

Stage 1 Equality Impact Assessment – Initial Screening

Assessor(s) Name(s):	Dave Burbage	
Directorate:	Resources	
Date of Completion:	August 2012	

Name of Policy/Strategy/Service/Function Proposal

Introduction of the Council Tax Support scheme with effect from 1st April 2013

The Aims, Objectives and Expected Outcomes:

The national Council Tax Benefit (CTB) scheme comes to an end on 31ST March 2013 to be replaced by a locally determined system of Council Tax Support (CTS). The funding made available by Government for the new scheme will be reduced by 10% nationally and cash limited. The aim of the new support scheme is to provide financial assistance to council taxpayers who have low incomes. Persons who are of state pension age (60 years or greater) are protected under the scheme in that the calculation of the support they are to receive has been set by Central Government. For working age applicants however the support they receive on the Isle of Wight is to be determined by the Council as the Billing Authority. In determining the Local Scheme the Council will need to consider the affordability, in overall budget terms, of the support it should give to working age claimants towards their council tax liability and the affordability of those working age claimants to pay towards their council tax liability as well as the ability to provide elements of protection to the working age vulnerable.

At this stage it is projected that the financial assistance for the scheme to be provided by Central Government will be some £1.9m less than the amount currently provided to support the existing Council Tax Benefit scheme.

In order to fully or partly meet this funding gap the Council has to consider a reduction of council tax support paid to working age claimants. Extensive modelling of the existing caseload has been completed to establish options that could achieve the savings required. It is apparent; from the profile of existing council tax benefit claimants that fully meeting the funding gap from reducing support to all working age claimants will mean a significant impact on all groups. In order to keep reductions to claimants to a manageable level, consideration has been given to meeting part of the funding gap from implementing changes to discounts on second homes and empty properties that increase council tax income.

Making changes to the means test itself would result in relative disadvantage for one group against another. Such changes would alter the operation of the existing protections and would require significant equality impact assessments for each change proposed. With the tight timescale for agreement and implementation of a scheme in the first year, applying a percentage reduction across all claimants preserves the protections already in existence.

1. The overall preferred option for the Local Scheme being recommended is therefore:-
 - a) To reduce the maximum entitlement to council tax support for working –age Claimants to 80% of council tax liability
 - b) To protect the working vulnerable by maintaining the existing method of calculating their support without applying the reduction in a)
 - c) To remove the second adult rebate from the Local Scheme except for pensioner Claimants who are protected under the Government proposals
 - d) Increase deductions for non-dependant(s) who share living accommodation with working –age claimants and introduce deductions for non-dependant(s) who share living accommodation with passported working –age claimants - as set out below:-

	April 2012	Proposed from 1 April 2013
	£ per week	£ per week
Non-dependant Deductions		
In receipt of state Pension Credit or in receipt of IS, JSA(IB), or ESA(IR)	Nil	3.30
Aged 18 or over and in remunerative work		
-gross income greater than £387.00 per week	9.90	14.85
-gross income not less than £310.00 but less than £387.00 per	8.25	12.35

week		
-gross income not less than £180.00 but less than £310.00 per week	6.55	9.80
-gross income less than £180.00 per week	3.30	4.95
Others aged 18 or over	3.30	4.95

- e) Restrict the eligibility to entitlement, before applying the percentage at a) above, to the maximum of a Band D council tax level
- f) To reduce the council tax discount on second homes to 0% from 1st April 2013
- g) To amend the following exemptions and discounts to empty properties from 1 April 2013 as set out below:-
- (i) Class A exemption for properties which are empty and undergoing repair or major structural alteration is replaced with 75% discount for the 12 month period instead of 100%
 - (ii) Class C exemption for properties which remain unoccupied and substantially unfurnished is replaced with 100% discount for 3 months from the date the property becomes substantially unoccupied and unfurnished, followed by zero discount thereafter. This compares with the current position which is 100% for 6 months
 - (iii) To charge an “empty homes premium” of 50% on long term empty properties making the total liability 150% after two years rather than 100% at present
 - (iv) To withdraw the exemption on properties where the mortgagee is in possession or reduce the discount to zero if the regulations allow for this making the mortgagee liable for the charge

The new scheme comes into force on 1 April 2013. The legislation requires that the scheme for working age claimants is agreed by full Council before 31 January 2013. In practice this means agreement of a final scheme will be needed at the full Council meeting of 16 January 2013.

Public consultation on a proposed scheme will run for 10 weeks from 24 September 2012, allowing time for responses to be considered and included in the final report to Council.

