

Winchester City Council - Equality Impact Report

Council Tax Changes and Local Council Tax Support

1. Purpose of Report

The Government is planning to abolish Council Tax Benefit from 1 April 2013 and has asked councils across the country to develop their own schemes to replace it. However, under the new system the Council will be given a specific sum by the Government to make local Council Tax Support payments. This sum will be around 12% less than the amount that is currently paid out as Council Tax Benefit. The change will affect working age claimants only as the Government has stated that pensioners must be protected from the effects of any changes. This means that under the new scheme support for pensioners will remain at the same level as now. This also means that any increases in local Council Tax Support 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 12% reduction.

This shortage in funding means we have to make some difficult decisions about who gets financial support and how much. Winchester City Council has had to look at various options for meeting the Government's funding cut in a way that is reasonable and protects the most vulnerable residents. The Council has consulted on various options to meet the funding shortfall by changing some Council Tax discounts and exemptions and implementing a new Council Tax Support scheme.

In October 2012 the Government announced that £100M of additional transitional grant will be made available to 'provide the space and the support for all local authorities to follow the example of those councils who are making the most of opportunities to find savings across their budgets to be able to develop schemes that protect the poorest'.

To apply for a grant, billing authorities must adopt schemes which ensure that:

- 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 - for claimants currently entitled to less than 100% support, the taper* will be applied to an amount at least equal to their maximum eligible award (which to be eligible for the grant, could not be less than 91.5%).

*if the claimants income is more than their applicable amount (living allowance) the difference between the two is known as 'excess income'. A percentage is applied to this 'excess income' and this amount is subtracted from the maximum benefit that can be awarded to calculate their entitlement. This percentage is known as a 'taper' and is currently 20% for calculating Council Tax Benefit.

To provide certainty on the funding position in advance, the Government has announced the amounts of funding that authorities will receive. The options included in the current consultation are different to the criteria specified above. If the Council changed the options significantly it is likely that further consultation would be required and there is not sufficient time to run a second consultation process.

It should be noted that the additional funding is described as transitional funding and therefore will be a one off payment. If the Council pursues this option the Scheme will need to be amended in the second year to fill the gap in future years or funding will need to be identified from elsewhere. Implementing a Scheme similar to that under consultation currently is unlikely to require further consultation.

The purpose of this report is to present the findings from the Council Tax changes and Local Council Tax Support consultation process. The consultation ran for 12 weeks from 20th August to 12th November 2012 and 853 responses were received.

An initial Equality Impact Assessment was completed to inform the consultation on a new Local Council Tax Support scheme and changes to Council Tax discounts and exemptions. The results of the consultation and a final Equality Impact Assessment are included in this report and the supporting documentation.

2. Current Provisions

2.1 Council Tax Discounts and Exemptions

The current Council Tax discounts are detailed below; those highlighted are the discounts that the Council has been given local discretion to amend.

Circumstances	Discount
Single Person	25%
All but one adult residing in the property are disregarded due to their personal circumstances (i.e. student or severely mentally impaired)	25%
All adults residing in the property are disregarded due to their personal circumstances (i.e. student or severely mentally impaired)	50%
Furnished Second Homes or Holiday Homes The Council currently awards 10% discount on these properties	10% - 50%
Empty & Unfurnished Homes (after 6 months exemption period has passed)	50%

The current Council Tax exemptions are detailed below; those highlighted (Class A and Class C) are the exemptions that the Council has been given local discretion to amend.

Class	Description
Class A	Vacant premises which require, are undergoing or have recently undergone major repair including structural repairs

Class B	Premises owned by a charity that have been unoccupied for less than six months
Class C	Premises that have been unoccupied and substantially unfurnished for less than six months
Class D	Premises that have been left unoccupied by persons being detained in prison
Class E	Premises left unoccupied by persons who are in Hospital, Nursing Home or in a Residential Care Home
Class F1	Premises left unoccupied following the death of the Council Taxpayer where probate has not yet been granted
Class F2	Premises left unoccupied following the death of the Council Taxpayer and probate has been granted – maximum of 6 months from date probate granted
Class G	Premises where law prohibits occupation
Class H	Premises which are unoccupied but being kept for a Minister of Religion
Class I	Premises left unoccupied by persons who reside elsewhere and are receiving care
Class J	Premises left unoccupied by persons who reside elsewhere providing care
Class K	Premises left unoccupied by students who are residing elsewhere to study
Class L	Repossession premises
Class M	Hall of Residence
Class N	Premises occupied solely by students
Class O	Barracks messes and married quarters provided by the Ministry of Defence
Class P	Premises occupied by members of Visiting Armed Forces
Class Q	Premises which are in the hands of a Trustee in Bankruptcy
Class R	Pitches or moorings where the caravan or houseboat has been removed
Class S	Premises occupied solely by persons under 18 years
Class T	Unoccupied annexes subject to planning restriction
Class U	Premises occupied solely by person(s) who are Severely Mentally Impaired
Class V	Premises occupied by Diplomats
Class W	Annexes which are occupied solely by dependant relatives

2.2 Council Tax Benefit

The principles contained within the existing Council Tax Benefit scheme provide protection for vulnerable claimants and those in work through the mechanism of allowances, premiums and disregards.

Personal Allowances are the basic amounts of money the government says a claimant needs to live on. The level depends on the claimant's age and whether they are part of a couple. There are additional allowances for dependant children.

Premiums are additional amounts added to the personal allowance because of claimant's personal circumstances. The government recognises that it is more expensive to live with a family or if someone has a disability or caring responsibilities. Extra amounts are added to income based benefits to account for this.

Disregards – this is the amount of earnings not taken into account when calculating entitlement to benefits. There are standard earnings disregards for singles, couples and lone parents. People in certain groups, such as carers and people with disabilities are eligible for a higher disregard.

In designing a draft Local Council Tax Support scheme the Council has looked to maintain the key elements of the previous Council Tax Benefit means tested regime and as such provides the following protection:

- a. Where the claimant or their partner is in receipt of Income Support, Income Based Job Seekers Allowance or Income Related Employment and Support Allowance (also referred to as passported benefits) – Council Tax Support will be paid at the maximum determined by the Council;
- b. Where the claimant or their partner is not in receipt of the benefits specified in (a) above but is on a low income, their income will be compared with the specified applicable amounts (living allowances). The applicable amounts (living allowances) will continue to contain the additional premiums for family, disability, etc and certain incomes will not be taken into account when calculating the total income of the household. These are described in detail below.

Families and children

Additional Premiums:

- Family Premium
- Dependant Child Premium (for each child)
- Disabled Child Premium (for each disabled child)
- Enhanced Disability Premium (for each child entitled to DLA Care Component highest rate)

The following are not taken into account when calculating the total household income:

- Child Benefit
- Child Maintenance
- Part of Earnings - reduced by amount paid in Child Care Costs (working 16 hours or more and for couples both must be in work)

People with disabilities

Additional Premiums:

- Disability Premium
- Severe Disability Premium
- Enhanced Disability Premium (either the claimant or partner are in receipt of DLA Care Component at the Highest Rate or Support Component)
- Work related activity component (where a similar component is awarded within a claimant or partner's Employment and Support Allowance)
- Support component (where a similar component is awarded within a claimant or partner's Employment and Support Allowance)

The following benefits are not taken into account when calculating the total household income:

- Disability Living Allowance
- Personal Independence Payments (from April 2013)

When there is another adult residing in the property in addition to the claimant and their partner then a deduction is made from the total amount of benefit due depending on the circumstances (these other adults are referred to as non-dependants). In all situations, where a claimant or their partner is classified as disabled under the scheme, then no non-dependant deductions will be made where the claimant or partner is blind or where they are in receipt of the care component of the Disability Living Allowance.

Armed Forces

The Council proposes to continue protecting those people who get war widows and war disablement pensions. They will be able to keep all the money they receive rather than just the £10 a week the Government requires as a minimum.

Work incentives

Before taking earnings into account, only the net earnings are used in the calculation. (Net earnings are after deducting tax, national insurance and some contributions into a pension scheme). Also depending on circumstances (e.g. single, couple, single parent, etc) disregards of between £5 and £25 are made from the net amount of earnings.

