

## Report of Assistant Chief Executive (Citizens and Communities)

### Report to Council

Date: 14 January 2015

Subject: Local Council Tax Support scheme 2015/16

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Summary of the main issues

- 1 Council Tax Benefit was abolished 31<sup>st</sup> March 2103 and local Council Tax Support schemes came into effect form 1<sup>st</sup> April 2013. Each year the Council must agree a local Council Tax Support scheme. This needs to be done by 31<sup>st</sup> January each year and failure to propose, consult upon and agree a scheme by 31<sup>st</sup> January in any year will see the previous year's scheme rollover into the next year.
- 2 In July 2014 the Executive Board received a report detailing issues with the current Council Tax Support scheme and acknowledged that the scheme adopted by Leeds was not sustainable in the long term and agreed the need consider alternative approaches to the delivery of Council Tax Support and delegated responsibility to develop a potential new scheme to the Assistant Chief Executive (Citizens and Communities), and agreed to consult upon the developed scheme.
- 3 A consultation exercise was undertaken between 1 October 2014 and 14 November 2014 on a draft scheme that:
  - 1) Continues with the scheme of protection for vulnerable groups
  - 2) Continues the current local scheme of disregarding in full Armed Forces Compensation Payments
  - 3) Continues to provide a budget of £49.6m which is the same budget as in 13/14 and 14/15
  - 4) Puts in place a 30% reduction Council Tax Support scheme for non-protected working age customers
  - 5) Provides that Council Tax Support for Jobseekers is wrapped up in a wider package of additional support after 6 months. Jobseekers would be required to take up this additional support in order to continue to receive Council Tax Support.
- 4 In December 2014, the Executive Board received a report on the outcome of the consultation and agreed to recommend to Council the adoption of points 1, 2, 3 and 5 of the draft Council Tax Support Scheme from 1 April 2015 with the amendment to point 4 that the % reduction is reduced to 25% rather than increased to 30%.

## Recommendations

1. Members are asked to adopt a Local Council Tax Support Scheme that:
  - Continues with the scheme of protection for vulnerable groups as set out in para 2.4
  - Continues the current local scheme of disregarding in full Armed Forces Compensation Payments
  - Continues to provide a budget of £49.6m which is the same budget as in 13/14 and 14/15
  - Reduces from 26% to 25% the amount of Council Tax due from non-protected working age customers eligible for council tax support, and;
  - Introduces new arrangements for non-protected job seekers that requires after a period of 6 months that they take up additional support to help people them into work in order to continue to receive Council Tax Support.
  
2. Members are also asked to approve the principle that an element of funding from any underspends against the scheme in 15/16 should be re-invested in activity to support people into work.

### 1. Purpose of this report

- 1.1 The report sets out a recommended local Council Tax Support Scheme for adoption by Council in 2015/16. The scheme will operate for the 15/16 financial year and would continue each year thereafter until the Council adopts a different scheme.

### 2. Background information

- 2.1 Regulation 10(1)(2) of the Local Government Finance Act 2012 requires that each billing authority must put in place a Council Tax Reduction scheme. The deadline for adopting a scheme is set by regulation 4(6) of Schedule 1A to the Act which states that a default scheme will apply where billing authorities fail to adopt a scheme. The default scheme would be the previous year's scheme.
- 2.2 The Government provides funding of £49.201m towards the cost of the local Council Tax Support scheme each year with the balance of funding proportionately split between the council and the major precepting authorities. The council has set an overall budget for the scheme of £49.672m for each year of the scheme to date.
- 2.3 Prescribed Regulations are in place, which mandate that pension age claimants continue to receive the level of support that they would have received under the Council Tax Benefit Scheme.
- 2.4 The 13/14 scheme retained many the elements of the Council Tax Benefit Scheme but saw a reduction in support of 19% for the majority of working age customers. There was no reduction in support for a number of protected groups set out below.
  - customers who qualify for a severe or enhanced disability premium;
  - lone parents with a child under 5
  - customers in receipt of a War Widow(er)s Pension or War Pension
  - Carers

The Second Adult Rebate scheme ceased

- 2.5 The 14/15 scheme retained protections for the groups but increased the reduction from 19% to 26% in order to help contain scheme costs within a budget of £49.672m. The change was needed to reflect an increase in the numbers of customers in the protected groups which had led to a scheme overspend in 13/14 and the likelihood of increased Council Tax charges.

