported the proposal to **abolish the second adult rebate** there was significantly less support from the consultation respondents where less than half supported it (42%).

Those respondents who are currently in receipt of second adult rebate were less supportive of this proposal (16% agree).

Also those currently living with a partner (31%), living with a non-dependant adult (31%) or living with a dependant adult (34%) were also less supportive.

However, those respondents with a household income of over £30,000 were more supportive

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(56% agree).

Those who opposed the abolition of second adult rebate were concerned that this would penalise families who had adult children living with them who could not find work or adult children who were ill or disabled and were unable to contribute to the household bills

- The majority of the survey respondents (70%) supported the proposal to **reduce the amount of support offered to people living with non-dependant adults** there was significantly less support from the consultation responses where just under half supported it (47%).

Those respondents whose household income is between £20,000 and £30,000 were more supportive (62% agree) as were those with an income of £30,000 or more (69%).

Those currently living with non-dependant adults were understandably less supportive (34%). Respondents who opposed reducing the amount of support offered to people living with non-dependant adults cited similar reasons to those who opposed the abolition of the second adult rebate proposal.

- There was strong support for the proposal to charge **second home owners** full Council Tax from both the survey respondents (88%) and the consultation respondents (87%).
- Although there was majority support for the proposal to make owners of **unoccupied homes** pay full Council Tax from both the survey and the consultation there was more support from the consultation respondents (78%) than the survey (64%).

There was less support for this proposal from respondents with a household income of between £20,000 and £30,000 (62%) and £30,000 or more (66%).

People opposed to this proposal said if the property is vacant then there is no-one there to use the council services so why should they have to pay Council Tax.

There was also some recognition that properties are sometimes unoccupied through no fault of the owner and that the owner would be penalised.

There was some concern that if the six month exemption was removed Landlords will be less willing to complete repairs or redecoration between tenants, which will reduce the quality of local housing and the increased costs to landlords will just be passed on to tenants through increased rents

- Just under half (49%) of the survey respondents supported the proposal that **Owners of empty homes undergoing repair should pay full Council Tax**, but there was majority support from the consultation respondents (61%).
- Three-quarters (76%) of the survey respondents supported the proposal that **Mortgagees of repossessed homes will be required to pay full Council Tax** but there was less support from the consultation respondents with half supporting it (50%).
- The majority of the survey respondents (69%) and the consultation respondents (71%) supported the proposal to **charge long term empty home owners** 150% Council Tax.
- Just over half of the consultation respondents (54%) supported this proposal to **Increase the earnings disregard by an additional £10 to support people who start work or increase their earnings**. There were very few comments made about this proposal. Some people commented that they did not understand it. The feedback from the comments relating to this proposal suggested that some people felt it did not go far enough, and CBC should incentivise work even more. There were some strong messages that there are no jobs for people. A few suggested that Council Tax support should be available for those unemployed for a set period.
- There were many comments about the specific **protected groups** and comments in general that Council Tax support should be means tested, based on individual circumstances. Respondents were concerned that some protected groups may actually be wealthy or working and not need a reduction in

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their Council Tax, whereas some families on low income or with no income would not get any support with their Council Tax. There were some people who felt that everyone should pay and no-one should be protected

- There was strong support for the proposal to support **People claiming War Disablement or War Widow's Pension**, over three-quarters of both the survey (79%) and the consultation (76%) supported it.

There were only a few comments made about this proposal, again they were concerned that some of these people may not need support and may be quite wealthy. The support should be based on individual circumstances.

The British Legion requested that we fully disregard any military compensation payments when calculating Council Tax support

2.3. Summary of Existing Data and Consultation Findings – Employment Considering the impact on Employees – Not Applicable

- **Age:** e.g. 16-19 / 20-29 / 30-39 / 40-49 / 50-59 / 60+ **N/A**

- **Disability:** e.g. Physical impairment / Sensory impairment / Mental health condition / Learning disability or difficulty / Long-standing illness or health condition / Severe disfigurement **N/A**

- **Carers:** e.g. parent / guardian / foster carer / person caring for an adult who is a spouse, partner, civil partner, relative or person who lives at the same address **N/A**

- **Gender Reassignment:** People who are proposing to undergo, are undergoing or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex **N/A**

- **Pregnancy and Maternity:** e.g. Pregnancy / Compulsory maternity leave / Ordinary maternity leave / Additional maternity leave **N/A**

- **Race:** e.g. Asian or Asian British / Black or Black British / Chinese / Gypsies and Travellers / Mixed Heritage / White British / White Irish / White Other **N/A**

- **Religion or Belief:** e.g. Buddhist / Christian / Hindu / Jewish / Muslim / Sikh / No religion / Other **N/A**

- **Sex:** Women / Men **N/A**

- **Sexual Orientation:** e.g. Lesbians / Gay men / Bisexuals / Heterosexuals **N/A**

- **Other:** e.g. Human Rights, Poverty / Social Class / Deprivation, Looked After Children, Offenders, Cohesion, Marriage and Civil Partnership **N/A**

2.4. To what extent are vulnerable groups more affected by this proposal compared to the population or workforce as a whole?