Claimants working on average 30 hours a week or more will usually be able to get an extra earnings disregard. In certain circumstances they can also qualify for the higher earnings disregard if they work 16 hours or more e.g. a lone parent or disabled. This is the same amount as the 30-hour tax credit in Working Tax Credit.

Extended payments of Support are also available where certain conditions are met and where the claimant has been continuously in receipt of certain unemployed benefits for a period of 26 weeks or more.

3. Proposed Changes

3.1 Changes to Council Tax Discounts and Exemptions

The Council sought views on proposed changes to the rules on Council Tax discounts and exemptions on empty and second homes. The options for changes to these discounts and exemptions will affect the property owners regardless of their age. Additional Council Tax collected as a result of any changes to discounts and exemptions may be used to offset some of the shortfall in funding for the new Council Tax Support Scheme.

Consultation has been undertaken on the following options:

Change	Number of Customers Affected
Abolishing the current 10 per cent Council Tax discount for properties that are furnished and no one's main home (these properties are known as second homes)	500
Abolishing the current six month Council Tax exemption for vacant properties and replace it with a 100 per cent discount for a period of up to three months for properties that remain vacant	130
Abolishing the current 50 per cent Council Tax discount that applies after the above exemption / discount for vacant properties	400

3.2 New Council Tax Support Scheme

The Council has been considering various options to meet the Government's funding shortfall. Due to the level of reduction in funding it is possible that everybody under state pension age who currently receives Council Tax Benefit may have to pay something towards their Council Tax bill in the future.

The draft scheme is based on the current Council Tax Benefit scheme with a number of variations for working age claimants.

Consultation has been undertaken on the following options:

Option for Change	Number of Customers Affected
Capping the level of benefit to a band D property for those working age claimants living in properties with a Council Tax band of E, F, G and H	175
Making working age claimants responsible for a percentage of their Council Tax liability (10 per cent or 15 per cent)	2,800

4. Financial implications

The following tables detail the impact on residents if the proposed options were put in place.

Examples of the impact of the consultation options on Council Tax discounts and exemptions on empty properties		Current Council Tax liability for full year			Council Tax liability after change for full year		
Consultation options	Estimate of numbers of properties	Band B	Band C	Band D	Band B	Band C	Band D
Reduce the discount awarded on properties that are furnished and no ones main home (known as second homes) from 10% to zero. (This change would not affect people who are required to live in a work related residence.)	500	£1,006	£1,150	£1,293	£1,118	£1,277	£1,437
An exemption is awarded for a period of up to six months when a property is vacant (no one lives there and it is substantially unfurnished). This change would remove the exemption and replace it with a 100% discount for a period of up to three months for properties that remain vacant.	130	£279	£319	£359	£838	£958	£1,078
Remove the discount (50%) that is awarded at the end of the above exemption / discount period for properties that remain vacant (no one lives there and it is substantially unfurnished).	400	£559	£639	£719	£1,118	£1,277	£1,437

Examples of the impact of the consultation options on changes to Council Tax Benefit - additional amount working age claimants may have to pay when Council Tax Benefit is replaced.

Examples based on average Band D Council Tax for 2012/13 in Winchester City Council

Circumstances of Working Age Household	Current Property Band*	Additional WEEKLY Amount of Council Tax you will pay under the consultation options (or WEEKLY amount of Council Tax you will pay if you currently pay nothing)				
		Paying a minimum of 10% Council Tax	Paying a minimum of 15% Council Tax	Capping support at Band D	Capping support at Band D and paying a minimum of 10% Council Tax	Capping support at Band D and paying a minimum of 15% Council Tax
Household receives 25% Council Tax discount e.g. single person	B	£1.61	£2.42	£0.00	£1.61	£2.42
	C	£1.84	£2.76	£0.00	£1.84	£2.76
	D	£2.07	£3.11	£0.00	£2.07	£3.11
	E	£2.53	£3.80	£4.61	£6.68	£7.72
Household receives no Council Tax discount e.g. at least 2 adults reside in the property	B	£2.15	£3.22	£0.00	£2.15	£3.22
	C	£2.46	£3.69	£0.00	£2.46	£3.69
	D	£2.76	£4.15	£0.00	£2.76	£4.15
	E	£3.38	£5.07	£6.14	£8.90	£10.29

*If you currently receive a Disabled Person's Band Reduction the changes will be applied to the lower Council Tax Band that is used to calculate your Council Tax Bill.

There are 2,800 working age households receiving Council Tax Benefit in the Winchester area. 115 of these households are in Band E and 60 households are in Band F, G or H.

5. Consultation process

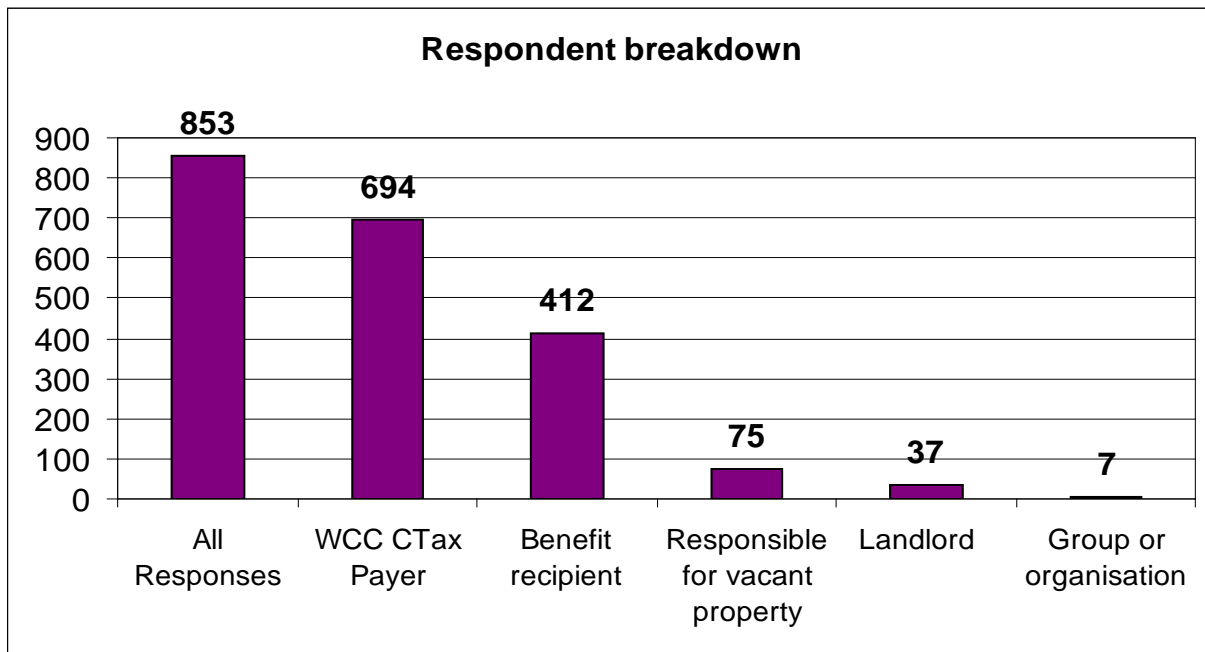
The Consultation process ran for 12 weeks from 20th August 2012 to 12th November 2012 (see Annex 2 for a copy of the survey form). The following table details who was consulted, when and the consultation method used.