### **3. Main Issues**

- 3.1 The current local Council Tax Support scheme, which is based on the national Council Tax Benefit scheme, acts as a standalone financial support scheme and requires little engagement from customers in order to continue to receive Council Tax Support.
- 3.2 A report was taken to Executive Board in July 2014 that set out options for a scheme that would be more consistent from year to year and would help jobseekers in looking for work. This would be done by linking ongoing entitlement to Council Tax Support to the provision of additional support around improving job prospects for customers claiming Jobseekers Allowance. This new approach is important in taking forward the Citizens@Leeds propositions for tackling poverty and deprivation.
- 3.3 A consultation exercise took place between 1 October 2014 and 14 November 2014 on a draft scheme that:
- Continues with the scheme of protection for vulnerable groups
  - Continues the current local scheme of disregarding in full Armed Forces Compensation Payments
  - Continues to provide a budget of £49.6m
  - Puts in place a 30% reduction Council Tax Support scheme for non-protected working age customers
  - Requires that Council Tax Support for Jobseekers being wrapped up in a package of additional support after 6 months. Jobseekers would be required to take up this additional support in order to continue to receive Council Tax Support..
- 3.4 In December 2014, the Executive Board received a report on the outcome of the consultation which can be found at appendix A and agreed to recommend to Council the adoption of the draft Council Tax Support Scheme from 1 April 2015 with the amendment that the % reduction is reduced to 25% rather than increased to 30%
- 3.5 The proposal to increase the % reduction to 30% was felt to be necessary based on scheme expenditure at the time the draft scheme was developed. However since the original forecasts were made, the number of people claiming Council Tax Support has fallen and consequently the scheme expenditure has reduced. The result is that current forecasts indicate that it is now possible to continue to maintain the protected groups, limit the reduction to 25% and maintain scheme expenditure within the current budget levels.
- 3.6 The recommended scheme allows for an increase in Council Tax of up to 2% should Council decide to do this.

### **Corporate Considerations**

## **4 Corporate Considerations**

## **Consultation and engagement**

- 4.1 A public consultation exercise was conducted from 1<sup>st</sup> October 2014 to 14<sup>th</sup> November 2014. A summary of the consultation is included as an appendix in the Executive Board report. (Appendix B)

## **Equality and Diversity / Cohesion and Integration**

- 4.2 An Equality Impact Assessment has been undertaken and published.

## **Council Policies and City Priorities**

- 4.3 The local Council Tax Support scheme plays a key element in tackling poverty and deprivation. Packaging the financial support within a wider offer of advice and personal support will take forward the Citizens@Leeds propositions designed to:
- provide accessible and integrated services;
  - help people out of financial hardship; and
  - help people into work;

## **Resources and Value for Money**

- 4.4 The recommended scheme is designed to keep spend within the existing budget provision. While the scheme remains relatively straightforward to administer and is designed to fit within current capability levels for both the Welfare & Benefits Service and Jobs & Skills, the first year of the scheme will be used to help fully gauge resource requirements in future years.
- 4.5 Following consideration by Scrutiny Board (Resources and Council Services), it is recommended that any underspend in the scheme in 2015/16 is invested in further developing initiatives to support people into work.