National Research highlights that many pensioners, lone parents (the majority of whom are women), disabled people, carers and people from some ethnic minority groups are amongst the poorest in society and can face significant employment barriers. The proposed Central Bedfordshire scheme offers a continued level of protection to the most vulnerable of these groups and a slightly reduced level of protection to other vulnerable groups.

2.5. To what extent do current procedures and working practices address the above

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issues and help to promote equality of opportunity?

In relation to claimants of working age, consideration has been given by Central Bedfordshire Council to continuing the existing national Council Tax Benefit framework within a new local scheme (i.e. making no changes) and the funding implications that would apply to this, which would require the Council to find savings elsewhere in order to fund the CTS scheme.

Consideration has also been given to reducing any potential funding shortfall that would arise from the changes by reviewing the Council Tax discounts and exemptions that are currently applied to vacant properties within the district including long term empty homes and second homes. However, this alone would not fully achieve the levels of financial savings needed to meet the funding reduction

Key Principles & Features of Proposed Scheme:

The Council is keen to protect vulnerable groups as much as possible and therefore as part of the development the draft scheme the Council has identified the following key principles and features:

Principle 1: Everyone should pay something - At present, claimants in receipt of Income Support, Job Seekers Allowance (Income Based) and Employment Support Allowance (Income Related) and other claimants not receiving these but with an income below the required level for their basic living needs, generally receive 100% Council Tax Benefit (CTB) and therefore pay no Council Tax. The Council proposes that all working age claimants (unless protected) should pay at least 25% of their Council Tax under the Council Tax Support scheme (CTS).

Principle 2: The most vulnerable claimants should be protected (from the minimum contribution) Claimants will be protected from the 25% minimum contribution if they fall into any of the following categories:

- they or their partner or dependants are entitled to any of the disability premiums (normally given where disability living allowance has been awarded) or disabled earnings disregard,.
- the claimant is in receipt of disabled persons reduction for Council Tax purposes,
- the claimant is in receipt of war disablement pension or war widow's pension,
- the claimant is a lone parent with a child/children under the age of 5,
- the claimant is a single claimant and has caring responsibilities (normally awarded a carers allowance),
- the claimants as a couple both have caring responsibilities

Principle 3: The scheme should incentivise work At present, the first £5 of a single claimant's earnings, £10 of a couple's earnings and £25 of a single parent's earnings are not counted when calculating their weekly income for the purposes of determining their entitlement to council tax benefit. The Council proposes to increase this level by an additional £10 a week under its proposed scheme for single claimants, couples and single parents. This would mean that the first £15 of a single claimant's earnings, £20 of a couple's earnings and £35 of a single parent's earnings would not be counted when calculating their entitlement to Council Tax Support

Principle 4: Everyone in the household should contribute - At present, a deduction is generally made from potential weekly council tax benefit entitlement in respect of other adults aged 18 or over living in the claimant's home. These are referred to as non-dependants. A non-dependant is a person who is living with the claimant but who is not dependent upon them, and not living in their home on a commercial basis, (i.e. as a joint tenant or sub tenant). Non-dependants include an adult son or daughter, a mother or father, friend etc of the claimant. These people are assumed to be giving the claimant some money towards their council tax regardless of whether or not they are actually doing so. This assumed contribution is based upon

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the non-dependant's circumstances. The draft scheme proposes using the existing levels of these contributions.

Principle 5: Benefit should not be paid to those with relatively large capital or savings - At present, working age claimants with savings and investments above £16,000 are generally not entitled to Council Tax Benefit. Our proposal is that working age claimants with capital such as savings and investments amounting to over £6,000 shall not be entitled to Council Tax Support.

Feature 1: Rate of allowances and premiums to be frozen at 2012/2013 levels Premiums and personal allowances used to determine basic living needs for a claimant and their family when calculating entitlement to CTS shall be held at the rates applied for 2012/13.

Feature 2: Removal of second adult rebate scheme for working age claimants The current second adult rebate scheme (whereby claimants whose own income is too high to receive CTB, but have other adults(s) in the household whose income is low, can receive a Council Tax discount of up to 25%) is to be abolished for working age claimants.

Feature 3: Extended payments for working age claimants The current extended payment scheme (whereby claimants can receive 4 weeks extra Council Tax Benefit when they or their partner start work, including self employment or their hours or earnings from current employment increase) is to be retained with our local CTS scheme.

Feature 4: Income in respect of Children - Currently the amount of income we use for benefit purposes can be lowered depending on what kind of income it is. This means that a claimant can have more money coming in before we begin to reduce the amount of benefit they get. We propose to continue disregarding income from Child Benefit and Child maintenance when we calculate a claimant's income.

