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Summary report on consultation on the Council Tax Support local scheme options

1 Purpose of this report

1.2 This short research report sets out key findings from consultation by Leeds City Council on options for a local Council Tax Support scheme, and a number of other Council Tax issues.

2 Background information

2.3 The consultation was designed to present information on the changes taking place, and on two proposed options for the Local Scheme:

Option One

Limit the amount of Council Tax Support we pay out to equal the money we receive from the government. This means we won't put any more of our money towards it.

Council Tax Support for most working age people will be reduced by as much as 30% depending on the level of government funding and possible changes in how many people are claiming.

We could protect some working age people from cuts in their support.

Option 2

We could put extra money into the scheme for the first year to reduce the cuts that people face in their Council Tax Support. This option would limit the cut in Council Tax Support to 10% for most working age claimants but this may change depending on what we receive from the government and how many people claim Council Tax Support.

The cost to the council could be between £3.8m and over £5m depending on the level of government funding and demand for Council Tax Support. This is money that could be spent on other services.

We will protect some working age people from cuts in support.:

2.4 A survey was provided with this information to allow people to have their say. This was delivered in three ways:

- To the Leeds Citizens' Panel
- To all current Council Tax Benefit claimants
- As an open-access public online survey on the council website

2.5 It was decided that, while results from these three surveys could be combined (and overall results are shown below), it is very important to show the results of each survey separately as well, treating each one as a 'cohort of respondents. This reduces the risk that the results be dominated by the views of any one interest group.

2.6 Responses to the survey were as follows:

Survey	Response
Leeds Citizens' Panel	953
Council Tax Benefit claimants	4225
Open-access public online survey	437
Total	5615

3 Main issues

3.7 The tables overleaf set out key findings from the survey. **Table 1** shows overall results from the 'closed' or 'tick box' questions, and the separate sets of results from each 'cohort' (Panel, public survey, claimants). **Table 2** shows the results by current CT Benefit claimants and non-claimants (some respondents to the open access public survey told us that they were Council Tax benefit claimants, and these have been added to the responses from the Claimant survey). **Table 3** sets out thematically-grouped results from the 'open-response' questions in the survey, where respondents were free to write their responses.

Summary of key findings

3.8 Claimants are less likely to support Option 1 (no council financial input) than non-claimants (24% v 54%)

3.9 The difference between claimants and non-claimants is less significant when it comes to Option 2 (council putting some money in to meet the shortfall), although claimants are more likely to support it (58% v 41% of non-claimants).

3.10 There is strong support for protecting the groups set out in the consultation, although non-benefit claimants are weaker in support for protecting lone parents with child/ren under 5.

3.5 Respondents also suggest protecting:

- People on low income in general
- Unemployed people in general
- People on benefits
- Sick people
- Lone parents in general
- People with mental disabilities

3.6 Reasons why groups should be protected centred on their vulnerability, both personally and financially.

3.7 Around three-quarters of respondents support the council continuing to support people moving into work

3.8 Respondents are more likely to support than oppose all four proposed changes to Council Tax rules for empty properties.

Table 1 – results for ‘closed’ questions – all surveys

No	Question	Overall	Panel survey	Claimant survey	Public survey	Score components
1	How far do you agree or disagree that the amount we spend on Council Tax Support should be limited to what we get from the government and that we don't put any of our money towards it?	32	55	25	38	Strongly Agree + Agree
2	The costs of protecting certain groups without the council putting extra money into the scheme, means that other working age claimants face a larger reduction in support. Do you agree or disagree that the council should protect the following groups from cuts in support?					
2a	...Carers	77	71	80	69	Agree
2b	...Disabled people	91	79	89	81	Agree
2c	...Lone parents with a child/ children under 5	68	49	75	56	Agree
2d	...War disablement pension	79	75	83	74	Agree
2e	...War widows / widowers	69	58	77	60	Agree
5	...How far do you agree or disagree that the council should limit the cuts people face by putting more money to support the shortfall in government funding?	55	39	58	39	Strongly Agree + Agree
6	Protecting certain groups increases the costs to the council. Do you agree or disagree that the council should protect these groups from cuts in support in this way?					
6a	...Carers	77	66	35	70	Agree
6b	...Disabled people	91	75	90	81	Agree
6c	...Lone parents with a child/ children under 5	67	48	76	57	Agree
6d	...War disablement pension	79	71	85	75	Agree
6e	...War widows / widowers	69	55	79	60	Agree
10	Do you agree or disagree that we should continue to support people moving into work?	77	70	75	73	Strongly Agree + Agree
11	We are likely to use the government's new rules to charge Council Tax for empty properties. How far do you support us using the new rules for these empty properties:					
11a	Properties that are empty, unfurnished and undergoing major building work	52	63	80	58	Strongly Agree + Agree
11b	Properties that are empty and unfurnished	60	76	57	68	Strongly Agree + Agree
11c	Long term empty properties	64	82	63	76	Strongly Agree + Agree
11d	Second homes	64	85	66	80	Strongly Agree + Agree

Table 2 - results for 'closed' questions – Current CTB claimants and non-claimants