- This is a new council function

Key Questions to Consider in Assessing Potential Impact

Will the policy, strategy, service or council function proposal have a negative impact on any of the protected characteristics or other reasons that are relevant issues for the local community and/or staff?	Yes
Has previous consultation identified this issue as important or highlighted negative impact and/or we have created a “legitimate expectation” for consultation to take place? A legitimate expectation may be created when we have consulted on similar issues in the past or if we have ever given an indication that we would consult in such situations	Yes
Do different groups of people within the local community have different needs or experiences in the area this issue relates to?	Yes
Could the aims of these proposals be in conflict with the council’s general duty to pay due regard to the need to eliminate discrimination, advance equality of opportunity and to foster good relations between people who share a protected characteristic and people who do not?	No
Will the proposal have a significant effect on how services or a council function/s is/are delivered?	Yes
Will the proposal have a significant effect on how other organisations operate?	Yes
Does the proposal involve a significant commitment of resources?	Yes
Does the proposal relate to an area where there are known inequalities?	Yes
<p>If you answer Yes to any of these questions, it will be necessary for you to proceed to a full Equality Impact Assessment after you have completed the rest of this initial screening form.</p> <p>If you answer No to all of these questions, please provide appropriate evidence using the table below and complete the evidence considerations box and obtain sign off from your Head of Service.</p>	

Protected Characteristics	Positive	Negative	No impact	Reasons
Age		<input type="checkbox"/>		Working age claimants of Council Tax support will receive a reduced level of assistance as compared with the current Council Tax Benefit scheme
Disability	<input type="checkbox"/>			Where a claimant of working age fulfils the specified criteria the level of support will be higher than that given to other claimants
Gender Reassignment			<input type="checkbox"/>	No specific impact other than for working age generally
Marriage & Civil Partnership			<input type="checkbox"/>	No specific impact other than for working age generally
Pregnancy & Maternity			<input type="checkbox"/>	No specific impact other than for working age generally
Race			<input type="checkbox"/>	No specific impact other than for working age generally
Religion / Belief			<input type="checkbox"/>	No specific impact other than for working age generally
Sex (male / female)			<input type="checkbox"/>	No specific impact other than for working age generally
Sexual Orientation			<input type="checkbox"/>	No specific impact other than for working age generally

Are there aspects of the proposal that contribute to or improve the opportunity for equality?	Yes
<p>Due to the nature of the reductions required in the level of support, all working age claimants are to have reductions in their support, except for the working age vulnerable who will be protected. In addition where claimants have dependants, are carers, are in receipt of war pensions or war disablement pensions, support will be greater than for other groups due to disregarded income.</p>	

Evidence Considered During Screening
<p>A full modelling exercise has been undertaken using specialised modelling software to establish the effects of the changes on claimants. The use of the modelling software creates 292 separate criteria that could be changed for each of the working age groups. However, the Council has opted to focus on those changes outlined within the report, as maintaining the existing way of calculating Council Tax Benefit in the Council Tax Support scheme ensures that vulnerable groups are duly recognised and protected whilst</p>

retaining work incentives and ensuring that no one group is disadvantaged or protected unreasonably more than another. It is felt that this is in the best interests of residents as these provide the tax payers with assurance that any additional support to meet the funding grant shortfall is limited to an appropriate level where possible, but at the same time retaining an appropriate level of support for those on low incomes to pay their council tax.

Where possible, the protections given under the current Council Tax Benefit regime have been maintained although the overall level of support reduced.

The government has stated that council tax support for older people will not be reduced as a result of the introduction of this reform. This is because 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 support for their council tax.

Pensioner protection will be achieved by keeping in place national rules which broadly replicate the current council tax benefit scheme.

As part of the changes the Council must give consideration to the effects on working age claimants only and in particular any vulnerable groups in the design of a new system.

Central Government has not been prescriptive in how it expects the Council to do this but points to the Council's existing responsibilities including the Child Poverty Act 2010, the Disabled Person Act 1986 and the Housing Act 1996 as well as the public sector equality duty in section 149 of the Equality Act 2010.

A full analysis of the existing caseload of those in receipt of Council Tax Benefit has been undertaken and the expected effects of the proposed changes are as follows;

- Pensioner claimants – no effect
- Single Working age claimants – 2179 claims potentially affected with an average reduction in support of £3.50 per week
- Couples without dependants - Working age claimants – 259 potentially affected with an average reduction in support of £4.95 per week
- Couples with dependants / Lone Parent - Working age claimants – 3365 potentially affected with an average reduction in support of £4.38 per week
- Working age claimants – with disabilities (classed as being disabled under the current Council Tax Benefit scheme) – potentially affected but the proposal is to fully exempt these from any reduction therefore avoiding an average reduction in support of £3.80 per week.

It should be noted that all data has been obtained from existing data sets held as part of the Council's Housing and Council Tax Benefit records and that they reflect an accurate assessment of monetary reduction in moving from the existing benefit scheme to the new Council Tax Support scheme.

Monitoring will be undertaken on an on-going basis and the full scheme reviewed annually.

Local impact

The impact of the changes locally is shown in Appendix 1 of the report.

National impact

The Department of Communities and Local Government (DCLG) have undertaken an impact assessment showing the effects nationally. This can be accessed using the link below;

<http://www.communities.gov.uk/documents/localgovernment/pdf/2063707.pdf>

Mitigating the effects of the reduction

Council Tax Benefit has existed as a national scheme to provide assistance to low income taxpayers since the introduction of Council Tax in 1993. It is a robust and complex legislative system with protections for vulnerable groups built in. It has been subject to repeated legal challenge ensuring it generally satisfies equality duties.