## **Legal Implications, Access to Information and Call In**

- 4.6 Councils are required to confirm existing scheme or adopt a new local schemes by 31<sup>st</sup> January each year and in order to do so need to undertake meaningful consultation with major precepting authorities, the public and groups with an interest in the scheme design. The outcomes of the consultation process are reported elsewhere in this report and both the West Yorkshire Police Authority and the West Yorkshire Fire and Rescue Service have responded to say they are content that the scheme proposals do not seek to increase costs to the council or the major precepting authorities.
- 4.7 Councils are required to determine the 'classes' that are eligible for support. A recent judicial review confirmed that councils are limited to looking at a customer's financial need when defining the classes that are eligible for support. This raised questions about the recommended scheme which requires Jobseekers to engage in work-related activity in order to continue to get Council Tax Support. Counsel opinion was sought on this matter and this has confirmed that the proposed scheme falls within the requirements of the relevant sections of the Local Government Act.
- 4.8 Council needs to be aware that if it were to adopt a scheme that required a 30% reduction in support, there is a risk that the scheme could be challenged. This is because the consultation was based on a proposal to increase the reduction in support to 30% in order "to avoid having to make changes to the protected groups" while keeping spend

within a £49.6m budget. The latest figures show that there is no increase required in order to keep within budget and continue the protections. The views of the public on this aspect of the consultation cannot therefore be relied upon given that there is now an alternative approach that was not put to consultation.

## **Risk Management**

- 4.9 The recommended scheme introduces an element of conditionality in order for Jobseekers to continue receiving Council tax Support. There is a risk that some Jobseekers will not engage in the process and will be faced with losing Council Tax Support. This risk can be mitigated through the quality and type of contact there is with customers, including telephone and face-to-face contact where appropriate, and it is intended to build on existing relationships with Families First and Housing Leeds to help with this. There will also be an opportunity for customers to subsequently engage with the scheme and have their Council Tax Support backdated to when it stopped.

There is a risk that the legality of the scheme may be challenged. However, Counsel's opinion is clear that the scheme meets the requirement of the Local Government Act Finance Act 2012. It is also the case that the recommended scheme is open to all customer based on their financial situation. This was not the case in relation to the recent judicial review against Sandwell Borough Council whose scheme barred certain groups from claiming based on specific residence requirement irrespective of their financial situation.

- 4.10 All schemes are at risk of costs pressures caused by increases in caseload and increases in Council tax levels. Changing the scheme to a scheme that provides greater work incentives and requires greater levels of engagement from customers is more likely to have positive outcomes, lead to less dependency on the scheme and be affordable in the long-term. However, it does carry the risk that some households will face even greater hardship where there is not the level of engagement required.

## **5.0 Recommendations**

Members are asked to adopt a Local Council Tax Support Scheme that:

- Continues with the scheme of protection for vulnerable groups as set out in para 2.4
- Continues the current local scheme of disregarding in full Armed Forces Compensation Payments
- Continues to provide a budget of £49.6m which is the same budget as in 13/14 and 14/15
- Reduces from 26% to 25% the amount of Council Tax due from non-protected working age customers eligible for council tax support, and;
- Introduces new arrangements for non-protected job seekers that requires after a period of 6 months that they take up additional support to help people them into work in order to continue to receive Council Tax Support.

Members are also asked to approve the principle that an element of funding from any underspends against the scheme in 15/16 should be re-invested in activity to support people into work.

**Background documents:** None

**Report of Assistant Chief Executive (Citizens and Communities)**

**Report to Executive Board**

**Date: 17<sup>th</sup> December 2014**

**Subject: Consultation outcomes on Local Council Tax Support scheme 2015/16**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of the main issues**

- 1 Council Tax Benefit was abolished on 31<sup>st</sup> March 2013 and local Council Tax Support schemes came into effect from 1<sup>st</sup> April 2013. Each year the Council must agree a local Council Tax Support scheme. This needs to be done by 31<sup>st</sup> January each year and failure to propose, consult upon and agree a scheme by 31<sup>st</sup> January in any year will see the previous year's scheme rollover into the next year.
- 2 In July 2014 the Executive Board received a report detailing issues with the Current Council Tax Support scheme and acknowledged that the scheme adopted by Leeds was not sustainable in the long term and agreed the need to consider alternative approaches to the delivery of Council Tax Support.
- 3 The Board delegated responsibility to develop a potential new scheme to the Assistant Chief Executive (Citizens and Communities) and approved a proposal to consult upon the developed scheme. The board requested that following the conclusion of the consultation exercise that a further report be submitted to Executive Board in December 2014 to report the outcome of the consultation and make a recommendation for a new Council Tax Support Scheme from 2015-16