No	Question	Claimant score	Non-claimant score
1	How far do you agree or disagree that the amount we spend on Council Tax Support should be limited to what we get from the government and that we don't put any of our money towards it?	24	54
2	The costs of protecting certain groups without the council putting extra money into the scheme, means that other working age claimants face a larger reduction in support. Do you agree or disagree that the council should protect the following groups from cuts in support?		
2a	...Carers	80	70
2b	...Disabled people	89	76
2c	...Lone parents with a child/ children under 5	75	53
2d	...War disablement pension	83	73
2e	...War widows / widowers	77	60
5	...How far do you agree or disagree that the council should limit the cuts people face by putting more money to support the shortfall in government funding?	58	41
6	Protecting certain groups increases the costs to the council. Do you agree or disagree that the council should protect these groups from cuts in support in this way?		
6a	...Carers	35	67
6b	...Disabled people	90	74
6c	...Lone parents with a child/ children under 5	76	52
6d	...War disablement pension	85	71
6e	...War widows / widowers	79	58
10	Do you agree or disagree that we should continue to support people moving into work?	75	57
11	We are likely to use the government's new rules to charge Council Tax for empty properties. How far do you support us using the new rules for these empty properties:		
11a	Properties that are empty, unfurnished and undergoing major building work	80	55
11b	Properties that are empty and unfurnished	57	61
11c	Long term empty properties	63	63
11d	Second homes	66	63

Table 3 - Open-response question results (Showing the themes of responses made by more than 1% of respondents)

Who else should be protected	% of comments relating to Option 1	% of comments relating to Option 2
People on low income	19%	20%
Unemployed	16%	15%
People on benefits	9%	11%
Sick people	8%	7%
Lone parents (generally - not just those with children under 5)	8%	7%
People with mental disabilities	8%	7%

Pensioners	6%	4%
Elderly	5%	6%
Parents (generally - not just lone parents)	4%	5%
Single people or people living alone	3%	3%
Students	3%	2%
Young people	2%	2%
Why people should be protected	% of comments relating to Option 1	% of comments relating to Option 2
Unable to work	34%	10%
Cost of living is high	14%	6%
Benefits are not enough	10%	4%
Can afford less than they currently have	9%	3%
They deserve it	9%	5%
They are vulnerable	7%	9%
Not their fault they're in the situation they are in	6%	3%
Worked all their life or contributed to the system	4%	2%
Do not have enough money or struggling as it is	4%	31%
Lack of or need for support or care	2%	14%
Cannot manage or survive otherwise	1%	8%
Struggle to find a job, work enough hours or earn enough	1%	4%
Other Comments		
Theme of comment	% of all comments	
Prefer Option 2.	12%	
General negative comment on government or council.	10%	
The cuts will cause hardship.	8%	
People cannot afford to pay the difference.	6%	
Protect other/all groups.	6%	
Charge employed people more.	6%	
Don't protect other/all groups.	5%	
Should be no change to council tax benefits.	5%	
Make cuts elsewhere instead.	4%	
Council tax should be means tested.	4%	
General negative comment on Option 1.	4%	
Protect disabled people.	4%	

General negative comment on Option 2.	3%
Don't protect young/lone parents.	3%
Prefer Option 1.	3%
Protect those on low incomes.	3%
Don't understand the changes.	2%
Protect carers.	2%
Protect families.	2%

Differences by communities

3.11 This section sets out key differences in the views of different sections of the respondents, based on initial analysis. Further data is available in Excel tables on request.

3.11.5 Men are more likely than women to support option 1 (31% against 26%)

3.11.6 Women are more likely than men to support protection of the following:

- Carers (98% against 74%)
- Lone parents with child/ren under 5 (90% against 61%)
- War disablement pension (98% against 77%)
- War widow/ers (85% against 69%)

3.11.7 There is no consistent relationship between the ethnicities or ages of respondents and their level of support for either Local Scheme option

4 Conclusions

4.12 The main driver of differences of opinion on the Local Scheme Options is whether someone is a current Council Tax Benefit claimant or not.

4.13 Current claimants are more likely to support the council putting some funds towards a local scheme, while non-claimants are more likely not to.

4.14 There is support for protecting certain vulnerable groups regardless of the Local Scheme options

4.15 There is also support for supporting people back into work through the Local Scheme, and for changing rules regarding empty properties and Council Tax.

4.16 There is concern in communities about the potential impact on vulnerable groups of any changes in financial support. The statistical presentation of written responses from respondents should not detract from the emotional content of many of the original comments.

5 Appendices

Organisations invited to take part in the consultation:

Organisation Name
Advocay Support
Advonet
Age UK Leeds
Archway
ASHA Neighbourhood Centre
BARCA-Leeds
BPP Law School
Bradford Law Centre
Burley Lodge Centre Advice Service
Carers Leeds
Chapelton CAB
D.I.A.L. (Leeds)
East North East Homes
Ebor Gardens Advice Centre
Economic Policy - LCC
GIPSIL
Henry Hyams Solicitors
LATCH
Leeds Citizens Advice Bureau
Leeds Credit Union
Leeds Law Centre
Leeds Tenants Federation
LUU Student Advice Centre
NHS Leeds (Public Health)
Pay & Employment Rights Service
Racial Equality Council
Refugee Council
Regeneration Service - LCC
School of Law Legal Advice Clinic
Shelter
Sign Health
St Vincent Support Centre
Welfare Rights Unit
West North West Homes Leeds

