Equality Impact Assessment
Council Tax Reduction Scheme

Authority:	Tonbridge & Malling Borough Council
Date EqIA commenced:	14th April 2016
Date first stage EqIA finalised for pre-consultation decision:	3rd June 2016
Date second stage EqIA finalised after consultation closed, prior to final decision being taken:	12th October 2016 (Cabinet meeting)
Job titles of officers involved in completing the EqIA:	Director of Finance and Transformation Principal Benefits Officer West Kent Equalities Officer

Options to change to the scheme from 1st April 2017

There are 14 potential options to adjust the scheme. Current claimant data, for each of the options, where available, is provided in Annex 1. Where an option applies to new claimants, we have provided data for current claimants as an indication of the possible impacts as it is not possible to predict who may apply after 1st April 2017. A summary of the consultation findings from people with protected characteristics is provided in Annex 2. Findings from the data and consultation are summarised below.

Disability
There is a potential adverse impact on people of working age with a disability of the following options:

- **Option 1a:** reducing the maximum level of support to 80%.
  - Claimants with disabilities (1149 people) would lose 24 pence per week, on average, compared to claimants without disabilities, who would lose an average of 19 pence per week. Claimants with disabilities would continue to receive £3.26 per week more than claimants without disabilities, on average.
  - This option was one of the least preferred options with people with disabilities who responded to the consultation, with only 34% of respondents with a disability agreeing.
- **Option 1b:** reducing the maximum level of support to 75%.
  - Would affect all working age claimants, of which 30% have a disability.
  - Claimants with disabilities (1149 people) would lose 80 pence per week, on average, compared to claimants without disabilities who would lose an average of 64 pence per week. Claimants with disabilities would continue to receive £3.09 per week more than claimants without disabilities, on average.
  - This was the least preferred option with people disabilities who responded to the consultation, with only 23% agreeing.

  Mitigation (options 1a and 1b): we would continue to treat people with disabilities more favourably by disregarding income received from certain disability benefits. However, as claimants with disabilities would still see a reduction in their benefit amount it would also be necessary to consider the criteria of the exceptional hardship scheme to ensure their needs continue to be met.
- **Option 7**: Introduce changes to non-dependant deductions
  - 41% of claimants in this category have a disability (284 people). These claimants would stop receiving this reduction, in full (£19.01 per week, on average). This is more than claimants without a disability, who receive non-dependant deductions, who would lose (£12.86 per week, on average).
  - This option was supported by 60% of people with disabilities who responded to the consultation.

  Mitigation: if this option was introduced it would be necessary to consider exemptions for non-dependants with disabilities.
- **Impact of other options**
  - Smaller proportions of people with disabilities will be affected by options 2, 3, 4, 6, 8, 9 and 10. Option 2 was amongst the least supported options with people with disabilities who responded to the consultation, with only 33% of respondents with a disability agreeing.
  - We do not have data to illustrate the impact of options 5, 12, 13 and 14. Options, 3, 5, 12 and 13 were amongst the most preferred options with people with disabilities who

responded to the consultation. These options would apply to new claimants from 2017 and relate to aligning the scheme with housing benefit and pension age regulations.

Mitigation:
An exemption for temporary absence (option 5) due to medical treatment would reduce any potential impact on claimants with a disability; a range of other council tax disregards are available for those absent from home to receive or provide care due to ill health.

Carers

There is a potential adverse impact on people of working age who are carers of the following options:

- **Option 1a:** reducing the maximum level of support to 80%.
  - Carers (532 people) would lose 26 pence per week, on average, compared to claimants who are not carers, who would lose 20 pence per week, on average. Carers would continue to receive £4.34 per week more than claimants who are not carers, on average.
  - We did not collect details of carers from the consultation. Any comments relating to carers are included in the report of the consultation findings.
- **Option 1b:** reducing the maximum level of support to 75%.
  - Carers (532 people) would lose 88 pence per week, on average, compared to claimants who are not carers, who would lose 66 pence per week, on average. Carers would continue to receive £4.12 per week more than claimants who are not carers, on average.
  - We did not collect details of carers from the consultation. Any comments relating to carers are included in the report of the consultation findings.

  Mitigation (options 1a and 1b): we would continue to treat carers more favourably by disregarding income received from certain carer benefits. However, as claimants who are carers would still see a reduction in their benefit amount it would also be necessary to consider the criteria of the exceptional hardship scheme to ensure their needs continue to be met.
- **Option 7**: Introduce changes to non-dependant deductions
  - 23% of claimants in this category are carers (159 people). These claimants would stop receiving this reduction in full (£18.96 per week, on average). This is more than claimants who are not carers, who receive non-dependant deductions, who would lose (£14.39 per week, on average).
  - We did not collect details of carers from the consultation. Any comments relating to carers are included in the report of the consultation findings.