The structure of the means test under the Council Tax Benefit system ensures that vulnerable groups are recognised and protected. Specifically, this works in the following ways:

- Personal allowances are increased for families and all additional children;
- Additional premiums for disabled household members and carers;
- Income disregards for certain disability benefits, child benefit and child maintenance;
- Earned income disregards; higher rates apply for full time work, disabled workers, certain part-time emergency workers and single parent workers;
- Childcare costs disregard for workers with children
- Local disregard of War Pension income

The Council prefers to preserve this means test in its current form and to reduce the level of protection afforded to some of the vulnerable categories to allow the Council to meet its grant allocation. This allows the local scheme to maintain the protections for a number of vulnerabilities and continue to provide work incentives that have been refined over many years.

Consultation

Public consultation is due to commence on the 24 September 2012 for a period of 10 weeks. The results of this will be considered by the Council in finalising its decisions on the scheme to be adopted

Director Sign off:	David Burbage
Advice sought from Legal Services (Name)	Laura Gaudion
Date	29 August 2012

Stage 2 Full Equality Impact Assessment

Assessor(s)Name(s):	Dave Burbage
Directorate:	Resources
Date of Completion:	13 December 2012

Name of Policy/Strategy/Service/Function Proposal

Introduction of Local Council Tax Reduction scheme with effect from 1st April 2013

The Aims, Objectives and Expected Outcomes:

The national Council Tax Benefit (CTB) scheme comes to an end on 1st April 2013 to be replaced by a locally determined system of Council Tax Support (CTS). The funding available for the new scheme will be cash limited and be determined by the Council.

The aim of the new support scheme is to provide financial assistance to council taxpayers who have low incomes. Persons who are of state pension age (60 years or greater) are protected under the scheme in that the calculation of the support they are to receive has been set by Central Government. For working age applicants however the support they receive is to be determined by the local authority.

To provide financial assistance for the scheme, Central Government is to provide funding to each billing authority in England, however the level of funding provided is to be less than the amount currently provided to support the existing Council Tax Benefit scheme. In the case of the Isle of Wight Council, the shortfall will amount to in excess of 14% from the existing level of support provided.

In order to meet the shortfall, the Council originally decided to reduce all working age claimants entitlement (given that pension age claimants are protected). Consultation with the public was undertaken based on the following proposed changes to the scheme;

- A reduction in the maximum support from 100% under Council Tax Benefit to a maximum of 80%;
- Protecting claimants who receive (or their partner receives) any of the following

by maintaining the potential to obtain 100% maximum reduction:

- Disability Living Allowance Care (Higher, Middle or Lower rates);
 - Disability Living Allowance Mobility component;
 - Personal Independence Payments (from April 2013);
 - Attendance Allowance;
 - Employment Support Allowance (Support Component);
 - Incapacity Benefit (Long Term Rate);
 - Severe Disability Allowance;
 - War Disablement Pension;
 - War Widows Pension;
 - Armed Forces Compensation Scheme payment
- Restricting all support to a Band D maximum;
 - Increasing non dependant deductions; and
 - Removing Second Adult Rebate.

Please delete as appropriate:

- This is a new policy

Scope of the Equality Impact Assessment

Scope of the Equality Impact Assessment

Following extensive consultation undertaken during the period 24th September 2012 until 30th November 2012, it has become apparent that there are 2 key areas which form the basis of the responses received; Local Council Tax Support Scheme and the Council Tax Technical Reforms. The Council has tried to ensure that all local residents likely to be affected by the proposal are given the opportunity to make their views known and as a result decided to include in the consultation process the proposed technical changes to the scheme. Whilst there is a requirement to consult on the Local Council Tax Support Scheme, there is no requirement for such Council Tax Technical Reform changes to be subject to consultation however in order to be open and transparent specific provision was made in the consultation process for views to be provided regarding the proposed changes of this nature. The responses received can clearly be split in to 2 areas and in order to ensure that full consideration is given to the outcome of the consultation process a separate stage 2 Equality Impact Assessment has been completed for each area. This stage 2 EIA deals with the propose changes to Council Tax Support Scheme.

The government has stated that council tax support for older people will not be reduced as a result of the introduction of this reform. This is because 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 support for their council tax.

Pensioner protection will be achieved by keeping in place national rules, which broadly replicate the current council tax benefit scheme.

As part of the changes, the Council needs to give consideration to the effects on working age claimants only and in particular any vulnerable groups in the design of a new system.

Central Government has not been prescriptive in how it does this but points to the Council's existing responsibilities including the Child Poverty Act 2010, the Disabled Person Act 1986 and the Housing Act 1996 as well as the public sector equality duty in section 149 of the Equality Act 2010.

Analysis and assessment

Analysis and Assessment

A summary of the questions posed in relation to the Council Tax Reduction Scheme together and the responses received can be found at Appendix 1. It can be seen from the responses that whilst there is no overall consensus on the changes, consultees feel strongly that taxpayers should be required to pay some level of council tax and there is broad agreement that overall support should be reduced.

With regard to impact on families with children under the proposed scheme child benefit will continue to be disregarded as income.

The one area where there may be a disproportionate impact on households with children is on the proposal to restrict the eligibility to entitlement, before applying the 80% limit, to the maximum of a Band D council tax level.