Appendix 6 – scheme variations

	Number of claimants	12/13: Anticipated scheme spend £000s	13/14 option: '8.5% scheme' with funding reduced by 10% £000s	13/14 option '8.5% scheme' with funding reduced by 11.4% £000s	13/14 option Option 1a: extra funding for protecting vulnerable groups with funding reduced by 10% £000s	13/14 option Options 1a: extra funding for protecting vulnerable groups with funding reduced by 11.4% £000s
Total Benefit spend ¹		£54,455	£54,455	£54,455	£54,455	£54,455
Government funding ²		£54,571	£49,114	£48,355	£49,114	£48,355
Additional Govt funding			£1,300	£1,300	-	-
Shortfall		£0	£4,041	£4,800	£5,341	£6,100
Total caseload	78,850					
Pension Age caseload	31615	£22,000	£22,000	£22,000	£22,000	£22,000
Working Age protected groups³						
- Lone parent with child u5	6452	£4,243	£4,243	£4,243	£4,243	£4,243
- Relevant Disability Premium	4265	£3,114	£3,114	£3,114	£3,114	£3,114
- War Pension	38	£28	£28	£28	£28	£28
- Carers	869	£683	£683	£683	£683	£683
<i>Sub-total</i>	<i>11,624</i>	<i>£8,068</i>	<i>£8,068</i>	<i>£8,068</i>	<i>£8,068</i>	<i>£8,068</i>
Working Age non-protected						
- Other working age	35611	£24,387	£24,387	£24,387	£24,387	£24,387
- Required reduction		£0	£2,073	£2,073	£4,145	£4,633
Net spend on non-protected		£24,387	£22,314	£22,314	£20,242	£19,753
'% reduction for non-protected			8.5	8.5	17	19
Total scheme costs		£54,455	£52,382	£52,382	£50,310	£49,821
Costs to Council and preceptors		£0	£1,968	£2,727	£1,196	£1,466

¹ CTB spend net of Second Adult Rebate

² Funding based on CTB spend inclusive of Second Adult Rebate

³ Figures are minimum numbers based on current caseload information

Appendix 7 – examples of scheme options for customers

Household	Monthly Income	Council Tax Band and charge	Monthly Council Tax to pay				
			Current scheme	25% reduction	10% reduction	8.5% reduction	19% reduction
Couple + 2 children	Family Income £1,577.55	Band A £72.37	£38.48	£46.95	£41.87	£41.36	£44.92
Disabled couple	Joint Income £2,117.05	Band C £98.02	£11.70	£11.70	£11.70	£11.70	£11.70
Couple + 3 children	Family Income £1,815.49	Band C £96.50	£18.16	£37.75	£25.99	£24.82	£33.04
Lone parent + 3 children (Youngest child under 5)	Family Income £1,658.28	Band B £63.31	£23.57	£23.57	£23.57	£23.57	£23.57
Single Person (age 45)	£307.67 Jobseekers Allowance	Band A £54.30	£0.00	£13.58	£5.43	£4.62	£10.32
Single Person (age 24)	£243.75 Jobseekers Allowance	Band A £54.30	£0.00	£13.58	£5.43	£4.62	£10.32
Couple	£482.95 Jobseekers Allowance	Band C £96.50	£0.00	£24.13	£9.65	£8.20	£18.34

Equality, Diversity, Cohesion and Integration Impact Assessment



Appendix 8

Directorate: Resources	Service area: Revenues and Benefits
Lead person: Jane McManus	Contact number: 0771 221 4105
Date of the equality, diversity, cohesion and integration impact assessment: 27 November 2012	

1. Title: Local Council Tax Support Scheme
Is this a:
<input type="checkbox"/> Strategy /Policy <input checked="" type="checkbox"/> Service / Function <input type="checkbox"/> Other
If other, please specify

2. Members of the assessment team

Name	Organisation	Role on assessment team e.g. service user, manager of service, specialist
Jane McManus	Revenues and Benefits	Project Manager
Pauline Ellis	Equality Team	Specialist advisor
Steve Carey	Revenues and Benefits	Chief Officer

3. Summary of strategy, policy, service or function that was assessed:
<p>The Local Government Finance Act 2012 provides that local authorities must put in place a local scheme of Council Tax Support from 1 April 2013 in place of the national Council Tax Benefit scheme.</p> <p>Government funding for the new local council tax support schemes is to be reduced by 10% although the final reduction could be more than this as funding will be based on the Office for Budget Responsibility forecasts and not actual expenditure. Expenditure on Council Tax Benefit in Leeds in 2012/13 is expected to be around £55m. Therefore Leeds expects the funding shortfall to be in excess of £5.5m</p> <p>The Act states that Local Authorities must adopt a national prescribed Council Tax Support scheme for pensioners. Under the national prescribed scheme regulations, pensioners must receive the same amount in Council Tax support that they would have received under Council Tax Benefit rules. This means that the burden of funding reductions falls disproportionately upon those of Working Age.</p>

Regulations also provide a default Council Tax Support scheme for working age claimants which must be adopted where Local Authorities fail to adopt a local support scheme for working age claimants by 31 January 2013. Under the default scheme regulations working age claimants would also receive the same amount in Council Tax support that they would have received under Council Tax Benefit rules. Any Council required to operate the default scheme would be required to meet the funding gap in full.