**Recommendations**

1. Executive Board is asked to note the information in this report and recommend for adoption by Full Council a Local Council Tax Support Scheme that:
  - a) Continues with the scheme of protection for vulnerable groups as set out in para 2.4;
  - b) Continues the current local scheme of disregarding in full Armed Forces Compensation Payments;

- c) Continues to provide a budget of £49.6m which is the same budget as provided in 13/14 and 14/15;
  - d) Reduces from 26% to 25% the amount of Council Tax due from non-protected working age customers eligible for council tax support, and;
  - e) Introduces new arrangements for non-protected job seekers that requires after a period of 6 months that they take up additional support to help people them into work in order to continue to receive Council Tax Support.
2. Executive Board is also asked to support the proposal that a proportion of any Scheme underspend in 2015/16 should be re-invested in activity to support people into work to support the successful implementation of this new initiative .
3. If Full Council support the adoption of the proposed scheme, the decision will be implemented by the Assistant Chief Executive (Citizens and Communities) and will take effect from 1 April 2015. Implementation will commence in the first week of March 2015 as part of the annual billing process in order for the new Scheme to be effective from 1 April 2015.

## **1. Purpose of this report**

- 1.2 The report provides Executive Board with information to recommend a local Council Tax Support Scheme for adoption by Full Council by 31 January 2015. Scheme options have been set out that reflect both the consultation feedback and budget position facing the council. The requirement to adopt a local scheme by 31 January 2015 is contained within the Local Government Finance Act 2012. Failure to adopt a revised scheme by 31 January 2015 would see the 2014/15 scheme adopted by default.

## **2. Background information**

- 2.1 Regulation 10(1)(2) of the Local Government Finance Act 2012 requires that each billing authority must put in place a Council Tax Reduction scheme. The deadline for adopting a scheme is set by regulation 4(6) of Schedule 1A to the Act which states that a default scheme will apply where billing authorities fail to adopt a scheme. The default scheme would be the previous year's scheme.
- 2.2 The Government provided overall funding of £49.201m towards the cost of the local Council Tax Support scheme in 2013/14 with the funding proportionately split between the council and the major precepting authorities. There has been no additional funding from the Government since 2013/14. The council has provided additional financial support for the scheme since 2013/14 and set a budget for the scheme of £49.672m for each year of the scheme to date.
- 2.3 Prescribed Regulations are in place, which mandate that pension age claimants continue to receive the level of support that they would have received under the Council Tax Benefit Scheme.
- 2.4 The 13/14 scheme retained many of the elements of the previous Council Tax Benefit Scheme but saw a reduction in support of 19% for the majority of working age customers. There was no reduction in support for a number of protected groups set out below.

- customers who qualify for a severe or enhanced disability premium;
- lone parents with a child under 5
- customers in receipt of a War Widow(er)s Pension or War Pension
- carers

2.5 The 14/15 scheme retained protections for the groups set out in para 2.4 but increased the reduction from 19% to 26% in order to help contain scheme costs within a budget of £49.672m. The change was needed to reflect an increase in the numbers of customers in the protected groups which had led to a scheme overspend in 13/14 and the likelihood of increased Council Tax charges.

### 3. Main Issues

3.1 The current local Council Tax Support scheme, which is based on the national Council Tax Benefit scheme, acts as a standalone financial support scheme requiring little engagement from customers in order to continue to receive Council Tax Support. The scheme does not link in to other services aimed at supporting people and, consequently, does little in itself to reduce dependency on Council Tax Support.

3.2 A report was taken to Executive Board in July 2014 that set out options for schemes that included more of a focus on helping people into work, including a scheme that would seek to reduce dependency on Council Tax Support for jobseekers and support a scheme that would be consistent from year to year. This would be done by linking ongoing entitlement to Council Tax Support to the provision of additional support around improving job prospects for customers claiming Jobseekers Allowance.