How	Who	When
Council Website <ul style="list-style-type: none"> Information Pages Consultation Portal with Electronic Survey 	All residents & representative groups	20 Aug 12 for 12 Weeks
Press Releases <ul style="list-style-type: none"> The Observer 	All residents & representative groups	21 Aug 12 24 Sep 12
Postal Survey	Current working age recipients of Council Tax Benefit sent a paper survey Current recipients of Exemptions and Discounts sent a letter with a link to consultation on website	21 Sep 12 8 Oct 12
Email Survey	All members of Citizens Panel	03 Sep 12
Focus Group	Partner organisations	09 Oct 12
Face to Face <ul style="list-style-type: none"> Customers using Council or CAB services 	All residents	20 Aug 12 for 12 Weeks
Message included <ul style="list-style-type: none"> in automated email response from Customer Services and Council Tax in outgoing emails from Council Tax and Customer Services with outgoing Council Tax bills 	All residents	01 Sep 12 to 07 Nov 12 23 Aug 12 to 05 Nov 12
Message included on recording at start of Council Tax telephone calls	All residents	20 Aug 12 to 07 Nov 12
Presentation at TACT meeting	Tenants of Winchester City Council	17 Oct 12
Twitter and Facebook	All residents who follow us on Twitter and Facebook	20 Aug 12 to 07 Nov 12

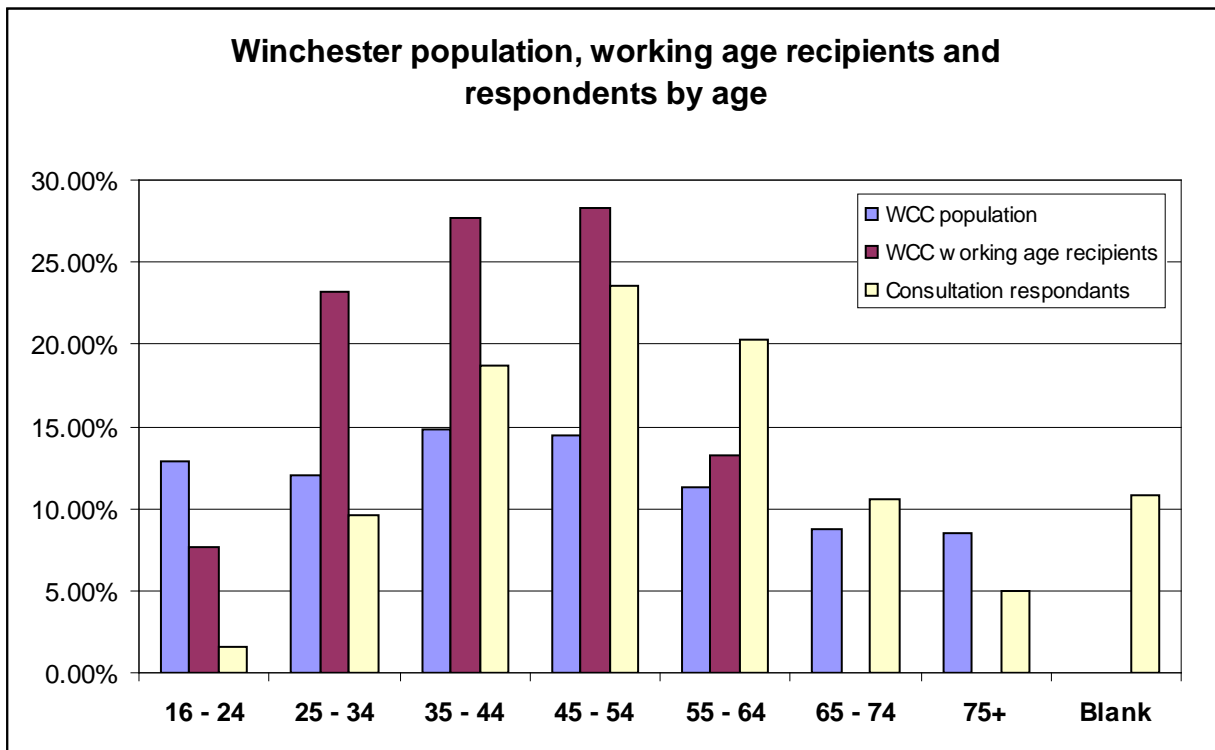
6. Results of Consultation

The full results of the consultation can be found at Annex 3.