Local Authorities can choose to:

- Limit their expenditure to the level of funding received from government which means that we must redesign a working age scheme that will cost in excess of £5.5m less than the current Council Tax Benefit Scheme
- Make up the shortfall and deliver the same level of Council Tax Support that was provided under Council Tax Benefit. Protecting all recipients would impact negatively upon the authority's budget and the budget of those that levy a precept to it (Fire and Police Authorities and Parish Councils). An adverse effect on service provision might result in us having to stop, reduce or levy additional charges for services with a disproportionate effect on the most vulnerable,
- Partially fund the shortfall and limit the extent to which support will be reduced for those claiming support. This would also impact on the Council's and precepting authorities budgets but to a lesser extent than fully funding the shortfall.

The government have also made additional funding available in the form of a transitional grant. The grant is available only to Local Authorities in 2013/2014 where the reduction in support for the poorest household is limited to 8.5% or less. If the scheme that Leeds adopts complies with the requirements of the transitional grant Leeds could receive an additional 1.3m funding.

4. Service, function, event	
please tick the appropriate box below	
The whole service (including service provision and employment)	<input type="checkbox"/>
A specific part of the service (including service provision or employment or a specific section of the service)	<input checked="" type="checkbox"/>
Procuring of a service (by contract or grant) (please see equality assurance in procurement)	<input type="checkbox"/>
Please provide detail:	
The design and delivery of a Local Council Tax Support Scheme from 1 April 2013	

5. Fact finding – what do we already know

How equality, diversity, cohesion and integration has been considered

As a Local Authority we have responsibilities under:

- The public sector equality duty in section 149 of the Equality Act 2010.
- The Child Poverty Act 2010, which imposes a duty to have regard to and address child poverty
- The Disabled Persons (Services, Consultation and Representation) Act 1986, and Chronically Sick and Disabled Persons Act 1970, which include a range of duties relating to the welfare needs of disabled people;
- The Housing Act 1996, which gives local authorities a duty to prevent homelessness with special regard to vulnerable groups;

These responsibilities have been and will continue to be considered as the Local Council Tax Support scheme is developed and implemented.

During the planning and development of the proposals we have also considered all the following information and data:

- The current Council Tax Benefit Scheme
- Department of Work and Pensions equality impact assessment for welfare reform
- Government funding for a local scheme – including, the amount potentially available, length of time the funding is available for, timescales set out by Government to develop and implement a local scheme and the impact of the default scheme
- Stipulations set out by Government that state support to pensioners must be maintained and that indicate existing and potential claimants of working age will be affected
- Conditions set out by the Department of Work and Pensions that applies to nationally administered means tested welfare support
- Information available about current claimants – number of claimant, benefits receiving, profile of claimants (equality monitoring data) and personal circumstances (family, which council tax band living in)
- Different types of benefits claimants are accessing – for example, Council Tax Benefit and Second Adult rebate

After considering a number of options Leeds published a draft local Council Tax Support Scheme on 17 September 2012.

The scheme is means tested and continues to include a system of allowances, premiums and income disregards as set out in the national default scheme that reflect the circumstances of the households claiming Council Tax Support. Additional allowances, premiums and disregards are awarded in respect of:

- dependant children,
- age,
- disability: and
- caring responsibilities of the household.

All of these features are to be retained in the Leeds Local Council Tax Support scheme.

However, in order to make the required savings once support has been calculated in line with the provisions in the default scheme there will be a % reduction applied to the award.

The % reduction will be calculated so that the cost of the Leeds scheme would fall within the available funding for the scheme.

The % reduction will apply equally to all working age claimants with the exception of the groups set out below. These groups would continue to have their support calculated without a reduction.

The groups that have been suggested should be protected are:

- Households that qualify for a severe or an enhanced disability premium (4,265)
- War widow(ers) and War Disablement Pensioners (38)
- Lone parents of children under the age of five (6,452)

The rationale behind protecting these groups is that it would be more difficult for these groups to increase their income through work, in the same way it would be unreasonable to expect pensioners to return to work. This is consistent with the conditionality that Department of Work and Pensions applies to nationally administered means tested welfare support in that these groups are not required to be available for work, nor are they required to provide evidence that they are seeking work in order to receive assistance.

The % reduction that it will be necessary to make to Council Tax support award of the remainder of working age claimants depends on:

- the number of people who claim Council Tax Support;
- the number of people who claim who are either of pension age or who fall into the agreed protected groups;
- the level of benefit that people are entitled to based on their income and circumstances;
- the level of Council Tax charge;
- Government funding levels.

The option which sees no additional funding put into the scheme could see a reduction of up to 30% in support for non-protected working age customers. An alternative option under consideration is to limit the reduction in support that claimants will face in 2013/2014 to 10%. Based on current caseload and Council Tax levels, the Council would need to put between £2.9 and £3.6 million into the scheme to limit the reduction to 10% which would put pressure on funding for other services the council provides.