  Mitigation: if this option was introduced it would be necessary to consider exemptions for non-dependants who are carers.
- **Impact of other options**
  - Although option 10 would affect 21% carers, these claimants would lose less than claimants who are not carers. Comments about carers were received in the consultation, in relation to this option, and are included in the report of the consultation findings.
  - Smaller proportions of carers may be affected by options 2, 3, 4, 6, 8, and 9. We do not have data to illustrate the impact of options 5, 12, 13 and 14.

Age

As claimants of pension age are protected, there is a potential impact on other age groups, of the following options:

- **Option 2**: removing family premium
  - There are a higher proportion of current claimants aged 25-44 under this criteria.

- We cannot predict what proportion of age groups may apply for Council Tax Reduction in 2017 but all new claimants would receive an average of £3.48 less than current claimants.
- This option was amongst the least preferred options with all age groups who responded to the consultation.

- **Option 4:** introduce minimum income floor for self-employed claimants
- Affects a higher proportion of those aged 35-44.
- We do not have data to illustrate how much claimants would lose under this criteria but it is likely that all those affected would lose their full amount under this criteria.
- Those aged 25-34, who responded to the consultation, were less likely to support this option than other age groups.

- **Option 6:** reduce the capital limit to £6000
- Of the 25 claimants under this criteria, this option would affect a higher proportion of those aged 45-64. Those aged 35-44 (3 people) would lose more (£20.13 per week, on average) than other age groups under this criteria.
- We have not identified any issues relating to age from the consultation, in relation to this option.

- **Option 7:** introduce changes to non-dependant deductions
- Affects a higher proportion of those aged 45-54 who would lose £15.85 per week, on average. Those aged 35-44 would lose more (£16.80 per week, on average) than other age groups under this criteria.
- We have not identified any issues relating to age from the consultation, in relation to this option.

- **Option 8:** include child maintenance as income
- Affects a higher proportion of those aged 25-54. Those aged 35-44 would lose more (£13.25 per week, on average) than other age groups under this criteria.
- Those aged 25-34, who responded to the consultation, were less likely to support this option than other age groups

- **Option 9:** include child benefit as income
- Affects a higher proportion of those aged 25-54. These age groups would also lose more than other age groups under this criteria.
- Those aged 25-34, who responded to the consultation, were less likely to support this option than other age groups.

- **Option 10:** restrict the maximum level to the equivalent of a Band D charge
- Affects a higher proportion of those aged 35-54. Those aged 45-54 would lose more (£8.99 per week, on average) than other age groups under this criteria.
- Those aged 25-34 and 45-54, who responded to the consultation, were less likely to support this option than other age groups.

- **Option 11**: remove second adult rebate
- Affects a higher proportion of those aged 45-64. Those aged 55-64 would lose more (£15.13 per week, on average) than other age groups under this criteria.
- Those aged 45-54, who responded to the consultation, were less likely to support this option than other age groups.

- **Impact of other options**
- The proportion of age groups affected by options 1a and 1b is in line with the caseload overall. There is a difference of 1 pence in the amounts each age group would lose per week, on average, should the level of support be reduced to 80%. There is a difference

of 4 pence in the amounts each age group would lose per week, on average, should the level of support be reduced to 75%. Option 1a was less popular with those aged 35-54. Option 1b was less popular with those aged 25-34 and those aged over 45.

- The proportions of those affected by option 3 are roughly in line with the caseload overall. We do not have data to illustrate the impact of options 5, 12, 13 and 14. Options, 3, 5, 12 and 13 were amongst the most preferred options with all age groups who responded to the consultation. These options would apply to new claimants from 2017 and relate to aligning the scheme with housing benefit and pension age regulations.

Mitigation (all options affecting age groups).
As the government has protected pensioners, the impact will fall on working age groups. This impact is as a result of national legislation, and is not within our discretion to mitigate. Within working age groups, although the impact on individual age groups may differ for each option, calculation of council tax reduction is not related to a person's age so it is difficult to mitigate any potential adverse impacts on the basis of age alone. Any differences in entitlement are likely to be as a result of other factors e.g. whether the claimant has a disability, is a carer or has children in the household. Options for reducing the impacts based on these factors have been suggested. However, we can continue to monitor the impact of any changes on age groups to identify whether there are any particular needs relating to age groups that we may need to meet.