Feature 5: Earned Income Disregards - Currently if a claimant works at least 16 hours a week, we will disregard some of their earnings when calculating their income. We propose to continue disregarding earnings for the following category of claimants:

Earned Income Disregards	Weekly Amounts
Lone parents	£25.00
Certain people who are disabled or long term sick	£20.00
Certain carers and certain people in emergency services	£20.00
Single people	£5.00
Couples	£10.00
Children who qualify for Disabled Child Premium	£15.00
Other children	£5.00

Consultation:

Central Bedfordshire Council is undertaking this consultation between the period 22 August and 14 November 2012. This timescale has been determined following receipt of policy statements of intent published by the Department for Communities and Local Government (DCLG) on 17 May 2012 and to permit sufficient time to evaluate responses received and to meet the Council's budget setting timetable.

Central Bedfordshire Council wants to ensure that everyone who is a resident in the district (including organisations and voluntary groups) has an opportunity to have their say about the Council's proposed future replacement for Council Tax Benefit.

Questionnaires can be obtained from the Council locations listed below during normal opening hours. Access to the Council's draft scheme is also available from the six customer service centres.

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The timetable below sets out the key milestones in terms of the consultation.

Prior to 21 st August	Consult Fire and Police (major precepting authorities)
21 st August	Executive approve the draft scheme for consultation
22 nd August	Launch consultation with public, stakeholders and partners (for 12 weeks)
September	500 telephone interviews with a cross section of the public
September/ October	Meetings and discussions with various vulnerable groups
September/ October	Special Town and Parish Council Conference
14 th November	Consultation closes
28 th November	Report available summarising the consultation feedback
December	Members consider the consultation feedback and finalise the Scheme
January 2013	Executive agree final Council Tax Scheme
January 2013	Full Council agree final Council Tax Scheme

The main consultation mechanism will be a consultation document (which sets out our plans) and a response form (which captures peoples views in a structured way). Copies of the consultation document and the response form will be made available on the council's website and in Libraries, Council offices and Customer Service Centres across the area.

In order to enable detailed analysis of the consultation feedback the consultation response form will need to collect data about the following:

- Family structure
- Number and ages of children living in household
- Nature of employment full time part-time or temporary work
- Income/ salary - explore the impact on families whose income is around £20k
- Current benefits
- Ethnicity
- Age (actual age not groups)
- Disability
- Caring responsibilities
- Home postcode

During the consultation the council will actively engage with key vulnerable groups and partners to ensure that we incorporate their views when developing our final scheme.

- Child Poverty Strategy Group 18 September 2012
- Central Bedfordshire Equality Forum 20 September 2012

The consultation included two separate exercises; the consultation and a survey. The consultation was widely publicised to the public, various stakeholders, partners, landlords and voluntary organisations. CBC also wrote directly to all existing 18,000 claimants inviting them to have their say.

Targeted face to face discussions were held with specific vulnerable groups and claimants such as the unemployed, single parents, disadvantaged families and carers.

The Council also carried out a telephone survey with 500 members of the public who were broadly representative of our population.

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2.6. Are there any gaps in data or consultation findings

1,689 consultation response forms were received by the closing date. A number of letters and emails were also received from stakeholders and partners. There was a good mix of different types of people who responded however, the age profile showed that there was an under-representation of people aged between 30 and 49 years of age and an over-representation of people aged 70 and over. This is to be expected considering that CBC wrote to all existing claimants, approximately half of whom are pensioners.

The survey however, was carried out with a representative sample of adults to ensure a more balanced response to compare the consultation responses to.

2.7. What action will be taken to obtain this information?

N/A

Stage 3 - Providing an overview of impacts and potential discrimination.

Stage 3 – Assessing Positive & Negative Impacts

Analysis of Impacts	Impact?		Discrimination?		Summary of impacts and reasons
	(+ve)	(- ve)	YES	NO	
3.1 Age	√			√	Pensioners are protected by the proposal
3.2 Disability	√			√	Disabled people are protected by the proposal. The Equality Forum highlighted a concern that people on the fringes of protected characteristics such as disability are very vulnerable because if they don't get specific disability benefits they won't be protected under this proposal
3.3 Carers	√			√	Carers are protected by the proposal
3.4 Gender Reassignment	-	-	-	-	No significant impacts identified
3.5 Pregnancy & Maternity	-	-	-	-	No significant impacts identified
3.6 Race	-	-	-	-	No significant impacts identified
3.7 Religion / Belief	-	-	-	-	No significant impacts identified
3.8 Sex	√	√		√	There was majority support for the proposal to protect Single parents with children under the age of five. A few people felt this proposal should be extended to include children older than five.
3.9 Sexual Orientation	-	-	-	-	No significant impacts identified
3.10 Other e.g.		√		√	The majority of respondents supported

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<p><i>Human Rights, Poverty / Social Class / Deprivation, Looked After Children, Offenders, Cohesion Marriage and Civil Partnership</i></p>					<p>the council's proposed approach and agreed with the proposal that all working age people (except vulnerable protected groups) should pay a minimum contribution of 25%.</p> <p>Respondents who opposed this proposal were concerned about how, particularly people on low income/ unemployed were going to afford to pay. Others said that expecting those on low incomes to pay would only serve increase the poverty gap and this proposal is not in line with the council's agenda to tackle poverty, particularly child poverty. A few people suggested a lower minimum contribution</p> <p>The child poverty group highlighted the need to fully understand the cocktail effect of all the national benefit changes in order to identify the likely impact of the Council Tax Support proposals. The Council is proposing to set a minimum payment of 25% at a time when the benefits cap will significantly reduce the incomes of many families</p> <p>There were many comments throughout the consultation that Council Tax benefits should be based on individual circumstances or be means tested not a blanket rule for specific groups.</p> <p>There was strong support for the proposal to support People claiming War Disablement or War Widow's Pension</p>
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Stage 4 - Identifying mitigating actions that can be taken to address adverse impacts.