Second Adult rebate is awarded to single householders who do not qualify for benefit in their own right because their income and/or capital is too high, but they have adult(s) living with them who have a low income and cannot afford to contribute towards the council tax of the household. The draft scheme also proposes to remove Second Adult Rebate for working age claimants. 568 working age households are currently in receipt of second adult rebate and the average weekly award for these households is £3.95 per week. These householders would be assessed under Council Tax Support criteria where we hold sufficient information and awarded support if their circumstances mean that they qualify. However anyone who does not qualify for Council Tax support will not be entitled to a reduction from 1 April 2013. Where we do not hold sufficient information to make an assessment for Council Tax Support, we will terminate the Second Adult Rebate award and invite an application for Council Tax Support.

Council Tax Benefit is claimed by a wide range of people with varying circumstances. It is a means tested benefit and in order to qualify for support households must have a low income in relation to the needs of the household, a large proportion of claimants are not in work, some are unable to work because of disability and / or caring responsibilities for young children, though there are an increasing number of claimants who are in part time and low paid work who receive support. Currently there are around 8,000 claimants who are in work who will face a reduction in support from 1 April 2013.

Benefit is calculated by comparing the household's income with standard allowances that reflect the household's needs. Additional allowances are awarded to households with children, with disabled people and with caring responsibilities, and some incomes paid to disabled people and children are not taken into account when working out Council Tax Benefit awards (i.e child benefit and disability living allowance). These features will remain in the local support scheme.

In accordance with the Act, pensioners are unaffected which means that the required savings must be borne only by 47,803 working age claimants

The impact of protecting the 10,755 customers in the protected groups is that less funding would be available for the remaining working age customers

Council Tax Support continues to be based on the householder's Council Tax liability. Council Tax Discounts granted to persons who are severely mentally impaired or who have had adaptations made to their home to meet the needs of a physical impairment of one of the occupiers will continue.

The proposals under consideration mean that support will be reduced by a set percentage. Consequently householders with higher council tax liabilities are likely to have higher awards and as such face higher reductions when the % reduction is applied to the award

75% of the persons affected live in properties in Council Tax Band A properties. These have the lowest Council Tax charge and so are affected to a lesser degree than households who reside in properties that are in the higher Council Tax Bands, whose properties have a higher market value.

Households currently in receipt of the maximum level of awards who currently have nothing to pay will also face larger reductions than those who receive partial awards. Households who reside in a band A property who currently receive a full award and have nothing to pay, will pay £1.67 per week under the 10% scheme and single occupiers will pay £1.25 because their liability is 25% lower. Under the 30% scheme a 2+ adult household would pay £5.01 per week and a single adult household, £3.76 per week.

Claimants entitled to partial awards will have their benefit reduced to lesser extent which supports the government's wider welfare reform agenda of increasing work incentives to ensure that people are better off in work.

All households under pension age are equally impacted under both reduction options (10% or 30%)

The needs of disabled people are already reflected in the assessment by the award of

additional premiums and income disregards. Additionally the proposal to protect 4,456 claimants who receive the severe and enhanced disability premium from reductions will further reduce the impact for disabled people. Work will be undertaken once the scheme and any protections are agreed to identify people not already identified who are entitled to the additional premiums and the protection from reductions in Council Tax Support.

The needs of families are already reflected in the assessment by the award of additional personal allowances for each child, and the disregard of child benefit. The proposal to protect 6,452 lone parents with children under the age of 5 from reductions will further reduce the impact for these families. Work will be undertaken once the scheme and any protections are agreed to identify people not already identified who are entitled to the protections.

The Local Government Finance Act also provides that any Local Authority that fails to publish its own scheme by 31 January 2012 would be required to operate the default scheme. Under the default scheme support would continue at the same rate as the council Tax Benefit scheme and no-one would face a reduction in support. However the shortfall between the cost of the scheme and the government contribution which is likely to be up to £6.2m would need to be met locally. This would mean that the council would need to cut services or increase Council Tax for all household.

**Are there any gaps in equality and diversity information
Please provide detail:**

Information relating to religious belief, sexuality and gender reassignment is not collected as this is not required to determine eligibility or entitlement.

Action required:

Consider where equality monitoring (for all equality characteristics) would add the most value to determine the effectiveness of the Local Council Tax Support Scheme.

Undertake appropriate monitoring of the scheme once implemented, analyse available data and take appropriate action.

6. Wider involvement – have you involved groups of people who are most likely to be affected or interested

Yes

No

Please provide detail:

Members are engaged with the development of the process through the formal decision making processes within the council.

The major precepting authorities (Fire and Rescue Service and West Yorkshire Police) are also engaged with the development of a local scheme and have stated their preference for a scheme that did not have financial implications for their services.

In addition to this consultation and engagement, Leeds City Council has carried out a

public consultation to gather views on the options being considered by the council.

The consultation focused on the main options being considered :

- Designing a scheme where expenditure would fall within the government contribution. This option would mean that claimants had more to pay.
- The council could put some money into the scheme to limit the reduction in support to 10% in the first year. This option would mean that claimants still had more to pay, but not as much as if no money were put into the scheme.
- Whether the vulnerable groups should be protected from facing a reduction in support
- Introducing technical reforms to Council Tax also laid out in the Local Government Finance Act which would increase income to the council by charging more Council Tax for empty properties and second homes.