3.3 This new approach is important in taking forward the Citizens@Leeds propositions for tackling poverty and deprivation. The propositions as approved by Executive Board are set out below:

- The need to **provide accessible and integrated services**;
- The need to **help people out of financial hardship**;
- The need to **help people into work**; and
- The need to **be responsive to the needs of local communities**.

3.4 The propositions are underpinned by an expectation that where possible financial support is provided as part of a package of support that includes advice and personal support with customers required to actively engage with agreed initiatives in order to continue to receive support.

3.5 In light of the ongoing challenges in respect of the current scheme, particularly in relation to costs, impact and collection issues, an alternative option aimed at providing greater incentives and support for households to improve their employment prospects and better reflect the Citizens@Leeds approach has been developed. A draft scheme has been developed and published for consultation.

#### Scheme outline

3.6 An outline of the draft scheme that formed the basis for the consultation is attached at appendix A. The key points of the scheme are:

- The scheme of protections would remain for vulnerable groups;
- Pensioners would continue to be protected as required under the national prescribed scheme;
- Non-protected working age customers would face a 30% reduction in support;



- Customers claiming Jobseekers Allowance would get CTS at the 30% reduction rate for the first 6 months. Thereafter, ongoing entitlement to CTS would be linked to the provision of additional support provided by the Council aimed at improving job prospects or addressing budgeting or debt issues. Jobseeker Allowance customers would be required to agree the additional support in order to continue to receive Council Tax Support.

## **The Consultation**

- 3.7 The consultation ran from 1 October 2014 to 14 November 2014 and a summary report of the findings can be found at appendix B.
- 3.8 A sample of 12,000 Council Tax Support customers were sent consultation packs. The survey was also available on 'Talking-point' and promoted through the Council's home web-page along with posters in Housing Offices, Libraries, One Stop Centres, Community Hubs, Neighbourhood Networks, Children's Centres and Adult Social offices. The Advice Leeds Network was sent details and invited to respond. The proposals were also taken to Resources and Council Services Scrutiny Board.
- 3.9 A total of 1,279 responses were received alongside a response from the Advice Leeds Network. The main findings were:
- 89% agreed that vulnerable groups should continue to be protected from the cuts with only 3% disagreeing;
  - 51% agreed that we should change the reduction to 30% to avoid having to make changes to the protected groups with 24% disagreeing;
  - 71% agreed that jobseekers should work with us to prepare for work to continue to receive Council Tax Support with 12% disagreeing;
  - 49% agreed that Jobseekers who did not work with us should not receive Council tax Support after 6 months with 28% disagreeing
- 3.10 99 of the respondents commented that they were struggling financially because the current reduction in support and/or that any further reduction in support would result in further hardship. A further 43 respondents expressed concern of difficulties faced by low income and part time workers.
- 3.11 There were also a number of comments received in relation to the support package requirements. These have been grouped into themes and are set out in Appendix C along with responses to the concerns raised.

## **Recommended scheme**

- 3.12 Taking into account the outcomes and responses from the consultation and the latest information on caseload and Council Tax Support spend, it is suggested that Executive Board recommend to Full Council a scheme which continues to be based on the Council Tax Benefit scheme but with the following elements:
- Full protections remain for the following vulnerable groups:
    - customers who qualify for a severe or enhanced disability premium;
    - lone parents with a child under 5
    - customers in receipt of a War Widow(er)s Pension or War Pension

- carers
- Pensioners continue to be protected as required under the national prescribed scheme for pensioners;
- All other non-protected working age customers would get a maximum of 75% support and would have to pay a minimum of 25% of the Council Tax themselves. Although the draft scheme proposed a maximum of 70% support and a minimum payment of 30%, this was based on an assumption that a reduction to a maximum of 70% support would be required to maintain Council Tax Support spend at £49.672m in the event of a Council Tax increase. There is now consistent data to give greater confidence about caseload reductions that remove the need for customers to receive less support in 15/16 (see table 1 below). It is also expected that the introduction of a scheme with a greater focus on reducing dependency on CTS will enable the scheme to remain at 75% support in future years.
- Claims from customers getting Jobseekers Allowance are paid for 6 months at the 75% support rate. CTS after 6 months will continue to be paid provided the customer has agreed a support programme with the council and is engaging with the support programme.
  - Jobseekers Allowance customer who fail to agree a support programme or engage with the support programme will no longer get Council Tax Support. However, where customers subsequently re-engage, and provided this is within a reasonable period of time, it is intended that Council Tax Support will be reinstated from when it was stopped. More details of this approach are set out in appendix E.