Based on the caseload at 31 October 2012 there would only be some 150 properties affected and the majority of the properties in the higher bands have the highest number of dependents in them. The reduction in support for those claimants currently getting 100% support by restricting to Band D and then applying the 80% eligibility limit has the largest impact of any of the proposed changes. For Band E this would be £620 p.a. (£465 if get single person discount)., Band F £945p.a. (£709 if get single person discount) and Band G £1,272 p.a. (£954 if get single person discount).The total amount estimated to be raised from limiting to Band D is only £52k and actual collection is likely to be lower than this. It is therefore proposed that, despite the consultation indicating support for this that this element of the preferred scheme be not included in the final scheme.

Those claimants who are in properties in the higher bands will still be subject to the 20% limit of council tax liability which would mean a reduction in support if currently get 100% council

tax benefit of Band E £359 p.a.(£269 with single person discount) ,Band F £424 p.a.(£318 with single person discount),Band G £489 p.a.(£367 with single person discount)

The proposal to remove the second adult rebate is not felt to disadvantage any particular protected group. There is no double impact and some 154 applicants would be affected at an average reduction in support of 55p more than the application of the 80% limit of council tax liability. It is proposed to continue with the proposal to remove second adult rebate.

In the preferred option that was consulted on it was proposed to Increase deductions for non-passported non-dependant working-age claimants by 50% and introduce deductions for passported non-dependant claimants.

Non-dependant deductions reduce a claimants Council Tax Benefit entitlement.

A non-dependant is someone aged 18 or over, for example, an adult son or daughter, a relative or even a friend who lives with a claimant on a non-commercial basis. It does not include:

- Dependant members of the family, i.e. a partner, or child for whom child benefit is paid
- Lodgers or boarder who live in the property on a commercial basis
- Tenants or sub-tenants
- People who own part or all of the property, i.e. a joint owner
- Professional Carers.

The government expects that non-dependants contribute towards the running expenses of the household, which includes rent and/or council tax. Whether a non-dependant pays little or nothing towards the household running expenses a standard, fixed sum deduction will still be made from the claimants council tax benefit.

The non-dependant deductions are calculated based on the non-dependant's gross income on a sliding scale basis.

Pass-ported cases are those claimants who receive a 'means tested' benefit such as Income Support, Job Seekers Allowance (Income Based), Employment Support Allowance (income related), and Pension Credit (Guaranteed Credit) and are automatically entitled to council tax benefit. Currently non-dependant deductions are not applied to pass-ported cases.

Although the consultation indicates support for these changes the vast majority of respondents were not existing council tax benefit claimants.

The introduction of deductions of support for pass-ported cases would affect about 200 applicants and could raise £37k although the ability to collect this amount may prove difficult. This would be on top of the proposed limit of support to 80% of council tax liability and could mean an average reduction in support of £6.99 per week. Without the non-dependant deduction the average reduction in support would be £3.61 per week. The reduction in support would be higher if claimants are in a property in council tax Band E and above.

The Increase in non-dependant deductions for non- pass-ported cases would affect only some 116 claimants and potentially raise £14k. This would be a sizeable increase which with the 80% limit on council tax liability would mean an average £6.10 per week and higher if the property is in Band E and above.

Taking into account the overall double impact and the limited amount that would be raised by these changes it is proposed that they not be pursued within the final scheme. It is proposed however that the existing non-dependent deductions for non-pass-ported cases be increased in line with Government guidelines for DCLG default scheme.

The Transitional Grant

During the consultation period, Central Government announced that additional funding would be available to the Council by means of a Transitional Grant. The transitional scheme enables local authorities to apply for grant funding to assist local residents by limiting the percentage reduction in support. In the event that the council wishes to access the grant funding the maximum reduction in support which can be implemented is 8.5% if certain criteria were met and that (in general) claimants who receive 100% council tax benefit currently would not be required to face a reduction in their benefit of more than 8.5%. In effect, the acceptance of the transitional grant would mean that all other proposed changes except the removal of second adult rebate would not be able to be applied to the scheme.

Whilst this did not form part of the proposals consulted on if the one-off grant was accepted then for 2013/14 only this represents a better position for all than that explored through consultation. The impact of a reduction of support at 8.5% will enable a transition to the full scheme to be made. Consequently ,whilst there has been no direct consultation in relation to this potential a further consultation is not necessary at this stage. The main outcome of implementing a limited reduction in support would be the need for the Council to identify alternative funding to make up the shortfall between the grant funding secured and the increased liability for support. For 2013/14 this can be contained within existing reserves.

The criteria set by the Department of Communities and Local Government are as follows;

- Those who would be entitled to 100% support under current council tax benefit arrangements pay between zero and no more than 8.5% of their net council tax liability;
- The taper rate does not increase above 25%;
- There is no sharp reduction in support for those entering work.
- Although not one of the scheme criteria, in allowing flexibility over aspects of the scheme, Government would not expect local authorities to impose large additional increases in non-dependant deductions.

Accepting the grant would mean that the Council would still experience a shortfall which would have to be met from within existing funds but the impact on all working age claimants would be minimal.

In effect, accepting the grant would negate the vast majority of impacts assessed within Stage

1 and all the main areas which the Council consulted on would not be applicable either as the consulted option could not be implemented or any reduction in support would need to be limited to the level set within the grant criteria.

By accepting the grant, the loss in support for those cases not deemed to be protected would amount to approximately £1.47 per week per household. The grant will be available for one year only.