A survey was posted to the homes of all 45,138 working age households claiming Council Tax Benefit in Leeds who are likely to be directly impacted by the change.

3,200 members of the citizens panel were consulted and wider publicity was issued about the on line consultation which was open to all Leeds residents.

The consultation ran from 17 September to 8 November 2012 and was promoted widely:

Information was available in One stop centres, Libraries, Sports centres, GP Surgeries, ALMO and BiTMO. There were press releases and articles in ALMO newsletters, Adult Social Care newsletter, School Matters, Leeds Teaching Hospitals Trust Staff Magazine, Voluntary Action Leeds, Volition newsletter and e-mails sent to the Advice Leeds partnership network and local and national landlord and housing association groups.

Key findings from all the consultation activities with the public

A total of 5,615 responses were received, 4,225 responses to the Council tax Benefit claimant survey, 953 from the citizens panel and 437 from the public on-line survey.

Claimants are less likely to support the option where the council does not put money into the scheme than non-claimants (24% v 54%)

The difference between claimants and non-claimants is less significant when it comes to the option where the council puts some money into the scheme to meet the shortfall), although claimants are more likely to support it (58% v 41% of non-claimants).

There is strong support for protecting the groups set out in the consultation, although non-benefit claimants are weaker in support for protecting lone parents with children under 5.

Respondents also suggest protecting:

- People on low income in general
- Unemployed people in general
- People on benefits
- Sick people
- Lone parents in general
- People with mental disabilities

Reasons why groups should be protected centred on their vulnerability, both personally

and financially. As the draft options are means-tested and built around allowances that reflect disability and family status, unemployed people are likely to receive more support than people in work and people on low income are likely to receive more support than people with higher incomes. Similarly people with disabilities that are recognised and reflected in national benefits are likely to receive more support and lone parents are likely to receive more support than single people. Protecting these groups further would have significant financial implications for the council and precepting authorities that could impact on the provision of other services to vulnerable people.

Around three-quarters of respondents support the council continuing to support people moving into work

Action required:

A fuller report on the responses will be made available on-line.

7. Who may be affected by this activity?

Equality characteristics

- | | | |
|---|--|--|
| <input checked="" type="checkbox"/> Age | <input checked="" type="checkbox"/> Carers | <input checked="" type="checkbox"/> Disability |
| <input checked="" type="checkbox"/> Gender reassignment | <input checked="" type="checkbox"/> Race | <input checked="" type="checkbox"/> Religion or Belief |
| <input checked="" type="checkbox"/> Sex (male or female) | <input checked="" type="checkbox"/> Sexual orientation | |
| <input checked="" type="checkbox"/> Other (Jobseekers, low paid workers, part time workers) | | |

Please specify:

The Local Council Tax Support scheme will impact on all low income working age claimants irrespective of their equality characteristics.

Stakeholders

- | | | |
|--|---|---------------------------------------|
| <input checked="" type="checkbox"/> Services users | <input type="checkbox"/> Employees | <input type="checkbox"/> Trade Unions |
| <input checked="" type="checkbox"/> Partners | <input checked="" type="checkbox"/> Members | <input type="checkbox"/> Suppliers |

<input type="checkbox"/>	Other please specify	
Potential barriers.		
<input type="checkbox"/>	Built environment	<input type="checkbox"/> Location of premises and services
<input type="checkbox"/>	Information and communication	<input type="checkbox"/> Customer care
<input checked="" type="checkbox"/>	Timing	<input type="checkbox"/> Stereotypes and assumptions
<input checked="" type="checkbox"/>	Cost	<input type="checkbox"/> Consultation and involvement
<input type="checkbox"/>	specific barriers to the strategy, policy, services or function	

<p>8. Positive and negative impact Think about what you are assessing (scope), the fact finding information, the potential positive and negative impact on equality characteristics, stakeholders and the effect of the barriers</p>
<p>8a. Positive impact:</p> <p>The Local Council Tax Support Scheme will continue to have a positive impact on pensioners as there is a requirement that pensioners must receive the same amount in Council Tax support that they would have received under Council Tax Benefit rules.</p> <p>The draft scheme is built around allowances and premiums that continue to recognise disability, age, family status and low income</p> <p>There should also be a positive impact for those groups that it is suggested the local scheme protects:</p> <ul style="list-style-type: none"> • Households that qualify for a severe or an enhanced disability premium • War widowers) and War Disablement Pensioners • Lone parents of children under the age of five <p>Limiting funding required from the Council and precepting authorities places less pressure on other services for vulnerable people.</p>
<p>Action required:</p> <p>Consider where equality monitoring (for all equality characteristics) would add the most value to determine the effectiveness of the Local Council Tax Support Scheme.</p>

Undertake appropriate monitoring of the scheme once implemented, analyse available data and take appropriate action.

8b. Negative impact:

The change will mean that in excess of 35,000 households will face a reduction in the amount of help they receive towards their Council Tax. People will have more to pay towards their Council Tax from limited income.