3.13 When there are changes to the Council Tax Support scheme, there is a requirement to consider whether transitional arrangements should be put in place. As this is a significant change in approach, it is proposed that the scheme would apply only to new Jobseekers Allowance cases from April 2015 with existing cases coming within the scope of the scheme whenever they have a relevant change or from 16/17 whichever is the sooner. This approach will also support the implementation of the scheme and enable processes to be fully embedded ahead of the full roll out from 16/17.

3.14 The costs of this scheme in the event of a 2% increase in Council Tax, and taking into account caseload trends, are expected to be contained within a £49.672m budget (see table 1 below). It is expected that further initiatives aimed at identifying more undeclared changes will also bring costs down.

Group	Caseload		Forecast Spend	
	Mar 2014	Nov 2014	14/15	15/16*1
Elderly	29,605	28,667	£20,289,908	£20,695,706
War Pensioners	33	32	£24,393	£24,881
Severe Disability	2,525	2,831	£1,982,827	£2,022,484
Enhanced dis.	5,968	7,799	£5,976,629	£6,096,162
Carer	1,688	1,792	£1,455,100	£1,484,202
Lone parent – child u5	6,733	6,558	£4,470,231	£4,559,635
Other working age	31,302	28,605	£14,516,691	£15,007,119
<b>Total</b>	<b>77,854</b>	<b>76,284</b>	<b>£48,715,782</b>	<b>£49,890,189*2</b>
<b>Budget</b>			<b>£49,672,311</b>	<b>£49,672,311</b>

\*1 – assumes 2% Council Tax increase

\*2 – further reductions will follow due to new scheme and ongoing activity to manage caseload

- 3.15 Further details about the administration of the scheme are set out in appendices
- An outline of the administration of the scheme is at appendix D; and
  - Details of the support package is at appendix E

### **Other options**

- 3.16 The following options have also been considered

- a) A fully funded scheme:

This would see no reduction in support but would require the council to find an additional £5m in scheme funding. The only options for funding this would be by reducing funding for other services or by using cash reserves. Neither of these options is considered feasible. The council already faces significant reductions in funding that are likely to impact on service provision as well as potentially placing pressure on reserves. This scheme is not recommended.

- b) A 75% maximum support scheme with no requirement for Jobseekers to engage in support programmes:

This removes the requirement for Jobseekers to engage in support programmes in order to continue to get Council Tax Support. Support programmes would be voluntary for Jobseekers. This option removes an incentive for customers to work with the council and carries the risk that not only will a number of customers opt not to work with the council in developing support packages but that the scheme may not be affordable on an ongoing basis. In order to reduce dependency on Council Tax Support and help tackle financial hardship, it is important that customers work with the council in developing support programmes. This scheme is not recommended.

- c) A 70% maximum support scheme with/without requirement for Jobseekers to engage in support programmes:

This scheme, with a requirement for Jobseekers to engage in support programmes, was the basis for the consultation. At the time that the consultation was prepared it was unclear if the reduction in scheme costs would be sustained or whether the scheme costs would return to the level originally projected. On that basis the information we presented in the consultation was:

*“We could keep the current scheme, but if the Council Tax charge increases, the current reduction of 26% would still need to increase to 30% in 2015-16 and maybe 35% in 2016-17. We could put extra money into the scheme but this would mean that other services would get less money or not be provided”*

However, because the scheme costs have now levelled at a rate significantly lower than was originally projected, it would be difficult to justify reducing the maximum support to 70% in order to avoid putting extra money into the scheme. Scheme costs on current caseload levels for a 70% maximum support scheme (including a 2% Council Tax increase) would be almost £800k less than the CTS budget in both 13/14 and 14/15.