Sex

There is a potential adverse impact on working age males and females of the following options:

- **Option 2**: remove family premium
- There are a higher proportion of females (82%) who currently receive family premium than males. We cannot predict what proportion of females and males may apply for Council Tax Reduction in 2017 but all new claimants would receive an average of £3.48 less than current claimants.
- This option was one of the least preferred options with people who responded to the consultation, with 53% of males and 41% of females agreeing.

- **Option 6**: reduce capital limit
- Males (60% of claimants, 15 people, in this category) would lose £16.00 per week on average, compared to females who would lose £15.59 per week, on average.
- 60% of males and 53% of females, who responded to the consultation, agreed with this option.

- **Option 8**: include child benefit as income
- 94% of claimants in this category are female (145 people)
- Males (9 people) would lose an average of £19.71 per week, on average, which is more than females who would lose £13.33 per week, on average.
- 64% of males and 54% of females, who responded to the consultation, agreed with this option.

- **Option 9**: include child maintenance as income
- 82% of claimants in this category are female (1,939 people).
- Males (413 people) would lose an average of £15.35 per week, on average, which is more than females who would lose £13.27 per week, on average
- 69% of males and 51% of females, who responded to the consultation, agreed with this option.

- **Impact of other options**

- The proportion of males and females by options 1a and 1b affected is in line with the caseload overall. There is a difference of 1 pence in the amounts males and females would lose per week, on average, should the level of support be reduced to 80%. There is a difference of 3 pence in the amounts each age group would lose per week, on average, should the level of support be reduced to 75%. These options were amongst the least preferred options with male respondents. Option 1a was more preferable to female respondents than some other options.
- Although option 11 would affect 87% females, these claimants would lose less than males.
- The proportion of males and females who may be affected by options 3, 4, 7 and 10 is roughly equivalent to the proportion of males and females in the overall caseload. We do not have data to illustrate the impact of options 5, 12, 13 and 14. Options, 3, 5, 12 and 13 were amongst the most preferred options with males and females who responded to the consultation. These options would apply to new claimants from 2017 and relate to aligning the scheme with housing benefit and pension age regulations.

Mitigation
It may be necessary to consider the criteria of the exceptional hardship scheme to take into account the needs of female claimants with children.

Race
This information is not collected from claimants as it is not relevant to the calculation of council tax reduction. The Census (2011) shows that people from Minority Ethnic backgrounds are more likely to be economically active and less likely to be self-employed, than people from a White background. We received a very small number of responses from people from a Minority Ethnic Background, to the consultation. We have no evidence to indicate that working age people with different ethnic backgrounds would be affected differently.

Armed Forces Community
This is considered in this equality impact assessment as part of the commitments within the Community Covenant. Armed forces personnel deployed on operations overseas, who normally pay council tax, benefit from a tax-free payment on the cost of council tax paid directly by the Ministry of Defence. Following the announcement by the Chancellor in his 2012 Budget statement, Council Tax Relief will be worth just under £600 (based upon 2012/13 council tax) for an average six-month deployment based on the average Council Tax per dwelling in England. This will continue to be paid at a flat rate to all eligible personnel. More information is available at www.mod.uk. We also disregard income from war disablement pensions, providing eligible claimants with a higher council tax reduction

Other protected characteristics
We do not collect information about the following characteristics from claimants as it is not relevant to the calculation of council tax reductions:

- Religion or belief
- Sexual orientation
- Gender reassignment
- Marital or civil partnership status
- Pregnancy or maternity

The option to align the regulations of the current council tax reduction scheme with housing benefit and (prescribed) pension age council tax reduction scheme (which includes limiting the number of dependents to two) would affect any female claimants who are pregnant

before 1st April 2017. Otherwise, there is no evidence to indicate that working age people with these protected characteristics would be affected differently to claimants overall.

Conclusions

All options will result in working age claimants, including those with protected characteristics, paying more towards their Council Tax bill from 2016-17. Pension age claimants, who also have protected characteristics, will not be affected as they are protected from any changes by Central Government.

Some working age claimants will be affected by more than one of the options. It is not possible to model any cumulative impacts but the possibility that some claimants may be adversely affected by more than one option should be taken into account when deciding which options will be taken forward. Some options will affect existing claimants and some will affect new claimants from 2017.