Recommendations

It is recommended that a reduction for working age claimants should be implemented and the option of a reduction in maximum council tax liability used in the calculation (20%) would appear to be the most appropriate given the need of claimants and also the requirement for the Council to consider its financial situation. The Council is mindful that the vulnerable groups outlined within the consultation should continue to be protected and be able to receive support up to 100% (subject to income and capital).

Notwithstanding the above, it is recommended that the Council should take advantage of the transitional grant available from central government and look to implement a reduction in support of up to 8.5% for the financial year 2013/14 and then reduce support (for non protected cases) support in 2014/15 to the levels in the consultation.

By implementing the change in this way it will allow claimants to adjust their finances over a longer period of time and also allow the Council to monitor the effects on taxpayers in general.

Action/Improvement Plan

Area of impact	Is there evidence of negative positive or no impact?	Could this lead to adverse impact and if so why?	Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group or any other reason?	Please detail what measures or changes you will put in place to remedy any identified impact (NB: please make sure that you include actions to improve all areas of impact whether negative, neutral or positive)
Age	No impact.	<p>Status quo for the following: Those in receipt of-</p> <ul style="list-style-type: none"> ▪ Disability Living Allowance Care (Higher, Middle or Lower rates) ▪ Disability Living Allowance Mobility component ▪ Personal Independence Payments (from April 2013) ▪ Attendance Allowance. ▪ Employment Support Allowance (Support Component). ▪ Incapacity Benefit (Long Term Rate). ▪ Severe Disability Allowance. ▪ War Disablement Pension. ▪ War Widows Pension. ▪ Armed Forces Compensation Scheme payment. <p>Protection also includes those of</p>	<p>The council is making this decision to ensure that we operate within a lawful and balanced budget. The financial impact on the council due to the reduction in the grants received from central government require the council to adopt a local scheme that takes into account the need to protect the most vulnerable in our community and all local taxpayers. The introduction of this scheme will provide the council with the opportunity to apply the principles to ensure that the council meets the public sector equality duty under the Equality Act 2010.</p> <p>The reduction in financial support is necessary to protect the interests of taxpayers general and to preserve the overall finances of the council and services it provides</p>	<p>The Councils intention to adopt the transitional grant will allow claimants to adjust their finances over a longer period of time and also allow the Council to monitor the effects on taxpayers in general.</p> <p>The existing means tested scheme will be maintained and the most support will be given to those on lowest income.</p> <p>Exceptional hardship fund will be available for those claimants in most severe financial need</p>

Area of impact	Is there evidence of negative or no impact?	Could this lead to adverse impact and if so why?	Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group or any other reason?	Please detail what measures or changes you will put in place to remedy any identified impact (NB: please make sure that you include actions to improve all areas of impact whether negative, neutral or positive)
	Negative -	<p>State Pension Credit Age</p> <p>Those that do not fall under any of the above and are claimants of working age, there will be a reduction in the level of assistance as the scheme if adopted will mean that no one will be in receipt of 100% support.</p>		

Area of impact	Is there evidence of negative or no impact?	Could this lead to adverse impact and if so why?	Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group or any other reason?	Please detail what measures or changes you will put in place to remedy any identified impact (NB: please make sure that you include actions to improve all areas of impact whether negative, neutral or positive)
Disability	Positive	The council is under no obligation to offer protection to those of working age who are in receipt of any disability benefits (see above). However, the Council's preferred option is to implement a local scheme that affords protection to the most vulnerable in our society with regard to their disability. The level of support will be higher than that given for able bodied		
Gender Reassignment	No impact	Other than that for working age claimants generally		
Marriage & Civil Partnership	No impact	Other than that for working age claimants generally		
Pregnancy & Maternity	No impact	Other than that for working age claimants generally		
Race	No impact	Other than that for working age claimants generally		
Religion / Belief	No impact	Other than that for working age claimants generally		
Sex (male or female)	No impact	Other than that for working age claimants generally		
Sexual Orientation	No impact	Other than that for working age claimants generally		

Area of impact	Is there evidence of negative positive or no impact?	Could this lead to adverse impact and if so why?	Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group or any other reason?	Please detail what measures or changes you will put in place to remedy any identified impact (NB: please make sure that you include actions to improve all areas of impact whether negative, neutral or positive)
HR & workforce issues	Not known at this stage	-	-	
Human Rights implications if relevant	n/a		The council will monitor the overall impact of work and resource accordingly if the preferred scheme is adopted and undertake an initial EIA screening on the impact of HR workforce issues.	

Appendix 1 – Analysis of responses

Question 1

Currently we are able to help people on the lowest incomes by paying Council Tax Benefit up to the full amount of their council tax bill. Under the proposed new scheme we would limit the maximum support a claimant can receive. This would mean that all working-age claimants will be required to pay a contribution towards their council tax. Pensioners (those who are of an age where they can claim state pension credit) will not be affected by the changes to council tax support.

The Isle of Wight Council's preferred option includes protecting people who are in receipt of the following disability related benefits:

- Disability Living Allowance Care (Higher, Middle or Lower rates)
- Disability Living Allowance Mobility component
- Personal Independence Payments (from April 2013)
- Attendance Allowance.
- Employment Support Allowance (Support Component).
- Incapacity Benefit (Long Term Rate).
- Severe Disability Allowance.
- War Disablement Pension.
- War Widows Pension.
- Armed Forces Compensation Scheme payment.