<p>Stage 4 – Conclusions, Recommendations and Action Planning</p>	
<p>4.1</p>	<p>What are the main conclusions and recommendations from the assessment?</p> <p>National Research highlights that many pensioners, lone parents (the majority of whom are women), disabled people, carers and people from some ethnic minority groups are amongst the poorest in society and can face significant employment barriers. The proposed Central Bedfordshire scheme offers a continued level of protection to the most vulnerable of these groups and a slightly reduced level of protection to other vulnerable groups.</p>

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In addition the CTS scheme will continue to be applicable to anyone assessed as being on a low income, regardless of gender, age, age of children, ethnic background etc. The Council proposes to adopt the current national Council Tax Benefit regulations, however the base-line at which we calculate entitlement may be reduced from 100% to 85% unless the customer is in one of the stated vulnerable groups. There will therefore be a significant number of non-vulnerable customers who will remain entitled to CTS, all be it at a lower amount than they would have received under CTB.

The council has studied research, conducted data analysis and undertaken extensive consultation with stakeholders and a good cross section of local residents. There appears to be broad support for most aspects of the council's scheme although some concern has been expressed in relation to the impact the 25% minimum contribution may have on working families and job seekers and whether lone parents with older children can be supported.

4.2 What changes will be made to address or mitigate any adverse impacts that have been identified?

Further financial modelling may be helpful to see if an extension of protection is affordable

4.3 Are there any budgetary implications?

The Council will receive at least 10% less than the amount that is currently paid out by the Government as Council Tax Benefit. The Council must manage its budget effectively. The aspiration to support local residents must be considered along side the need to balance the Council's budget.

4.4 Actions to be taken to mitigate against any adverse impacts:

Action	Lead Officer	Date	Priority
Further financial modelling may be helpful to see if an extension of protection is affordable	Gary Muskett	November / December	High

Stage 5 - Checking that all the relevant issues and mitigating actions have been identified

Stage 5 – Quality Assurance & Scrutiny:

Checking that all the relevant issues have been identified

5.1 What methods have been used to gain feedback on the main issues raised in the assessment?

Step 1:

Has the Corporate Policy Advisor (Equality & Diversity) reviewed this assessment and provided feedback? Yes

Summary of CPA's comments:

The CPA (E&D) has been fully involved in the development of the Equality Impact Assessment.

Step 2:

5.2 Feedback from Central Bedfordshire Equality Forum - 20 September 2012

Members of the Forum asked:

- if there would a transitional period before the new scheme is introduced and were advised that this would not be possible

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- what steps were being taken to ensure that people are aware of the proposed changes – All Benefit Recipients have been contacted and invited to take part in the consultation. Recipients will be contacted again in the New Year and advised of the final decision. A telephone help line will be set up to answer any queries.

Members of the Forum expressed the following concerns:

- People on the fringes of protected characteristics such as disability are very vulnerable because if they don't get specific disability benefits they won't be protected under this proposal.
- Working families on low incomes will experience a significant adverse impact
- Property owners may be tempted to demolish empty homes rather than pay additional tax
- The proposed changes are being driven by the financial demands faced by the Government and are based on various assumptions rather than a detailed understanding of the likely impacts. It is people on the edges of the changes who will most affected.
- Disabled people are in the process of being reassessed and moved off benefits – most are powerless to resist this and don't have lobby groups to support them
- There are likely to be harder to reach Black and Ethnic Minority communities who will also suffer a significant adverse impact
- Whilst general statements are made to the effect that no one will be worse off working it's hard to believe in practice that this will be the case.
- The need to consider low income families who are unprotected by the proposal and already squeezed by benefit changes.
- The growth of debt recovery and money lending agencies highlighting the pressure that people are facing
- The evidence of growing demand for debt advice

The Bedfordshire Race & Equalities Council is actively encouraging organisations and individuals to respond to the consultation.

Members of the Forum suggested:

- Further modelling and data analysis should be undertaken to look at the impacts in different wards and for different groups of people.
- The Council should carefully consider how best to respond to the growing hopelessness that some people are experiencing by identifying a set of ethical principles to frame the scheme which will set a standard for other councils to follow.