When deciding which options to take forward, the potential severity of impacts on claimants with protected characteristics needs to be weighed up against any potential financial savings to the Council. Options resulting in higher savings to the Council are likely to impact on more claimants or result in some claimants paying higher amount towards their Council Tax bill.

In complying with our obligations under the Public Sector Equality Duty, we must have 'due regard' to the following:

- Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act.
  - In deciding which options to take forward, we must ensure that the Council Tax Reduction Scheme does not unlawfully discriminate against any protected characteristics. This can be achieved by using the findings of this equality impact assessment to inform the decision about which options are taken forward.
- Advance equality of opportunity between people from different groups.
  - In deciding which options to take forward, we must consider how we can minimise disadvantage experienced by people with protected characteristics, take steps to meet the needs of people with protected characteristics and encourage people who share a relevant protected characteristic to participate in public life. The public sector equality duty does not prevent us from taking a decision about our Council Tax Reduction Scheme. Should we decide to take forward any options that may put people with protected characteristics at a disadvantage, we should consider taking action to mitigate those impacts. The Equality Act allows us to treat some people more favourably than others in meeting their needs. This would allow us to protect some income received by people with disabilities and carers, provide exemptions for some claimants with protected characteristics or take the needs of people with protected characteristics into account within an exceptional hardship scheme.
- Foster good relations between people from different groups.
  - In deciding which options to take forward, we may wish to consider whether our decision could impact on wider community relations between people with protected characteristics.

Finally, we will monitor the impact of the Council Tax Reduction Scheme on claimants with protected characteristics from 2017. We will provide reports to indicate whether the impacts are in line with our predictions or whether any further action may need to be taken to mitigate any impacts.

Annex 2 – Consultation findings by protected characteristic

Options affecting existing claimants												
Current claimants (working age only)	All	Disability	No Disability	Carer	Non Carer	Female	Male	18-24	25-34	35-44	45-54	55-64
Number – all claimants	3885	1149	2736	532	3353	2711	1174	207	882	1009	1070	717
Percentage	N/A	30%	70%	14%	86%	70%	30%	5%	23%	26%	28%	18%
Average weekly CTAX reduction	£13.76	£16.09	£12.78	£17.57	£13.16	£13.55	£14.24	£13.96	£13.46	£13.38	£14.11	£14.08
Option 1 - reducing the maximum level of support to 80%												
Estimated average weekly loss	£0.21	£0.24	£0.19	£0.26	£0.20	£0.20	£0.21	£0.21	£0.20	£0.20	£0.21	£0.21
Option 2 - reducing the maximum level of support to 75%												
Estimated average weekly loss	£0.69	£0.80	£0.64	£0.88	£0.66	£0.68	£0.71	£0.70	£0.67	£0.67	£0.71	£0.70
Option 4 - use of a minimum level of income for self-employed earners after 1 year												
Claimants under this criteria (No.)	222	17	205	16	206	167	55	10	56	80	57	19
Claimants under this criteria (%)	6%	8%	92%	7%	93%	75%	25%	5%	25%	36%	26%	9%
Average reduction under this criteria	no data currently available											
Estimated average weekly loss	no data currently available											
Option 6 - reducing the capital limit from £16,000 to £6,000												
Claimants under this criteria (No.)	25	11	14	2	23	10	15	0	1	3	8	13
Claimants under this criteria (%)	1%	44%	56%	8%	92%	40%	60%	0%	4%	12%	32%	52%
Average weekly CTAX reduction under this criteria (current)	£15.84	£16.90	£15.01	£18.94	£15.57	£15.59	£16.00	-	£15.71	£20.13	£16.13	£14.69
Estimated average weekly loss	All claimants in this category would lose the full amount (above) under this criteria.											
Option 7 - using a standard level of non-dependant deduction												
Claimants under this criteria (No.)	692	284	408	159	533	511	181	3	16	139	330	204
Claimants under this criteria (%)	18%	41%	59%	23%	77%	74%	26%	0.4%	2%	20%	48%	29%
Average weekly CTAX reduction under this criteria (current)	£15.44	£19.01	£12.96	£18.96	£14.39	£15.04	£16.55	£13.67	£16.80	£14.07	£15.85	£15.63
Estimated average weekly loss	£10.36	£19.01	£12.96	£18.96	£14.39	£15.04	£16.55	£13.67	£16.80	£14.07	£15.85	£15.63
Option 8 - including Child Maintenance as income												
Claimants under this criteria (No.)	154	14	140	25	129	145	9	3	47	52	47	5
Claimants under this criteria (%)	4%	9%	91%	16%	84%	94%	6%	2%	31%	34%	31%	3%
Average weekly CTAX reduction under this criteria (current)	£13.67	£17.86	£13.25	£16.72	£13.07	£13.33	£19.71	£17.17	£14.25	£13.25	£13.46	£12.35