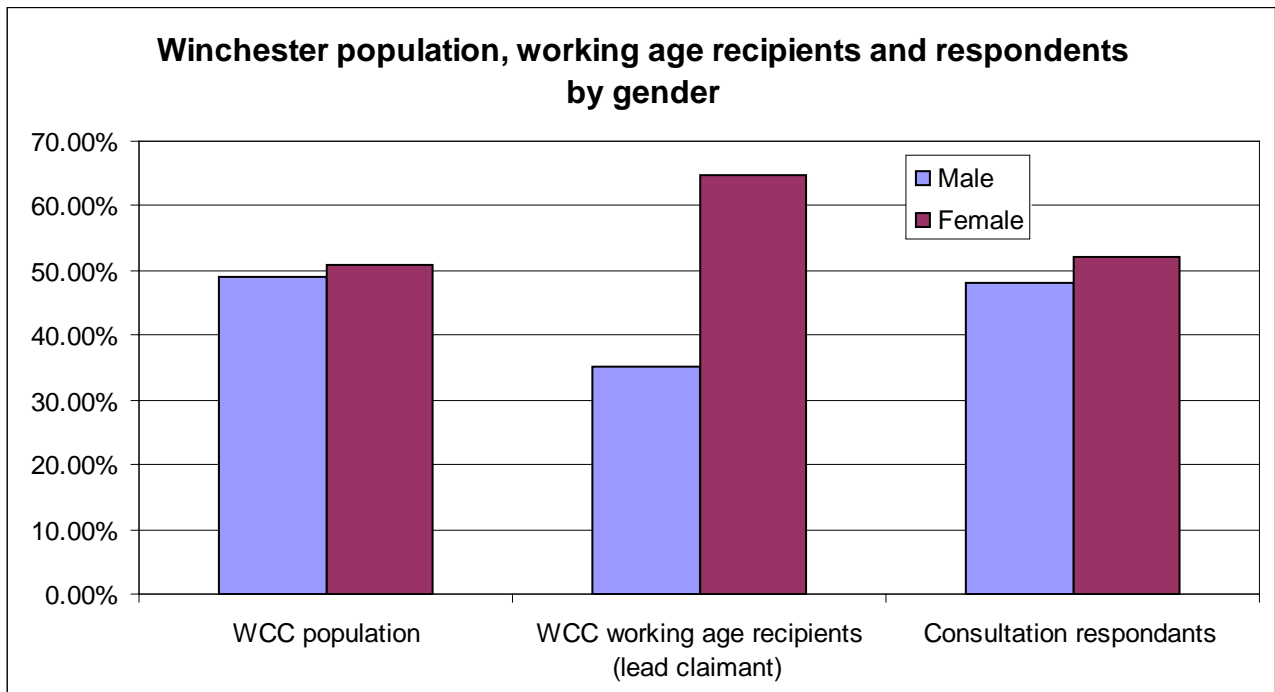
6.1 Respondents



6.2 Respondents by Age



6.3 Respondents by Gender



6.4 Respondents by Disability

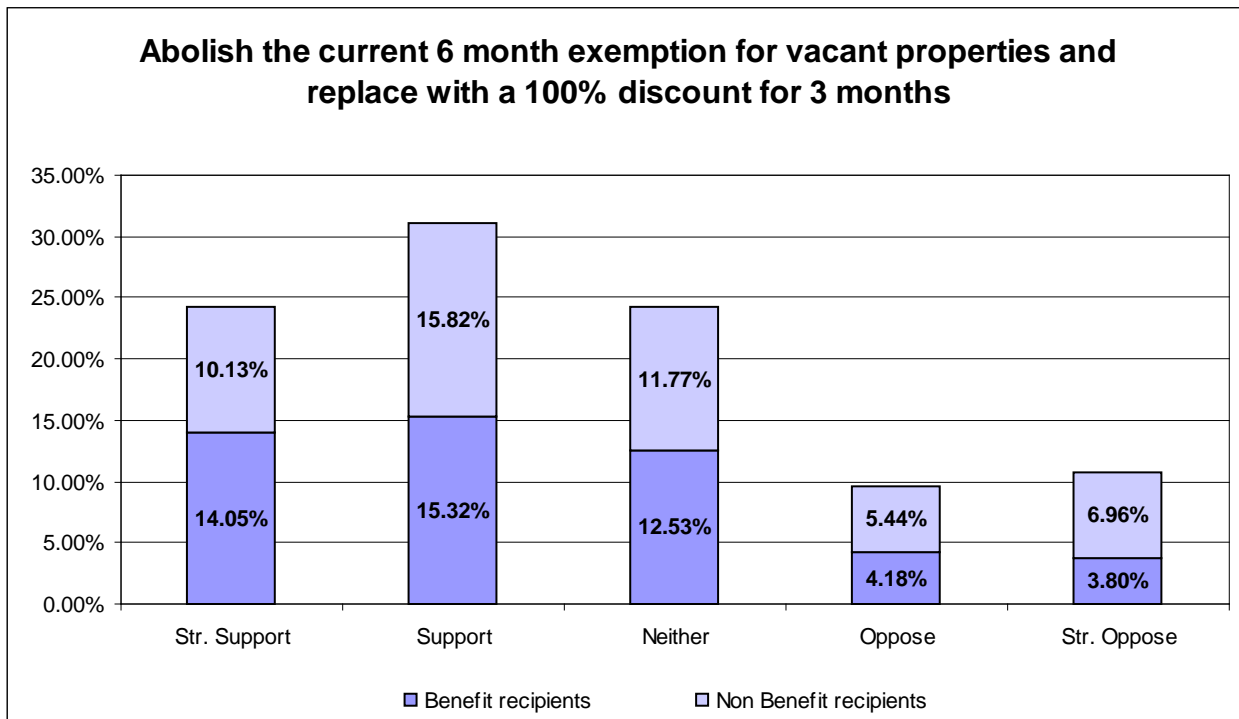
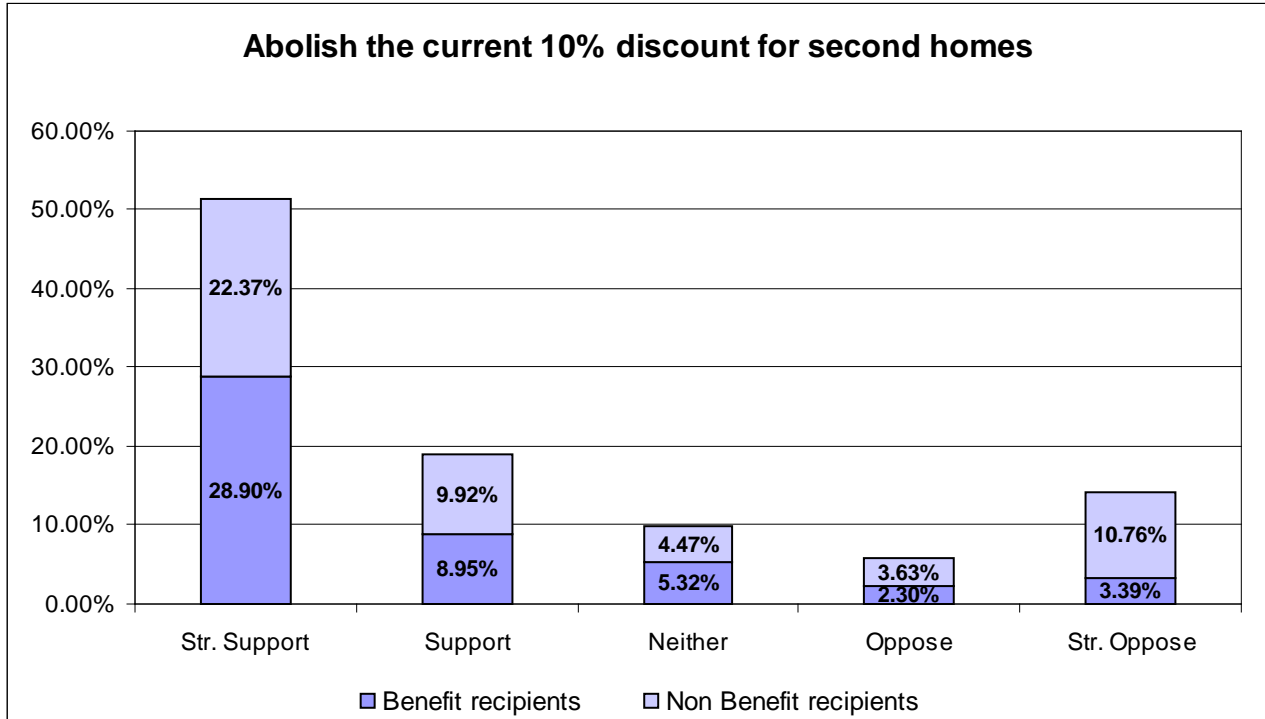
Day-to-day activities limited because of a health problem or disability which has lasted or is expected to last at least 12 months

Response	Percentage	Number
No	66.9%	517
Yes		
Affecting Mobility	17.7%	137
Affecting Hearing	2.3%	18
Affecting Vision	2.8%	22
A Learning Disability	2.8%	22
Mental Health	12.2%	94
Another Disability	10.2%	79
Total	48.0%	372

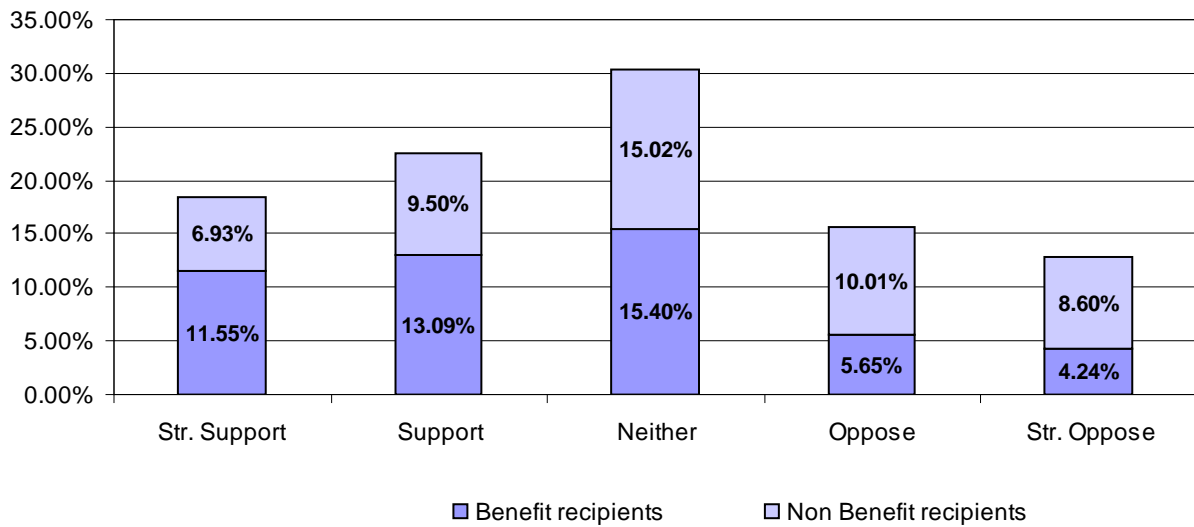
The total percentage does not add up to 100% as some of the respondents have answered yes to more than one option. The percentage is based on the number that answered the question rather than the total number of respondents.