5.3 Feedback From Central Bedfordshire Child Poverty Meeting – 18 September 2012

Attendees at the meeting expressed the following concerns:

- The need to fully understand the cocktail effect of all the national benefit changes in order to identify the likely impact of the Council Tax Support proposals. The Council is proposing to set a minimum payment of 25% at a time when the benefits cap will significantly reduce the incomes of many families
- Families with 3 or more children will find the benefit changes particularly difficult
- Landlords fearful of the charges on empty properties may rush to re-let properties and not carry out essential repairs
- People are going to be directed to Discretionary Housing Payments to make up shortfalls in housing benefits but this is a finite source of funding and unlikely to be able to meet all needs

Attendees at the meeting asked whether:

- Consideration could be given to protecting single parents with children aged 5-11
- Further data analysis could be undertaken to quantify and understand the financial impact on low paid working families. The Council's Anti Poverty Strategy Needs Assessment was cited as a potential useful source of local data.

Voluntary Organisations indicated that they would be submitting official responses to the consultation.

Stage 6 - Ensuring that the actual impact of proposals are monitored over time.

Stage 6 – Monitoring Future Impact	
6.1	How will implementation of the actions be monitored?
6.2	What sort of data will be collected and how often will it be analysed?
6.3	How often will the proposal be reviewed?
6.4	Who will be responsible for this?
6.5	How have the actions from this assessment been incorporated into the proposal?

Stage 7 - Finalising the assessment.

Stage 7 – Accountability / Signing Off	
7.1	Has the lead Assistant Director/Head of Service been notified of the outcome of the assessment Name: <u> Gary Muskett </u> Date: <u> 7.12.12 </u>
7.2	Has the Corporate Policy Adviser Equality & Diversity provided confirmation that the Assessment is complete? Date: _____

Appendix 1 -Overview of Welfare Changes and Impacts by Protected Characteristics

1) Summary of Changes to Local Housing Allowance:

- Cut to cover the **bottom 30%** of rents rather than bottom 50%
- Linked to **Consumer Prices Index** rather than local rents meaning value likely to go down over time.
- LHA will be **capped** at various levels depending upon number of bedrooms
- **Non-dependent deductions** will increase. These are the amount deducted from housing benefit because it is assumed that a non-dependent family member is contributing to the rent
- HB for single people will also be reduced by the extension of the shared room rate to those under the age of 35 (from 25),

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- extra HB for an additional bedroom where the claimant or their partner has a disability and needs overnight care from a non-resident carer

Impact:

General:

- Setting the rate at the 30th percentile reduces the number of properties available to people receiving HB to the bottom 30 per cent of the rental market, forcing them into potentially poorer quality accommodation, for which there will be greater demand.

Women:

- Cuts to LHA will have a disproportionate impact on women since women are the main recipients - single women constitute approximately 50% of recipients of housing benefit, with couples composing around 25% and single males 25%.
- 47% of those affected will have children, of which 32% will be lone parents.
- 19% will be disabled.
- 8% will be pensioners.
- 13% will be from BME groups who will also be disproportionately affected by the 4 bedroom cap.
- People with non-dependents (e.g. elderly relatives) living in the same house will incur extra charges
- The number of couples with an income of less than £50 a week after rent has been paid will double.

Race:

- The reduction and capping of Local Housing Allowance will impact disproportionately on black and minority ethnic communities as many often need larger accommodation due to family size
- Child poverty rates for black and minority ethnic families in the UK are higher than the national average and the Housing Benefit cuts are likely to increase this disparity
- Some of the reductions in Housing Benefit do not apply to claimants with disabilities; however, black and minority ethnic claimants are less likely to claim the benefits that provide this protection
- As HB is paid to people on a low income, the planned cuts in benefit will affect the poorest and most vulnerable. Black and minority ethnic communities will be disproportionately affected as they are more likely to be unemployed or to have a low income. Approximately two-fifths of people from minority ethnic communities live in low-income households, twice the rate for white people

Child Poverty:

- DWP estimates that 48% of the 450 000 households affected will include children

Disability:

- People with learning and other disabilities are increasingly offered tenancies in the private rented sector. These properties will often have been adapted for their needs or include a support package to help them remain in the accommodation. If they have to move, they could lose access to nearby transport links & contact with informal carers and support networks. The new local authority will have to assess their needs, which could lead to gaps and delays in new arrangements being put in place.

Older People:

- For the one third of pensioners aged over 65 are tenants, cuts in HB could drive them out of their area, breaking up the social support networks on which they depend and risking their social exclusion. Some 5% of pensioners live in private rented accommodation, a quarter in social housing. Because HB will in future be indexed to CPI, the gap between HB and the rent demanded is likely to widen.

2) Summary of the Welfare Reform Bill:

- **cap** total out-of-work benefits paid to a household at £26,000 per year. The cap will be implemented by restricting the level of housing benefit paid to households
- **introduction of a single benefits ‘taper rate’** – ensuring claimants keep at least 35p of every £1 earned when they enter work
- **a new regime of conditionality** –payments to jobseekers will be withheld, for as much as three years, if appropriate efforts are not made to progress towards work;
- **introduction of mandatory work activity**
- from April 2013 people who have received 12 months or more of JSA will have a 10% reduction in their housing benefit.