Annex 2 – Consultation findings by protected characteristic

Options affecting existing claimants												
Current claimants (working age only)	All	Disability	No Disability	Carer	Non Carer	Female	Male	18-24	25-34	35-44	45-54	55-64
Estimated average weekly loss	£13.67	£13.98	£12.82	£13.99	£13.07	£13.33	£19.71	£12.86	£11.19	£13.25	£11.88	£9.78
Option 9 - including Child Benefit as income												
Claimants under this criteria (No.)	2352	378	1974	379	1973	1939	413	167	754	785	538	108
Claimants under this criteria (%)	61%	16%	84%	16%	84%	82%	18%	7%	32%	33%	23%	5%
Average weekly CTAX reduction under this criteria (current)	£13.64	£18.15	£12.77	£17.62	£12.87	£13.27	£15.35	£14.24	£13.50	£13.46	£13.59	£15.14
Estimated average weekly loss	£5.74	£5.82	£5.74	£5.76	£5.73	£5.74	£5.97	£5.63	£5.84	£5.81	£5.81	£5.57
Option 10 - restricting the maximum level to the equivalent of a Band D charge												
Claimants under this criteria (No.)	245	61	184	52	193	167	78	3	28	83	89	42
Claimants under this criteria (%)	6%	25%	75%	21%	79%	68%	32%	1%	10%	34%	36%	17%
Average weekly CTAX reduction under this criteria (current)	£20.39	£24.67	£18.97	£23.39	£19.58	£20.18	£20.84	£15.38	£18.44	£19.22	£21.79	£21.38
Estimated average weekly loss	£8.46	£7.80	£8.68	£7.80	£8.64	£8.24	£8.95	£6.54	£7.45	£8.25	£8.99	£8.58
Option 11 - removing Second Adult Rebate												
Claimants under this criteria (No.)	15	0	15	0	15	13	2	0	0	0	7	8
Claimants under this criteria (%)	0.4%	0%	100%	0%	100%	87%	13%	0%	0%	0%	47%	53%
Average weekly CTAX reduction under this criteria (current)	£13.62	-	£12.75	-	£12.87	£13.25	£15.33	-	-	-	£13.56	£15.13
Estimated average weekly loss	All claimants in this category would lose the full amount (above) under this criteria											

Annex 2 – Consultation findings by protected characteristic

Options affecting new claimants from 2017 – data for existing claimants within these categories has been provided, where possible, to give an indication of possible impacts. We cannot estimate data for new claimants.												
	All	Disability	No Disability	Carer	Non Carer	Female	Male	18-24	25-34	35-44	45-54	55-64
Option 2 – removing the family premium												
Claimants under this criteria (No.)	2348	373	1975	370	1978	1935	413	169	760	787	530	102
Claimants under this criteria (%)	60%	16%	84%	16%	84%	82%	18%	7%	32%	34%	23%	4%
Average weekly CTAX reduction under this criteria (current)	£13.62	£18.20	£12.75	£17.62	£12.87	£13.25	£15.33	£14.28	£13.52	£13.42	£13.56	£15.13
Estimated weekly loss (new claimants)	£3.48	£3.48	£3.48	£3.48	£3.48	£3.48	£3.48	£3.48	£3.48	£3.48	£3.48	£3.48
Option 3 – reducing backdating to one month												
Claimants under this criteria (No.)	220	143	77	48	172	136	84	15	61	54	58	32
Claimants under this criteria (%)	6%	65%	35%	22%	78%	62%	38%	7%	27%	25%	26%	15%
Estimated weekly loss (new claimants)	Average length of backdating is 3.8 weeks, on average, so there may be minimal impact on new claimants.											
Option 5 - reducing the period which a person can be absent from Great Britain												
No data available												
Option 12 - removing the Work Related Activity Component												
No data available												
Option 13 - restricting the maximum number of dependent children to two												
No data available												
Option 14 - introducing a scheme to help applicants suffering exceptional hardship												
No data available												

Notes: Claimant data is based on the lead applicant so the actual impacts will also depend on household composition. Ethnicity, religion/belief, sexual orientation, pregnancy & maternity, marital and civil partnership and gender reassignment data is not collected from claimants as it is not relevant to the calculation of Council Tax Reduction.