6.5 Response to Support Options

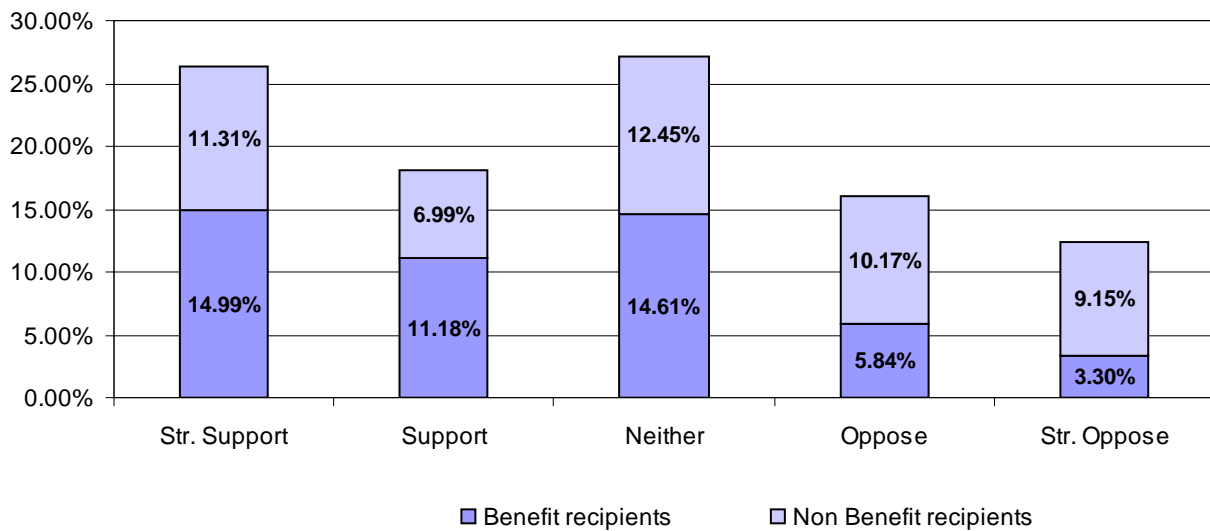
6.5.1 Council Tax Discount and Exemptions



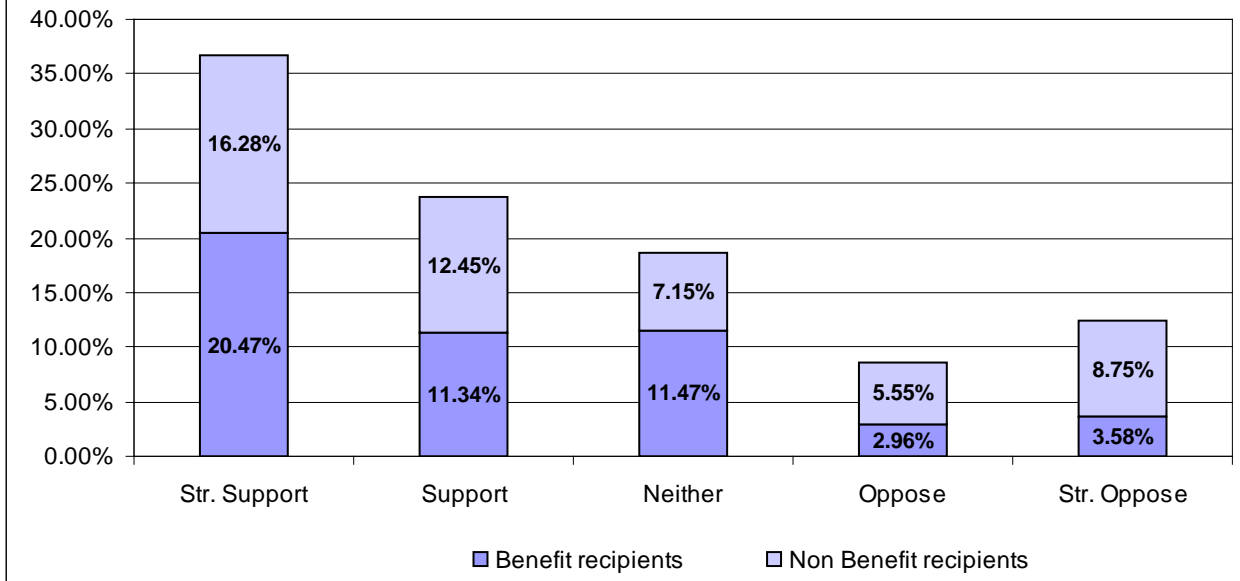
Abolish the current 6 month exemption for vacant properties and replace with a 100% discount for 2 months



Abolish the current 6 month exemption for vacant properties and replace with a 100% discount for 1 month

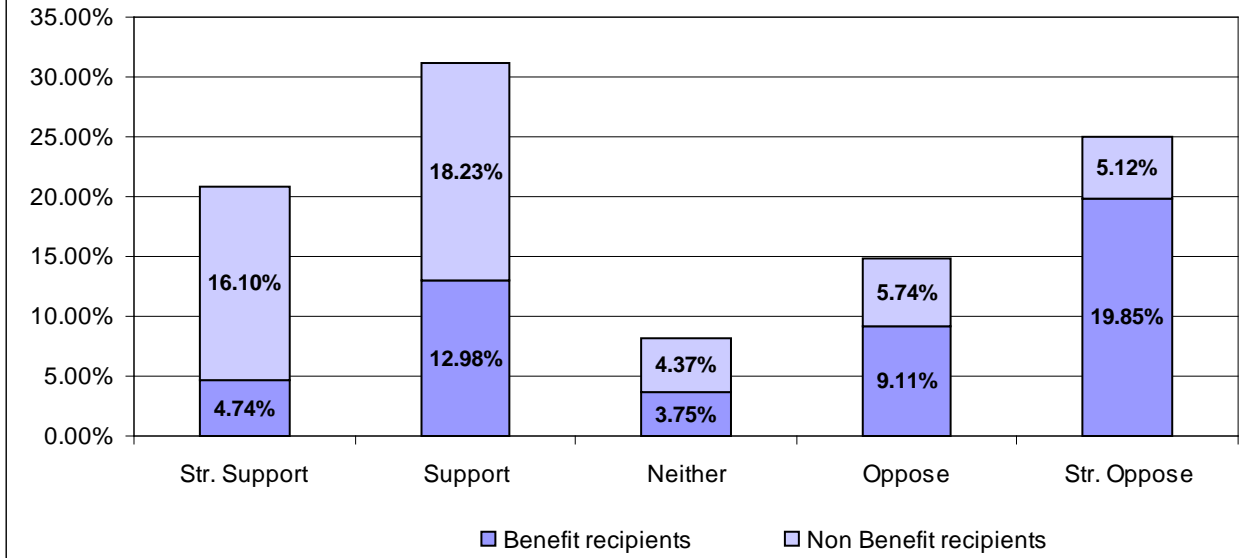


Abolish the current 50% discount that is awarded at the end of the current exemption period