Impact:

Women:

- The cap on total benefits that a family can receive will disproportionately affect **women and affect lone parents** worst of all. The DWP’s own Equality Impact Assessment of this policy states:

“We expect around 60% of customers who are likely to have their benefit reduced by the cap to be single females but only around 3% to be single men. Most of the single women affected are likely to be lone parents, this is because we expect the vast majority of households affected by this policy (around 90%) to have children. Approximately 60% of those who will be capped are single women. Single women form around 40% of the overall benefit population.”

The DWP argues that these impacts will be mitigated by policies to support lone parents into paid work. However this will still leave women who are unable to find work, particularly work that fits around their childcare responsibilities, facing a significant drop in income

Long Term Unemployed:

- **impact for individuals who have been away from the labour market for a significant period of time.** There is a challenge of not only reduced benefit and a greater pressure to move into employment, but also increased competition for opportunities from people who have recently become unemployed and are hence a lot closer to the labour market.

Disability:

- All households with someone claiming Disability Living Allowance will be exempt from this measure.
- JSA change will particularly affect disabled people since they take longer to get jobs

Race:

- Increased conditionality for working-age claimants is more likely to impact on black and minority ethnic claimants as they are disproportionately represented among workless households
- BME communities are disproportionately represented among workless households

3) Child Benefit:

Frozen for three years, until April 2014. The value of Child Benefit will be cut by over 10% by 2014.

Impact on Families:

- 51% spend their Child Benefit on clothes or shoes
- 26% spend it on food

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- 16% spend it on their child's education or related costs
- By 2014, a family with one child will be around £130 a year worse off than if Child Benefit had been increased each year in line with inflation. A family with three children will be £285 a year worse off

4) Child Maintenance and Enforcement Commission

Lone parents who use CMEC will be charged an application fee of up to £100 and between 7% and 12% of any maintenance paid.

Impact on Lone Parents:

For many lone parents on the lowest incomes charges may act as a barrier to accessing the CMEC. They and their children may be left with no support at all from the non-resident parent, or, if they can negotiate some money it may be far less than what they would be entitled to

5) Job Seekers Allowance

From October 2011 the majority of new lone parents whose youngest child is aged 5 or over will no longer be eligible for Income Support and will have to claim Jobseeker's Allowance (JSA) instead. Existing Income Support claimants will be transferred to JSA from April 2012. This means that they will be subject to the intensive work and sanctions programme.

Impact on Lone Parents:

- Lone parents face particular barriers to entering paid work including the cost of childcare which has to be met from one salary and it can be very hard to find childcare outside 'standard' working hours (before 8am, after 6pm or weekends).
- Lone parents face biggest loss as a result of the tax / benefit changes to be introduced by 2014–15
- Lone parent households 92% are headed by women stand to lose the equivalent of around 18.5% of their net income, the equivalent of *one month's income a year*

6) Child Tax Credit

Child Tax Credit is a benefit paid to low-income parents, whether they are in work or not, and involves both a family element for any family with children and a child element for each child. The government provides support to low-income families for childcare costs through the 'childcare element' of the Working Tax Credit (WTC).

The 24 hour rule: From April 2012, the rules for eligibility for the WTC for couples with children will change. Currently, couples have to work at least 16 hours a week between both parents. From April they will have to increase their working hours to at least 24 hours, or they will lose their whole entitlement to WTC, worth £3,870 a year.

Changes to the childcare element: In April 2011, the level of childcare costs that working families can expect to be covered by the childcare element of the WTC was cut by 10% – this means that the maximum level of costs WTC covers has dropped from 80% to 70%.

Impact on Low Income Families:

- low-income families with one child who have weekly childcare costs of £175 (the maximum childcare costs that parents of one child can claim for) will lose £17.50 a week (£910 a year) and

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- low-income families with two children who have weekly childcare costs of £300 (the maximum childcare costs that parents of two children can claim for) will lose £30 a week (£1,560 a year).
- Women rely more on benefits and tax credits than men, due to both greater caring responsibilities and relative economic inequality and poverty. On average, 1/5th of women's income is made up of welfare payments and tax credits compared to 1/10th for men. This means that, on average, *benefits make up twice as much of women's income than men's*.
- one in five mums are missing meals so their children can eat
- cost of childcare in the UK, is amongst the highest in the world & has risen above rate of inflation,.
- UK Parents spend 33% of their net household income on childcare compared to an Organisation for Economic Co-operation and development (OECD) average of 13%.
- Most families in this situation have a total household income of around £17,000. If they cannot find extra work, the loss of £3,870 will cause these families severe hardship
- 24% of mothers have had to give up work as a result of the changes.
- reduction in support through the childcare element of tax credits will particularly affect women in lone parent households" as 60% of the recipients of the childcare element of WTC are single parents
- Women in couples will also suffer as a result of this change, as they are more likely to be the ones to give up work when the household budget no longer balances
- 58% of families in extreme poverty said they are not better off working when childcare has been paid
- 40% families in extreme poverty have considered giving up work, as an average of £500 per year has been added to their childcare bill.
- 25% of families across all income demographics stated that the rising costs of childcare and reduced payments of WTC had caused them to get into debt

7) Universal Credit

This will replace non-contributory Job Seekers Allowance, Working and Child Tax Credits, Employment Support Allowance, Housing Benefit and Income Support. It will mean a single system of support for people moving in and out of work without needing to make separate claims. It will be paid out as a single monthly payment and the Government is proposing that for couples one person should claim the Universal Credit on behalf of the family.