Action required:

Ongoing monitoring of impact on groups with protected characteristics as suggested in 8a

9. Will this activity promote strong and positive relationships between the groups/communities identified?

Yes No

Please provide detail: The draft options treat all groups and communities equally and will not have an impact on relationships between communities

Action required:

10. Does this activity bring groups/communities into increased contact with each other (e.g. in schools, neighbourhood, workplace)?

Yes No

Please provide detail: The draft proposals retain the characteristics and requirements of the current scheme albeit with reduced entitlement for many and will have no impact on the level of contact between communities.

Action required:

11. Could this activity be perceived as benefiting one group at the expense of another?

Yes No

Please provide detail:

The Local Government Finance Act 2012 requires that pensioners are not affected by the reductions. This means that the burden of funding reductions falls disproportionately on working age customers. Protecting other vulnerable groups without additional funding from the council and precepting authorities means that there is less funding available to support non-protected working age households.

Action required:

Consider where equality monitoring (for all equality characteristics) would add the most value to determine the effectiveness of the Local Council Tax Support Scheme.

Undertake appropriate monitoring of the scheme once implemented, analyse available data and take appropriate action.

12. Equality, diversity, cohesion and integration action plan

(insert all your actions from your assessment here, set timescales, measures and identify a lead person for each action)

Action	Timescale	Measure	Lead person
<p>Continue to monitor the impacts of the Local Council Tax Support Scheme alongside the other welfare reforms on households with protected characteristics in comparison with the wider general public. Consider where equality monitoring (for all equality characteristics) would add the most value to determine the effectiveness of the Local Council Tax Support Scheme.</p> <p>Undertake appropriate monitoring of the scheme once implemented, analyse available data and take appropriate action.</p>	Throughout 2013/14	Regular review of available equality data	Jane McManus
<p>Work with welfare and advice agencies to signpost households who are adversely impacted to organisations that can provide help and support.</p>	Throughout 2013/14	Welfare Reform Group activity	Jane McManus
<p>Ensure that the Local Council Tax Support scheme continues to be administered fairly with due regard to the impact on equality, diversity, cohesion and integration.</p>	Throughout 2013/14	Regular review of available equality data	Jennifer Ellis
<p>Ensure that the Council Tax Support scheme is advertised widely and is accessible to all who may qualify for assistance. This will include providing information aimed at organisations, agencies and services who provide direct support to individuals.</p>	Throughout 2013/14	Take-up activity	Jennifer Ellis

13. Governance, ownership and approval State here who has approved the actions and outcomes from the equality, diversity, cohesion and integration impact assessment		
Name	Job Title	Date
Steve Carey	Chief Officer	

14. Monitoring progress for equality, diversity, cohesion and integration actions (please tick)	
<input type="checkbox"/>	As part of Service Planning performance monitoring
<input checked="" type="checkbox"/>	As part of Project monitoring
<input type="checkbox"/>	Update report will be agreed and provided to the appropriate board Please specify which board
<input type="checkbox"/>	Other (please specify)

15. Publishing	
This Equality, Diversity, Cohesion and Integration impact assessment will act as evidence that due regard to equality and diversity has been given.	
If this impact assessment relates to a Key Delegated Decision, Executive Board, full Council or a Significant Operational Decision a copy should be emailed to Corporate Governance and will be published along with the relevant report.	
A copy of all other Equality and Diversity, Cohesion and Integration impact assessment's should be sent to Equality Team . For record keeping purposes it will be kept on file (but not published).	
Date screening completed	
If relates to a Key Decision – date sent to Corporate Governance	
Any other decision – date sent to Equality Team (equalityteam@leeds.gov.uk)	

Appendix 9

Council Tax support scheme – Impact on Customer Contact

Introduction

The purpose of this appendix is to summarise

- a) the potential customer contact impact of implementing the new Council Tax Support Scheme.
- b) the potential customer contact impact of other Welfare Reform changes taking place.
- c) actions being pursued to enable the Council to best respond to the above changes

Given that the Council's Contact Centre and the network of 16 One Stop Centres are the first point of contact for many customers, this appendix will focus particularly on the impact in those areas.

Current contact volumes for Council Tax / Benefit customers

In the 2011/12 financial year, the Council's customer services team handled over 1.9 million contacts across the three main access channels, telephone, face to face and email as shown below:

Channel	No. of contacts	Percentage
Telephone – including self service and IVR	1,294,523	67%
Face to Face – booth & reception	545,545	28%
E-mail	94,415	5%

Estimated impact of the Council Tax Scheme and associated Council tax changes on the above .

It is estimated that up to 44,332 people will have more Council Tax to pay as a result of the introduction of the Council Tax Support Scheme . For planning purpose we assume that this will lead to *on average* at least one additional contact per household affected. The figures detailed below detail the likely channel through which these contacts will take place.

Channel	Council Tax Scheme
Phone - 67%	29,702
Face to Face – 28%	12,413
Email – 5%	2,217

When identifying the impacts on increased customer contacts of the new Council Tax Support Scheme, consideration must also be given to impacts from other changes such as the Council tax technical reforms (ie: changes to charges/exemptions for empty properties) and the increased amount of recovery action which may be required.