In other words people claiming these benefits would continue to receive council tax support in the same way as they do now (provided there are no changes to their circumstances).

To what extent do you agree, or disagree, with the proposal that all working-age claimants should pay something towards their council tax bill?

Answer Options	Response Percent	Response Count
Strongly agree	42.1%	185
Agree	31.7%	139
Neither agree nor disagree	5.7%	25
Disagree	8.7%	38
Strongly disagree	11.8%	52
answered question		439
skipped question		29

Of the 439 people who completed the survey, 49 were council tax benefit recipients of which 53% strongly agreed/agreed with the proposal.

Question 2

The council's preferred option is to limit the support to a maximum of 80% of council tax liability for working-age claimants (except those receiving any of the disability related benefits listed in question 1, who would be protected).

Each claimant would have to pay at least 20% towards their council tax bill. The average weekly extra council tax payment from a claimant would be £3.61. This option would partly achieve the savings required and give protection to the most vulnerable claimants.

To what extent do you agree, or disagree, with the proposal to limit the support to a maximum of 80% of council tax liability for working-age claimants (except those receiving a disability related benefit listed in question 1, who would be protected)?

Answer Options	Response Percent	Response Count
Strongly agree	26.9%	118
Agree	32.9%	144
Neither agree nor disagree	8.7%	38
Disagree	14.8%	65
Strongly disagree	16.7%	73
If you disagree/strongly disagree please tell us why.		141
answered question		438
skipped question		30

Of those who agreed/strongly agreed to limit support to a maximum 80% of council tax liability for working age and protect those receiving disability related benefit 52 were in receipt of council tax benefit of which 48.1% strongly agreed/agreed.

Question 3

To what extent, if at all, do you think limiting support to a maximum of 80% of council tax liability for working-age claimants would have an impact on your household?

Answer Options	Response Percent	Response Count
Very high impact	11.0%	48
High impact	5.5%	24
Some impact	13.3%	58
Little impact	10.3%	45
No impact	55.0%	240
Don't know	4.8%	21
If you think there would be an impact please tell us what you think that would be.		105
answered question		436
skipped question		32

Question 4

The council also considered limiting the support to different levels of council tax liability for working-age claimants. Please rank in order which of the following levels of council tax support you think should be the maximum limit of council tax support for working-age claimants. 1 being your first choice and 4 your last choice.

Answer Options	1	2	3	4	Rating Average	Response Count
75%	114	94	66	59	2.21	333
80% (the council's preferred option)	150	126	81	0	1.81	357
85%	34	85	148	50	2.68	317
Other	106	10	7	103	2.47	226
If you have chosen 'other' please specify the percentage (please insert number only)						138
					<i>answered question</i>	413
					<i>skipped question</i>	55

Question 5

The council considered continuing to provide 100% council tax support. This would mean that all council tax benefit claimants would continue to receive up to 100% of their entitlement for support and would not be required to make any additional contributions themselves. This would require the council and Hampshire Police Authority to find the £1.9m shortfall in funding from either an increase in council tax or through significant reductions in funding for other council services. If the council continues to run the existing scheme and topped up the shortfall of £1.9m through increases in council tax, this would equate to a total increase in your council tax bill of 4.9% (2.4% on top of the proposed 2.5% increase).

This is not the council's preferred option. To what extent do you agree, or disagree, to your council tax bill being increased by 4.9% to pay for the existing council tax support scheme to continue?

Answer Options	Response Percent	Response Count
Strongly agree	9.4%	40
Agree	8.7%	37
Neither agree nor disagree	8.3%	35
Disagree	18.2%	77
Strongly disagree	55.4%	235
	<i>answered question</i>	424
	<i>skipped question</i>	44

Question 6

If the council continues to run the existing council tax support scheme and does not meet the £1.9m shortfall through council tax increases it could meet this shortfall by significantly reducing council services. This is not the councils preferred option. **To what extent would you agree, or disagree, to the significant reduction in council services to fund the shortfall?**

Answer Options	Response Percent	Response Count
Strongly agree	7.8%	33
Agree	17.6%	75
Neither agree nor disagree	16.9%	72
Disagree	24.5%	104
Strongly disagree	33.2%	141
	<i>answered question</i>	425
	<i>skipped question</i>	43

Question 7

In order to continue running the existing council tax support scheme, which of the following services would you reduce funding to? (Please tick all that apply)

Answer Options	Response Percent	Response Count
Adult social care services	19.0%	20
Other adult services	41.0%	43
Arts and heritage	48.6%	51
Sports and leisure activities	27.6%	29
Leisure facilities	38.1%	40
Library services	20.0%	21
Bereavement services	19.0%	20
Resident advice and shared services	39.0%	41
Concessionary fares	40.0%	42
Cowes chain ferry	30.5%	32
Parking	39.0%	41
Highways	20.0%	21
Rights of way and transport	24.8%	26
Environmental health, licensing and trading standards	21.0%	22
Planning and building control	36.2%	38
Waste collection, disposal and recycling	5.7%	6
Harbours and coastal management	18.1%	19