Impact on Low Income Families:

- provides more support for those doing so-called 'mini-jobs' or part-time work, but does not address the problems that arise from the 10% cut to the level of childcare costs that **working families** can expect to be covered by the childcare element of the WTC
- while 2.8 million households will have higher entitlements under UC, 2 million (including 1.1 million with children) will have lower entitlements.
- **Single parents working 16 hours or more & some second earners** will be substantially worse off
- **Lone parents** will not be obliged to take work that does not fit around their caring responsibilities but research has shown that benefits advisors do not always show understanding of the particular situation that lone parents face, with some lone parents threatened with sanctions for refusing jobs that would be impossible to fit around their children's needs.

8) Raising the Tax Threshold

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The 2011 Budget increased the personal allowance for income tax from £7,475 to £8,105 for those aged under-65 in 2012-13. The Treasury estimates that this will benefit around 25 million taxpayers with an average gain of £48 a year, and will lift 260,000 of the lowest paid workers - 56% of whom are women - out of income tax altogether.

Impact on Women:

- men make up the majority of those who gain the full amount: in total, men will gain £140 million more than women from this measure.
- the measure does not to boost the incomes of the record numbers of women currently out of employment, or the 4 million people who earn too little to pay tax, 73% of whom are women.

9) The Reassessment of Incapacity Benefit.

Individuals receive Employment Support Allowance at its basic rate (equal to Job Seekers Allowance for their age). Towards the end of a 13 week period, they undergo a Work Capability Assessment (WCA) and are split into a support group and a work related activity group (WRAG). The latter who are assessed as fit for work receive a lower rate of ESA. Benefit payments are lower on JSA than Incapacity Benefit; and there is equally a requirement to be actively seeking employment. There are two types of ESA – contributory and income related for those who have not made sufficient NI contributions. Contributory ESA will only be paid to people in the work related activity group for one year after which it will be means tested. If they have savings, assets or a partner who works then their benefits will stop. This will hit disabled women, women who are carers and partners of disabled people.

Impact:

- 26% of **disabled people** are in the poorest fifth of all households in the UK with an average income of about £10,450 per year per household. (This compares with 19% for non-disabled people.
- A further 27% of disabled people are in the next poorest quintile with an average income of £15,800.
- Average income of household with a disabled person is about a 1/5th lower than other households
- loss to each claimant will average £2,630 over five years or about £526 per claimant per year.
- Changes to benefits and the move from IB to JSA for people deemed 'fit for work' also has implications for the **trans community**. Under the previous system, claimants were able to start work and if they were unable to cope they could move back to IB with the same level of benefit. With the focus on sustainable employment, if trans communities are unable to cope with the demands of the workplace it is unlikely that they will be able to move back onto IB at all
- Restrictions in eligibility for Incapacity Benefit (IB) will affect **older workers** in poor physical or mental health. Many will be moved from IB either onto the means-tested Employment and Support Allowance or onto Jobseekers Allowance

10) The re-assessment of claimants to Disability Living Allowance.

DLA is the only benefit which compensates for the additional costs of living with a disability and is not means tested. It can be claimed even when employed since it is designed to cover the extra costs associated with disability. DLA is divided into two components – care and mobility. DLA is being cut by 20%. The total budget for DLA is being cut by 20%. Working Age DLA will be replaced with the Personal Independence Payment for which the eligibility conditions appear to be more stringent.

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Impact on Disabled People:

- Cuts to DLA have significant impact upon the capability of disabled people to work & travel to work.
- The employment rate of disabled people is around 48% compared with 78% for non-disabled people. This gap of 30% has come down a bit since 2002 when it was 36% (ODI website).
- There are said to be 1.3 million disabled people (19% to 24% of disabled people of working age) who say they are available for work and who want to work (Demos Oct 2010, 19).
- At every level of qualification, the proportion of people with a work-limiting disability who lack, but want, paid work is much greater than those without a disability.
- With *growing* unemployment, the prospects of getting a job are not good for disabled people
- The median income of disabled people was £342 per week compared with a median for nondisabled of £424 per week. The average income of disabled people was about 81% that of the non-disabled.
- 53% of disabled people are in the poorest 40% of the population & 75% are in the poorest 60%.
- 23% of individuals in families with at least one disabled person live in relative income poverty compared to 16% of individuals in families with no disabled member
- The proportion of disabled working age population who live in low-income households (that is, live in 'poverty') was double - at 36% - of the poverty rate (18%) for their non-disabled counterparts
- Disability affects 40% of individuals at age 60 and 75% of those aged over 80, while severe disability affects 20% at 60 and 50% over age 80.

11) Carer's Allowance

This is a taxable benefit payable to people who provide care to disabled people in their own homes. To be eligible for CA, a carer must earn no more than £100 per week and spend at least 35 hours a week caring for a disabled person who receives a benefit for the extra costs of disability such as DLA (middle or higher rate, care component) or attendance allowances.