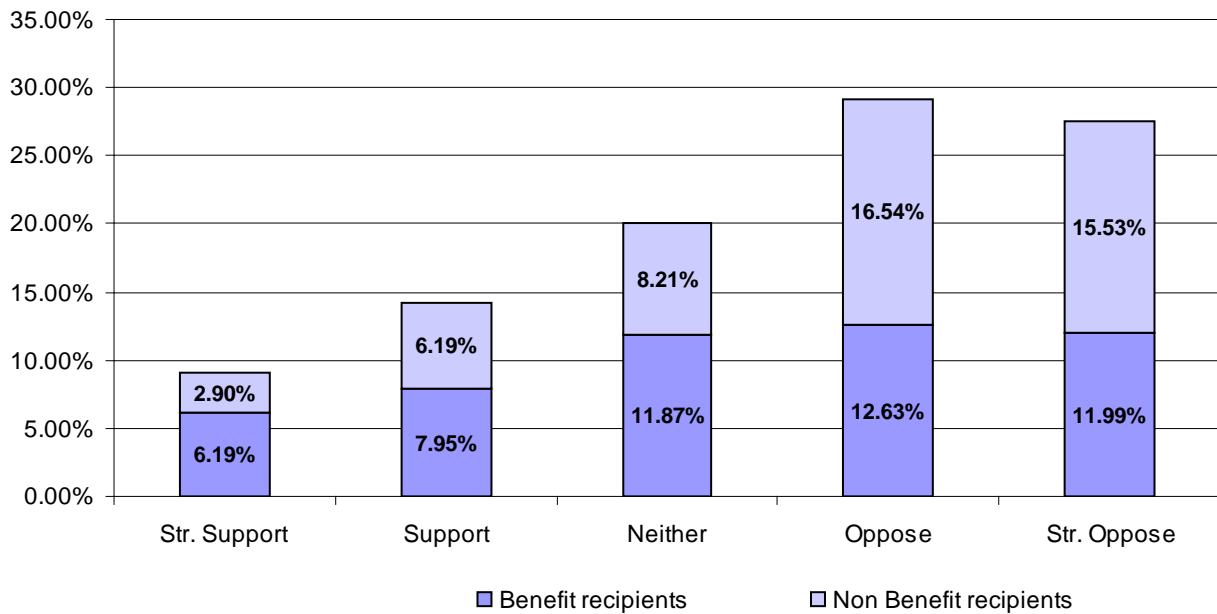


6.5.2 Council Tax Support Scheme

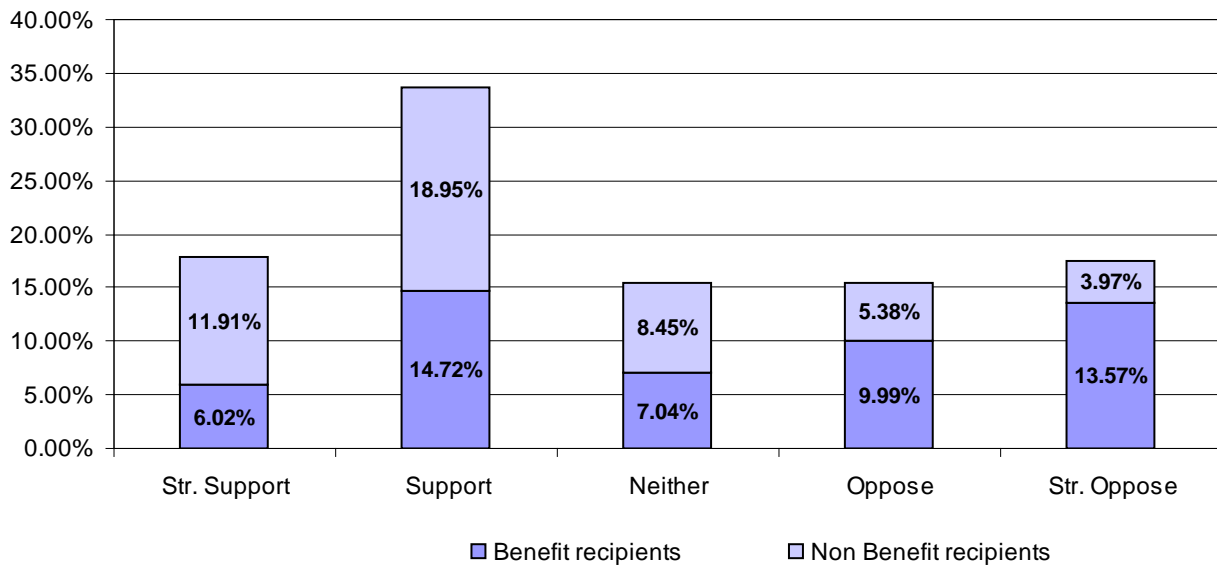
Should all working age households be expected to pay some Council Tax



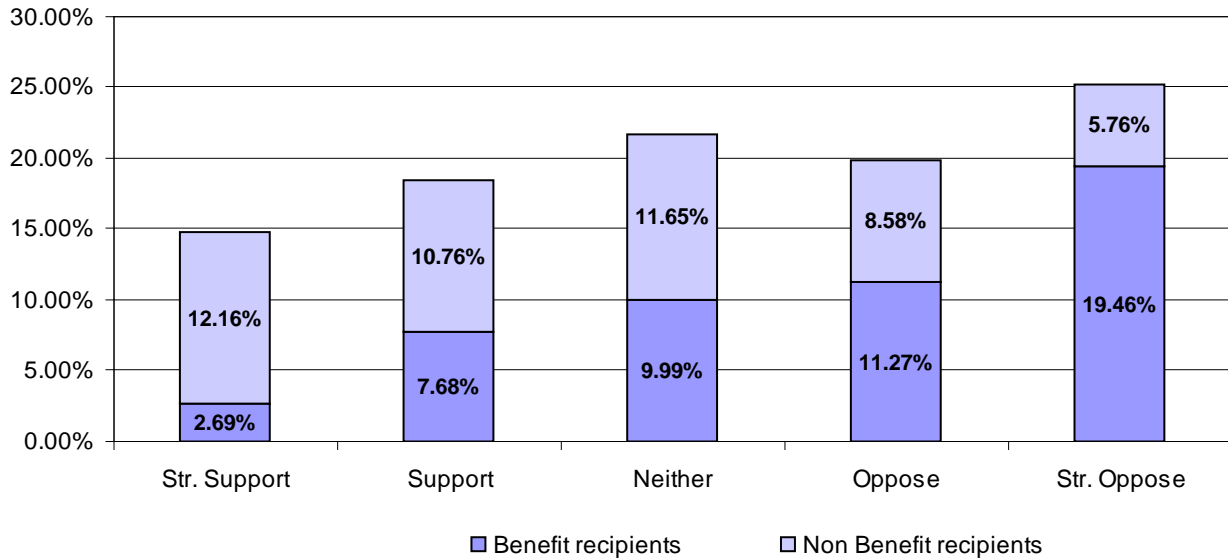
Should Council Tax be increased for all Council Tax payers



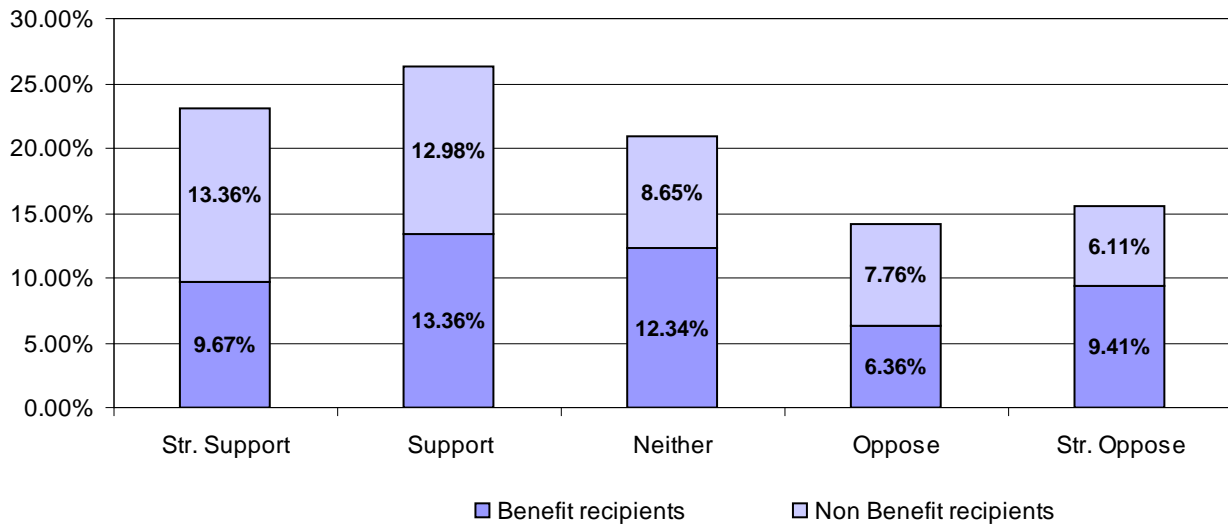
Working age claimants should be responsible for at least 10% of their Council Tax liability



Working age claimants should be responsible for at least 15% of their Council Tax liability



Working age claimants (who live in Band E, F, G or H homes) should have their benefit capped at Band D



7. Equality Impact Assessment

7.1. Purpose of Equality Impact Assessment

The function of Equality Impact Assessments is to ensure that the council is:

- Paying 'due regard' to equality issues in reaching its decisions - which means that decision-makers must understand the potential impacts of changes and that understanding must be based on hard evidence.
- Fulfilling its legal duties to eliminate unlawful discrimination, promote equality and participation in public life and promote good relations between groups.
- Consulting and involving those affected by decisions.

The Equality Impact Assessment process and documentation is designed to ensure that, if a decision faces subsequent legal challenge, the council can prove it has done all of these things, done them in a thorough and proper manner, that the assessment was carried out **prior to** the decision, and that decision-makers were made fully aware of the assessments findings. For that reason the key findings of the impact assessment on changes to Council Tax and a local Council Tax Support scheme are included in the body of this report, rather than being published separately.