Answer Options	Response Percent	Response Count
Economic development and tourism	23.8%	25
Public realm	47.6%	50
Fire services	3.8%	4
Community safety	27.6%	29
School and college transport	32.4%	34
Special and alternative education programme	21.0%	22
Childrens care provision	14.3%	15
Youth service	21.0%	22
Music centre and school music service	40.0%	42
Schools and learning	13.3%	14
Other (please specify)		20
	answered question	105
	skipped question	363

Question 8

Option - Providing protection for claimants who are in receipt of the disability related benefits listed in question 1, by not applying the 80% limit to them (in other words they would continue to receive support in the same way as they do now, provided there are no changes to their circumstances). Under the proposed new scheme, in order to lessen the impact of the changes to council tax benefit support, the council is proposing to protect those people who are in receipt of at least one of the disability related benefits listed in question 1 by: a) keeping the existing protections they currently receive in calculating how much they have to pay; and b) not applying the 80% limit of council tax support. This takes into account their limited ability to work or likely higher-level disability-related living expenses. This would continue to cost about £360,000, as it does now. **To what extent do you agree, or disagree, we should not apply the 80% limit of council tax support to protect people with disabilities ?**

Answer Options	Response Percent	Response Count
Strongly agree	23.6%	97
Agree	31.9%	131
Neither agree nor disagree	19.0%	78
Disagree	12.2%	50
Strongly disagree	13.4%	55
If you disagree or strongly disagree please tell us why.		108
	answered question	411
	skipped question	57

Question 9

Option - Claimants occupying properties in council tax bands E, F, G and H to have their council tax bill calculated on the percentage support based on a maximum of a band D property. Currently we give council tax benefit to people on low income living in homes in all council tax bands from A to H. These bands reflect the value of the property as at 1 April 1991. In future, under the preferred option the support we give to people living in higher banded properties would be based on the maximum support given to a band D property. This would mean that those on benefits who live in larger properties pay proportionally more. It is estimated that this would save about £52,000.

To what extent do you agree, or disagree, with the proposal that people who receive council tax benefit support who are living in a property higher than a band D value should be asked to pay more towards their council tax bill?

Answer Options	Response Percent	Response Count
Strongly agree	35.9%	147
Agree	32.9%	135
Neither agree nor disagree	12.9%	53
Disagree	10.5%	43
Strongly disagree	7.8%	32
If you disagree or strongly disagree please tell us why.		90
	answered question	410
	skipped question	58

Question 10

To what extent, if at all, do you think limiting the amount of council tax support to the maximum for a band D property would have an impact on your household?

Answer Options	Response Percent	Response Count
Very high impact	2.9%	12
High impact	2.0%	8
Some impact	8.4%	34
Little impact	13.3%	54
No impact	65.1%	265
Don't know	8.4%	34
If you think there would be an impact please tell us what you think that impact would be.		29
	answered question	407
	skipped question	61

Question 11

Option - Removing second adult rebate from the proposed new local scheme except for people of an age that can claim pension credit. Some claimants are not entitled to council tax benefit in their own right because their income is too high. However, they can claim a discount of up to 25% if they have another adult living with them who is on a low income. This is known as Second Adult Rebate Scheme. Under the proposed new scheme we would remove Second Adult Rebate saving about £33,000. This would not apply to pensioner claimants. **To what extent do you agree, or disagree, with the proposal to remove Second Adult Rebate?**

Answer Options	Response Percent	Response Count
Strongly agree	38.2%	156
Agree	32.1%	131
Neither agree nor disagree	18.1%	74
Disagree	6.1%	25
Strongly disagree	5.4%	22
If you disagree or strongly disagree please tell us why.		57
	answered question	408
	skipped question	60

Question 12

To what extent, if at all, do you think removing the Second Adult Rebate would have an impact on your household?

Answer Options	Response Percent	Response Count
Very high impact	2.0%	8
High impact	0.5%	2
Some impact	6.6%	27
Little impact	12.7%	52
No impact	72.7%	298
Don't know	5.6%	23
Would be an impact please tell us what you think the impact would be.		19
	answered question	410
	skipped question	58

Question 13

Currently working-age claimants have some of their council tax benefit deducted from them if they have someone who is not dependent on them, but living with them in the household on a non-commercial basis, (eg an adult son or daughter or other relative). Deductions are currently made as it is expected that non dependant(s) contribute towards expenses of the household. Under the new proposal the council is suggesting increasing these deductions by 50% (see below). For those non-dependents who live in a property under these arrangements, who are in receipt of IS (Income Support), JSA (Job Seekers Allowance Income-Based) or ESA (IR) (Employment and Support Allowance Income-

Related), the council is also proposing that they make a £3.30 per week contribution towards the council tax bill. This will take the form of a deduction of £3.30 per week from the working-age claimant's council tax support. **To what extent do you agree, or disagree, with each of the proposed increases?**

Answer Options	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Response Count
Non-dependant Deductions - In receipt of state Pension Credit or in receipt of IS (Income Support), JSA(IB) (Job Seekers Allowance Income -Based), or ESA(IR) (Employment and Support Allowance Income-Related) should be increased from nil to £3.30 per week?	123	125	61	33	40	382
Aged 18 or over and in paid work - gross income greater than £387.00 should be increased from £9.90 to £14.85 per week?	138	141	64	25	15	383
Aged 18 or over and in paid work - gross income not less than £310.00 but less than £387.00 should be increased from £8.25 to £12.35 per week?	127	144	65	29	17	382
Aged 18 or over and in paid work - gross income not less than £180.00 but less than £310 should be increased from £6.55 to £9.80 per week?	115	126	75	41	26	383
Aged 18 or over and in paid work - gross income less than £180.00 should be increased from £3.30 to £4.95 per week?	109	127	70	41	32	379
Others aged 18 or over - increased from £3.30 to £4.95	105	122	74	40	33	374
If you disagree with any of these proposed increases please tell us why.						84
						387
					<i>answered question</i>	81
					<i>skipped question</i>	

Question 14

To what extent, if at all, do you think increasing non-dependent deductions for those who are working would have an impact on your household?