Impact on Disabled People & Carers:

- CA benefits are low compared to other countries in the EU. The indexation change will reduce CA
- Someone caring for a person who loses disability living allowance will also lose carers allowance. A carer in this situation would have to move onto universal credit. It is not clear whether they would then be expected to look for work, even though they are still responsible for full time care.
- Those disabled people needing care who fail the WCA test are likely to suffer from a '**double dip**' in income; their rate of DLA will either be reduced or removed – and their carer's CA along with it

12) State Pensions and Benefits:

Since indexation of state pensions to national average earnings link was removed in 1980, the **Basic State Pension (BSP)** has declined from about 20% to about 15% of average earnings, one of the lowest state pensions in the OECD. Indexation of BSP will switch in 2012 from RPI to CPI which is between 1 and 2% lower, and the **State Earnings Related Pension Scheme (SERPS)** and **State Second Pension (S2P)** will be indexed to CPI instead of RPI from April 2011.

Impact on Older People:

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- Along with lone parents and their children, pensioners, especially women, are among the poorest in society.
- Over half of pensioner households are poor enough to be eligible for a means tested top-up.
- A fifth of pensioners live below the official OECD poverty line (about £170/week for a lone pensioner)
- 90% of these are in persistent poverty (poor in 3 of the 4 years measured).
- Pensioners differ from working age population in having no opportunity to increase their income: those who are poor remain so, while those on slightly higher incomes face a decline into poverty and means testing as they age, due to inadequate indexing of pensions
- The shift to the CPI index will exacerbate the trend for pensioners to sink into poverty as they age.

13) Pension Credit

The means tested top-up for the poorest pensioners, will be reduced by freezing the Savings Credit element for 4 years from 2011

Impact on Older People:

- Increases the proportion who experience a £ for £ loss of benefits, penalising them for having small additional pension savings.
- About 1.7 million pensioner households will lose an average of £3.20/week
- Half of pensioners live on less than £228/week
- A fifth on less than the poverty level (60% of median population income, about £170/week).
- For these pensioners on low or modest incomes, the **bulk of spending is on essentials such as council tax, heating costs, electricity and food**. Other unavoidable costs include rent, home repair/maintenance if home owner and, more rarely, a mortgage as well as extra services if disabled.
- Private tenants and low income home-owners tend to live in less energy-efficient housing so face particularly steep rises in fuel costs. Because pensioners are more likely to spend their time in their homes and are generally less mobile, it is difficult to economise on heating costs

Private Pensions and Savings which New Labour hoped would compensate for the declining value of state pensions, have not filled the gap

- Private Pensions are received by 71% of men and only 43% of women aged over 65.
- Amounts vary widely with class and gender, ranging in 2001 from £172/week for men who had worked in professional/managerial occupations to £28/week for women in routine/manual work.

14) Future Pensioners Aged 50+:

A gradual rise in the State Pension Age (SPA) from 60 to 65 for women between 2010 and 2020 is already legislated, but this is now accelerated to 65 for women in 2018 and 66 for both men and women in 2020. The age of eligibility for the national bus pass will rise in line with SPA. By 2015, the changes are estimated to affect 5.1 million individuals of working age, saving £5bn

Impact on Older People:

- Acceleration denies older workers time to plan their retirement, so many could be left reliant on means tested benefits. The change is particularly steep for some women; those

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born after 6/04/1953 will receive their state pensions at 65 but those born after 04/1954 will have to wait until they are 66.

- Further changes are likely, e.g. raising SPA to 70 by 2048 (instead of 68, as now). Lengthening working life may seem justified by increasing average longevity, but it is doubtful whether jobs will be available for all older workers. Raising SPA will hit the low paid hardest since on average they have poorer health, worse job security, shorter life expectancy and are less likely to have any private pension or redundancy pay to tide them over until SPA.
- Train to Gain scheme for older workers is to be removed, increasing risk of long term unemployment.

15) Auto-enrolled National Employee Savings Trust (NEST)

These are personal pensions, due to be introduced in 2012

Impact on Older People:

At present, contributing to NEST would not be worthwhile for many low paid workers (mainly women) due to the likelihood of means testing in retirement. Without an adequate state pension as foundation, they would risk gaining little or nothing from their contributions – the pensions poverty trap. The pensions industry has lobbied for a better state pension to avoid this deterrent to saving.

16) Overall Analysis - Institute for Fiscal Studies:

The Institute for Fiscal Studies has carried out a study of the cuts in benefits and rise in taxes across the income groups. It shows that the distributional impact of welfare measures announced in the Spending Review are clearly regressive with the largest losses (as a percentage of income) falling on the poorest income groups. Looking at *all* the tax and benefit measures to be in place by 2014/15, The IFS shows that, relative to income, the effect is clearly regressive across the lowest 90% of income earners with the **poorest 10% of households suffering the biggest loss** (of more than 5% of income).

For further information contact Clare.Harding@centralbedfordshire.gov.uk