7.2. Methodology

The assessment began at an early stage in the process of designing a replacement for Council Tax Benefit - at the point where the broad outline of the options was emerging - with an initial attempt to complete the assessment template. Note: This template is designed to ensure that the potential impacts on all those protected by the Equality Act 2010 are considered in a systematic way.

The initial findings were used to help design the consultation process and ensure that it was inclusive. The assessment then continued in parallel with the consultation, the analysis of the results, and the production of this report. This was done in co-operation with Test Valley Borough Council.

The assessment has therefore drawn on the results of the consultation, plus other available research undertaken by a variety of national organisations and agencies, to:

- Identify the negative impacts of the proposed options on particular sections of the community.
- Explore what, if any mitigating measures could be included in the new scheme to avoid or lessen the impacts on some groups.

Finally, the process and the findings of this assessment have been validated by a small 'panel' of Officers drawn from the Council's Equality Working Group and chaired by the Head of Organisational Development.

7.3. Key Findings

7.3.1. Issue of wider context and changes to other benefits

In attempting to assess the impact of this particular change on the various protected groups, it has become apparent that this cannot be done without taking account of the other changes to the benefits and tax systems that the Government is undertaking or planning. Having to find an extra £5 per week from a limited budget would undoubtedly be difficult for some households, whilst others might not find that a problem. However, having to find such sums in circumstances where a household's income is being reduced because other benefits are being capped or cut could make finding that extra £5 impossible.

Any decision on Council Tax Support needs to take account of the wider context, in particular the following changes that have or will affect households on low incomes:

A. The Government's decision to cap the total amount of benefits a household can receive from 1 April 2013 at:

- £500 a week for couples (with or without children living with them)
- £500 a week for single parents whose children live with them
- £350 a week for single adults who don't have children, or whose children don't live with them

The benefits included in this cap are:

- Bereavement Allowance
- Carer's Allowance
- Child Benefit
- Child Tax Credit
- Employment and Support Allowance (unless you get the support component)
- Guardian's Allowance
- Housing Benefit
- Incapacity Benefit
- Income Support
- Jobseeker's Allowance
- Maternity Allowance
- Severe Disablement Allowance
- Widowed Parent's Allowance (or Widowed Mother's Allowance or Widows Pension you started getting before 9 April 2001)

Note. From 1 April 2013 if a recipient is receiving more than the cap in benefits their Housing Benefit will be cut.

B. Other changes to Housing Benefit including:

- limiting single people under 35 to the Local Housing Allowance shared room rate;
- reduction in Local Housing Allowance rates affecting people in privately rented accommodation; and
- restrictions for people who are under occupying a property in the social sector.

C. The shift of disabled people from Disability Living Allowance (DLA) to Personal Independence Payment (PIP) and Incapacity Benefit (IB) to Employment Support Allowance (ESA).

D. Abolition of the Educational Maintenance Allowance.

E. Changes to the Working Tax Credit, Child Tax Credit and Child Benefit schemes.

The picture is further complicated by the proposed shift to Universal Credit that will begin in the Autumn of 2013.

Low income families have faced a series of converging pressures in recent years.

Since the onset of the financial crisis in 2008, earnings growth has been stagnant, job insecurity high and unemployment has risen.¹ Those in receipt of in-work and out-of-work benefits and tax credits have seen their incomes reduced as part of the Government's fiscal consolidation. Families with children – and especially those on low incomes and single parents – are feeling the brunt of these reductions.² Measures include freezing Working Tax Credit and Child Benefit, and the up-rating of benefits by the Consumer Prices Index (CPI) rather than the more generous Retail Prices Index (RPI).

Many households have struggled with inflation, in part driven by an increase in VAT in January 2011. This has affected lower income households most severely: between 2008 and 2010, inflation for the poorest fifth of UK households averaged 4.3% against 2.7% for the richest fifth.³

Many households are not well prepared to manage these difficult economic circumstances,

- 10 million of those in low income households are in unsecured debt.⁴
- Three quarters of those in the poorest 25% of households have no cash savings.⁵

National research by the Institute of Fiscal Studies⁶, the TUC⁷, Disability Rights UK⁸ and the CAB⁹ has found that the changes to tax and benefits outlined above will have more negative impacts on women, families with children, single parents and disabled people. In addition, it is widely recognised that increases in energy and petrol/diesel prices are adding to the pressures on low-income households. The average household now faces an annual energy

¹ Robert Joyce, Household Incomes during the recession and austerity (London: Institute for Fiscal Studies, 2012), http://www.ifs.org.uk/conferences/ids_incomes.pdf.

² Fawcett Society and Institute for Fiscal Studies, Single mothers: singled out – Summary: the impact of 2010-15 tax and benefit changes on women and men (London: Fawcett Society, 2011),

³ Peter Levell and Zoe Oldfield, *The spending patterns and inflation experience of low income households over the past decade* (London: IFS, 2011).

⁴ Anna Ellison, Rob Forster, Paul Jones and Claire Whyley, *Briefing note on the potential impact of prices caps on low income credit users* (London: Policis, 2011); Department of Business, Innovation and Skills,

⁵ *Over-indebtedness in* Anna Ellison, Claire Whyley, Rob Forster and Paul Jones, *Credit and low income consumers: a demand-side perspective on the issues for consumer protection* (Dorking: Friends Provident Foundation, 2011), *Britain: second follow-up report* (London: HMSO, 2010)

⁶ The distributional effect of tax and benefit reforms to be introduced between June 2010 and April 2014: a revised assessment James Browne and Peter Levell. Institute of Fiscal Studies 2012

⁷ The Gender Impact of the Cuts. A TUC cuts briefing November 2010

⁸ Holes in the safety net: The impact of Universal Credit on disabled people and their families

⁹ Holes in the safety net: The impact on disabled people of the abolition of the severe disability premium within Universal Credit. CAB

bill of £1,334 and the number living in fuel poverty – i.e. spending more than 10% of their budget on energy - has increased to 7.2 million.¹⁰

Since none of these studies considered the changes to Council Tax Support it is reasonable to assume that having to pay even small additional sums will prove very difficult for the poorest households, especially those with disabled members.

As Baroness Tanni Grey-Thompson put it in her recent report ‘Holes in the Safety Net’¹¹

“Many households with disabled people are already struggling to keep their heads above water. Reducing financial support for families with disabled children, disabled people who are living alone, families with young carers and those who are working, risk driving many over the edge in future.”

In terms of the impact on women, the Women’s Resource Centre sums the position up as follows in a recent Factsheet that draws on a wide range of published research:

“The media is increasingly reporting news of a housing crisis, a ‘lost’ generation of young and long-term unemployed and the potential return of a 1920’s era Great Depression.

However, it is women who are at the sharp end of the effects of austerity: as the statistics in this briefing demonstrate, it is women who are increasingly unemployed or taking underpaid work; women who are losing money for childcare and other basic needs through welfare cuts; and women who are losing vital support from voluntary and community organisations which have closed due to lack of funding. With 88% of the cuts still to be implemented, it is clear that we are only experiencing the beginning of the impact of the cuts.”

7.3.2 Consultation Comments

The issues raised in 7.3.1 are echoed in the consultation results. A simple numerical analysis of the comments shows that the top 3 in order of importance are:

1. working age people on benefits will struggle to pay more
2. working age people on a low income will struggle to pay more
3. families with a disabled member should be protected from the changes

Content analysis of consultation comments

Content analysis is an established technique for analysing large bodies of text. It is, for instance, used to spot common themes and trends relating to particular topics or areas of interest such as information and communication technologies that are reported across a wide range of media.

Content analysis looks at both the frequency with which individual words and phrases (and their synonyms) appear and at associated words and phrases. So, in this instance, when analysing the comments on the issue of disability one looks not only for the word ‘disability’ – and also disabled – but for related terms such as sick, ill, health, care, carer, caring and

¹⁰ Uswitch 29 October 2012.