The impacts of increased debt recovery action for Council Tax arrears

Of the 44,332 people in Leeds who will have to pay more council tax under the new Scheme, up to 16,000 will see a reduction in the amount of relief they received as compared to 2012/13 and will therefore have to pay more council tax. A significant number of these will ring/ visit the Council to query why they have to pay more, particularly if otherwise their Council Tax liability would not have increased. Up to 28,000 households in Leeds will receive a bill in late March 2013 where they will have to make a payment for the first time.

Given that the above people will comprise lower income households, it is reasonable to assume that a number of them may experience difficulty in paying the additional Council Tax demanded of them. We therefore predict that additional debt recovery will take place on top of the levels undertaken this year which will lead to further additional customer contact via telephone, email or face to face.

Council Tax Technical Reforms

The number of second / empty properties in a city the size of Leeds means that changes to the charging arrangements will result in additional contact. Whilst it is difficult to predict the number of additional contacts the Council will receive, we are aware that customer queries regarding this issue are often long and complex. Work is underway to provide detailed information on the Councils website in order to maximise the proportion of customers that can find out information for themselves on this subject.

Preparing for the additional customer contact

The first 3 months of the financial year are in our experience the peak months for Council Tax and benefit related issues for both the telephony and Face to Face areas. They also see a significant peak in customer contact in the days following a Bank Holiday. The timing of the Easter holiday weekend in 2013 (29 March to 1st April) is likely to be a factor in increased contacts as this will follow closely on the despatch of 2013/14 Council Tax bills.

Whilst we have made good progress in relation to understanding the total impact of the above Welfare Reform changes, it is much more difficult to predict exactly when people will contact us, by what method and particularly whether they will be contacting us about one or more than one issue.

Having said the above, it is likely that the Council is going to receive significant levels of contact and certainly much more than it currently does and thus we need to look at a range of options to help us handle this. An action plan detailing a variety of options for handling the anticipated increased contact through the customer services team has been prepared.

The plan identifies a range of actions including , making best use of existing skill mix within the Contact Centre, maximising use of automated information provision, use of a specialist third party to bolster call handling capacity, greater flexibility as to when emails are responded to, extending the range of officers that can handle emails, reviewing service opening hours during peak periods , updating Web content and encouraging more use of Web based information/functionality etc.

In addition , Customer Services are also actively engaging with service partners across the Council in order to ensure a collective response to the Welfare Reforms more generally so we are best placed to support citizens and the additional contact expected.

The Council Tax changes detailed above are part of a wider package of Welfare Reforms which will result in the need for people to contact the Council at various times.

Other welfare reform changes happening at the same time

Under occupation rule in the social rented sector : The latest information indicates this will impact on 8,500 households in Leeds , being 6,700 Council Tenants and 1,350 Registered Social Landlord tenants (Housing Associations). It is expected that many of these people affected will contact the Council via telephone or face to face.

ALMO's have put in place a proactive visiting programme to make their tenants aware of the changes and discuss potential options with them. Particular attention is being given to tenants who do not wish to move home but recognise they will not have the available income to pay the increased rental charge. Tenants who have stated they are prepared to move are being contacted to ensure they fully understand the lettings process and are being made aware of issues which they need to consider when selecting potential properties.

Mutual Exchanges will be encouraged and the ALMO's are looking to actively link tenants together to facilitate exchanges and options of how to access Housing Association properties will also be provided.

ALMOs are also organising more intensive support for their tenants around financial issues such as budgeting advice, setting up payments by Direct Debit , debt advice and referral to specialist debt support agencies, assistance and advice with establishing bank accounts including referral to Leeds City Credit Union, etc

Benefit Cap

The cap will come into affect from 1st April where the average working family income after tax is expected to be over £500 a week and £350 a week for single people. Latest information provided by the DWP showed 510 households in the Leeds area potentially affected by the cap. Cases where the household is identified as working with the Families First Team are receiving joint visits with the team and an officer from the Benefits Service to ensure a joined up, cohesive approach.

For completeness there are 2 other changes occurring at the same time being the introduction of a Local Welfare Assistance Scheme (replacing the previous DWP administered Social Fund scheme) and changes to the process for uprating the Local Housing Allowance. In relation to the former , the new scheme is in the process of being

developed and whilst it is not possible to predict the customer impact at this stage we understand that over 33,000 applications are made annually in Leeds under the current DWP administered scheme. In relation to the second item whilst there are 19,000 households in Leeds claiming the Local Housing Allowance, this change is not expected to generate significant additional contact.

Future welfare reform changes impacting on customer contact

Replacement of Disability Living Allowance (DLA)

DLA will be replaced with a new benefit called Personal Independent Payment (PIP). This will involve the introduction of revised assessment criteria to decide eligibility. DWP statistics suggest around 21,000 DLA recipients in Leeds aged between 16 and 64 will be reassessed. The reassessments will not however commence until October 2013 in Leeds and will be a gradual process up to March 2016. Increased customer contact is not expected on this in the short term.

Introduction of Universal Credit

This will be a major change from October 2013 for all new benefit claims. Existing benefit claims will “migrate” to Universal Credit over a 4 year period. At the moment the DWP are indicating that managed migration will not commence until spring/summer 2014, focusing initially on Working Tax Credit customers. This will have the potential for significant additional customer contact of a complex nature in the medium to longer term.