Answer Options	Response Percent	Response Count
Very high impact	2.6%	10
High impact	1.8%	7
Some impact	7.5%	29
Little impact	9.8%	38
No impact	72.8%	283
Don't know	5.7%	22

If you think there would be an impact please tell us what you think it would be.	25
answered question	389
skipped question	79

Question 15

Option - Continuing to disregard child benefit as income. The council considered taking child benefit into account when calculating a claimants' income (saving about £164,000). It also considered taking other income such as war disablement pensions and child maintenance payments into account (saving an additional £182,000). Currently all child benefit income is fully disregarded (not included as income) when council tax benefit is calculated. The council considered two options; including all child benefit income within the calculation (saving about £164,000), or 50% of the child benefit is taken into account (saving about £82,000). However, part of the council's preferred option is to make no changes to these disregards. **Do you agree, or disagree, that child benefit should continue to be fully disregarded (not included) in the council tax benefit calculation?**

Answer Options	Response Percent	Response Count
Strongly agree	23.1%	89
Agree	20.5%	79
Neither agree nor disagree	19.0%	73
Disagree	20.5%	79
Strongly disagree	16.9%	65
If you disagree or strongly disagree please tell us why.		112
answered question		385
skipped question		83

Question 16

By what percentage should child benefit income be disregarded (not included) in the council tax benefit calculation?

Answer Options	Response Percent	Response Count
75%	10.3%	14
50%	12.5%	17
25%	5.9%	8
0% (fully included)	71.3%	97
Other (please specify the percentage)		9
answered question		136
skipped question		332

Question 17

Currently, income from war disablement pensions is disregarded (not included). The council proposes not to change this, as claimants will be subject to any general reduction in support. **To what extent do you agree, or disagree, that war disablement income should continue to be disregarded (not included) within the council tax benefit calculation?**

Answer Options	Response Percent	Response Count
Strongly agree	40.4%	157
Agree	28.5%	111
Neither agree nor disagree	17.0%	66
Disagree	7.5%	29
Strongly disagree	6.7%	26
If you disagree or strongly disagree please tell us why.		44
	answered question	389
	skipped question	79

Question 18

Maintenance payments, if paid solely for a child, are disregarded (not included) in full when calculating council tax benefit payments. If maintenance payments are received by the claimant/partner which are not for a child, but there is a child in the family, £15 per week is disregarded (not included). If maintenance is paid for an adult with no children, then it is all taken into account for council tax benefit payments. **Do you agree, or disagree, that maintenance payments as outlined above should continue to be disregarded (not included) within the council tax benefit calculation?**

Answer Options	Response Percent	Response Count
Strongly agree	14.4%	56
Agree	27.3%	106
Neither agree nor disagree	26.8%	104
Disagree	16.5%	64
Strongly disagree	14.9%	58
If you disagree or strongly please tell us why.		79
	answered question	388
	skipped question	80

Question 19

To what extent, if at all, do you think the proposal to disregard (not include) any of the elements of income described in the previous question would have an impact on your household?

Answer Options	Response Percent	Response Count
Very high impact	0.8%	3
High impact	1.0%	4
Some impact	7.3%	28
Little impact	9.8%	38
No impact	76.4%	295
Don't know	4.7%	18
If you think there would be an impact please tell us what you think that impact would be.		17
	answered question	386
	skipped question	82

Question 20

Option - The amount of benefit received is reduced when a claimant's income exceeds the amount the Government expects people to have as a basic living allowance. The Government sets an amount of income it expects people to have as a basic living allowance. This is called the 'applicable amount'. If a claimant has more money coming in than the applicable amount, a taper is currently used to calculate the amount they should contribute from the excess income towards their council tax bill. Currently the taper is 20% which means that for every one pound over the applicable amount the benefit is reduced by 20p. The higher the taper the more disincentive there will be to increase income through work. The council decided that because of this it proposed to leave the taper unchanged. If the taper was increased from 20% to 25% it would save about £109,000. **Do you agree, or disagree, that the taper for contributing income above the applicable amount allowed should remain unchanged within the council tax benefit calculation?**

Answer Options	Response Percent	Response Count
Strongly agree	18.3%	71
Agree	33.9%	131
Neither agree nor disagree	30.5%	118
Disagree	11.6%	45
Strongly disagree	5.7%	22

Answer Options	Response Percent	Response Count
If you disagree or strongly disagree please tell us why that is.	40	387
	<i>answered question</i>	<i>387</i>
	<i>skipped question</i>	<i>81</i>

Summary	
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