¹¹ Holes in the safety net: The impact of Universal Credit on disabled people and their families

vulnerable and then at the words and phrases associated with that cluster of words that express a view or opinion. If the associated words and phrases convey wildly different views/opinions then one may infer that there is no clear common view or trend. If they convey very similar views/opinions, then one may infer that there is a common view or a clear trend. If there are 2 or 3 conflicting views/opinions then opinion is split and one can assign a rough numerical value.

In the case of these comments disability/disabled (or a specific condition that indicates a person is disabled) is mentioned 47 times and the related words appear an additional 94 times. The associated comments in virtually all cases express a supportive attitude to disabled people and their families. For example:

- Concern about inability to pay additional costs
- A recognition that households on benefits are poor already
- Poverty and being on the 'bread line'
- Concern for people worse off than themselves
- Proposal that rich people should pay more
- Support for means testing
- Support for hardship payments
- Need to protect most vulnerable people

Similarly, the phrase 'single parent' and variants appears 10 times. But associated words such as children, daughter, son, families and family appear an additional 51 times. Again the associated comments in virtually all cases express a supportive attitude to children and parents. For example:

- Need for a 'safety net'
- People being unable to work because of young children
- Working families on low pay struggling
- Need to think of people with low incomes
- Children of poorest families suffering most
- Poverty affecting children
- Many are on benefits through no fault of their own

A significant number of respondents made comments such as:

"I am worried sick at how we will manage with all the changes that are coming. I am disabled and will not be able to work. I am getting worse and will never get better so I have no choice but to live on benefits that I am very grateful for, but it is never enough to live on, we simply exist and I am increasingly feeling I'm just a burden."

"I am disabled and registered blind, with 3 children. I have been declared permanently unable to work therefore we have very little money and I can't afford to pay council tax."

"I am a full time carer to my severely disabled son, still school age. I have had my housing allowance halved already and things are at breaking point already."

"I am a lone parent with 3 children, my eldest is disabled and I am her carer. This makes it incredibly difficult to find work and/or child care for her. I don't know how I would afford council tax and am very concerned how this will affect me."

"I am a single parent bringing up two children alone. I have already been affected by Government cuts and I find it increasingly difficult surviving on the household monthly budget."

I feel those that can pay should do so, but those with genuine hardship cases should be exempt.

"Not happy with the proposed changes. I would like my own system to remain the same as a working single parent I am afraid I'd have to pay more which I cannot afford."

"Very worried to how we are going to find extra money, as living on the bread line already, being disabled makes things twice as expensive, very very very worried."

The reason(s) I oppose for a change in council tax benefit is quite simple unemployed people and DLA claimants are only given a small amount of money per week to live on, the government think it's easy to live on £57 ppw. It's not there's food, gas, electric to pay for. Once that is done there's little else left for any luxuries or emergencies. Adding on extras will be the straw that breaks the camel's back.

7.3.3. Stakeholder Comments

The following points were also raised by stakeholders:

a. Concerns were expressed regarding the removal/reduction of exemptions for vacant properties and the financial implications to the organisations responsible for these properties.

It was felt that organisations that have a large housing stock and also a responsibility to house vulnerable people may need more time to get houses to an appropriate level, particularly where adaptations may be needed to make the home suitable for someone with disabilities or older people.

b. Concerns expressed about changing the attitudes of people who have never paid and the impact on those who are unable to pay.

Participants raised concerns about people who have always been entitled to full Council Tax Benefit and do not have the skills to budget for a new payment.

c. Concerns over the cost to the Council of retrieving as little as 10%

Participants raised concerns that the cost of retrieving as little as 10% from residents would outweigh the benefit of the moneys in question.

7.3.4 Negative Impacts

The assessment shows that the option to reduce the level of Council Tax support will have a negative impact on all working age benefit recipients. This does not amount to unlawful discrimination, but some groups will be more disadvantaged than others.

The current working age caseload for Council Tax Benefit is made up of a significant number of disabled people. This group (especially those who are unable to work due to the nature of their impairment or illness) will find it difficult to increase their income in order to make up any shortfall in Council Tax.

There are a large number of single parents who will also find it difficult to increase their income by moving into work or increasing their hours due to childcare commitments. Whilst there are significantly more women who claim benefit than men reducing the level of support would have the same impact on both genders.

The assessment also shows that capping benefit for people living in properties in Band E or above may have an adverse impact for those living in rural areas.

Whilst there are only 175 cases that will be affected further analysis will need to be undertaken to establish whether these claimants will also be affected by some of the other Welfare Reforms and it may be necessary to give these claimants extra time to prepare for the very high increases in Council Tax payments that they will need to make.

7.4. Conclusions

7.4.1 Council Tax Discounts and Exemptions

There would be negative impacts on some customers if the changes to discounts and exemptions were implemented. However, the survey results show some support for these changes from both benefit recipients and other Council Tax payers and it is felt that this group of customers will have the means to pay increased levels of Council Tax. A number of exemptions will still be available to protect those customers responsible for a vacant property. Some concerns were raised by landlords about the impact this may have, however, it is felt that the Council Tax would only be a small amount when compared to the loss of rental income that would occur from a property being left vacant.

There were a number of comments opposing the removal of the 10% discount for second homes. The majority of these were based around second home owners not using 100% of the services so should not have to pay 100% of the Council Tax.

The reality is that the Council and other public bodies have to provide services regardless of the circumstances of individuals and whether they are going to use them or not.

7.4.2 Council Tax Support Scheme

The Equality Impact Assessment shows clearly that all working age households will be disadvantaged by the proposal that all working age adults should pay at least some Council Tax. Whilst the survey results show support for everyone to pay at least 10% and there are perceptions that people on benefit are better off than those in work the consultation and impact assessment have shown that this is not the case. The majority of comments express concerns about claimants' ability to pay an additional amount of Council Tax no matter how small this amount may be.

Many working age claimants on benefits will be affected by other welfare reforms and increases in fuel and food prices, and a large proportion of these claimants are already in part time and/or low paid jobs.

The consultation shows a considerable degree of support, amongst both benefit recipients and those not receiving benefits, for disabled people to be protected from the proposed change – particularly where they cannot work because of the nature of their disability.

Welfare benefits are currently in a period of transition and not all claimants have been assessed for Employment & Support Allowance and some are currently still receiving Incapacity Benefit or Income Support. It is not currently possible to distinguish between people who could work and those who cannot. Once the review of welfare benefits has been completed over the next 2-3 years the Council should be in a position to be able to distinguish between disabled people who could work and those who cannot work. The scheme will need to be reviewed regularly to ensure that protection is targeted to the appropriate individuals.

Many of the comments received suggest that families with children should also be protected. The impact on this group, and in particular single parents, needs to be considered carefully. With this group of people there is, in theory, the option for them to move into work or increase their hours in order to meet any additional Council Tax. The impact on individuals will vary according to the number and ages of children they have and this will affect a parent's ability to increase their income. Further work would need to be undertaken to be able to fully understand the impact that any change in Council Tax support would have alongside the wider welfare reforms.

The impact assessment and analysis of the consultation results has revealed that some of the households living in properties rated Band E and above may be located in rural areas. There is not sufficient detailed information on these households or the nature of the properties to be able to judge the impact of the proposal to cap Council Tax support at the Band D level. (It is possible that they may not be large and expensive houses, but modest ones rated more highly because of their location in a desirable village and we are aware that low income households in rural areas can face significantly higher living costs than those in urban areas). It is therefore suggested that further work be undertaken if this proposal is to be implemented.

In order to mitigate the impact of this the Council should consider keeping the current level of support as provided by the existing Council Tax Benefit scheme for all working age claimants and not introduce any cut in support. This would mean that the shortfall in funding would need to be found elsewhere.

7.4.3 Relevant Protected Characteristics

The relevant protected characteristics covered by the Equality Duty are:

- age (including children and young people),
- disability,
- gender,
- gender re-assignment
- pregnancy and maternity,
- marital status and partnership
- race,
- religion or belief,
- sexual orientation

It is suggested that the impact of any changes implemented be monitored to ensure that no Protected Group is being adversely and disproportionately affected.