In addition to this 142 of the consultation respondents commented that the reduction in support meant that those impacted were already struggling to pay their Council Tax.

## **Other Issues**

### **Annual benefits uprating**

- 3.17 Amendments are required to the scheme to take account of DWP's annual benefit uprating. It is recommended that rates used in the Council Tax Support scheme are uprated in line with rates used in Housing Benefit administration. These are published by the Department of Work and Pensions each December. If the rates are not uprated this will mean many of those getting an annual increase in their benefits will see a decrease in Council Tax Support. Scheme changes simply to reflect annual uprating do not themselves trigger a requirement for public consultation.

### **Changes to Prescribed Regulations**

- 3.18 The Local Government Finance Act allows for further prescribed regulations to be laid. DCLG have not indicated that there are likely to be changes to the prescribed regulations and the Council Tax administration and enforcement regulations. However, any additional prescribed regulations must be incorporated within the local scheme

### **Universal Credit**

- 3.19 The Government announced the national roll out of Universal credit starting in February 2015. The roll out will be in phases and Leeds is not in the first phase covering Feb to May 2015. Universal Credit will be limited to new Jobseekers who are single and do not have children initially. However once a person has received Universal Credit they will remain within scope for Universal Credit even if their family circumstances change or they start work.
- 3.20 The Local Council Tax Support scheme provides that Universal Credit claimants are treated as set out in the national default scheme for 2013/14. The impact of this is that out of work claimants will receive a level of support similar to the level they received under the legacy benefits system.
- 3.21 It is likely there will be very few claimants in Leeds receiving Universal Credit who are not Jobseekers but in order to ensure that UC claimants continue to benefit from the existing protection rules, the protected group criteria will be amended from 1 April 2015 to include the carer element and the limited capability for work and work related activity element of universal credit.
- 3.22 Many working claimants who are also getting Universal Credit will receive little or no Council Tax Support. This is because their overall income levels will take them out of entitlement. It is recommended that until Universal Credit impacts are clearer that no other change is made to the local scheme for 2015-16.

## **Corporate Considerations**

### **4. Consultation and engagement**

- 4.1 A public consultation exercise was conducted from 1<sup>st</sup> October 2014 to 14<sup>th</sup> November 2014. A summary report on the outcome of the consultation is attached at appendix B

### **5. Equality and Diversity / Cohesion and Integration**

- 5.1 A detailed impact analysis was carried out during preparations for 2013-14 and was updated in 2014-15. A further impact analysis on the recommended scheme has been undertaken and is attached at appendix F

## **6. Council Policies and City Priorities**

- 6.1** The local Council Tax Support scheme plays a key element in tackling poverty and deprivation. Packaging the financial support within a wider offer of advice and personal support will take forward the Citizens@Leeds propositions designed to:
- provide accessible and integrated services;
  - help people out of financial hardship; and
  - help people into work.

## **7. Resources and Value for Money**

- 7.1** The recommended scheme is designed to keep spend within the existing budget provision. While the scheme remains relatively straightforward to administer and is designed to fit within current capability levels for both the Welfare & Benefits Service and Jobs & Skills, the first year of the scheme will be used to help fully gauge resource requirements in future years.
- 7.2** Following consideration by Scrutiny Board (Resources and Council Services), it is recommended that any underspend in the scheme in 2015/16 is invested in further developing initiatives to support people into work.

## **8. Legal Implications, Access to Information and Call In**

- 8.1** Councils are required to confirm existing scheme or adopt a new local schemes by 31<sup>st</sup> January each year and in order to do so need to undertake meaningful consultation with major precepting authorities, the public and groups with an interest in the scheme design. The outcomes of the consultation process are reported elsewhere in this report and both the West Yorkshire Police Authority and the West Yorkshire Fire and Rescue Service have responded to say they are content that the scheme proposals do not seek to increase costs to the council or the major precepting authorities.
- 8.2** Councils are required to determine the 'classes' that are eligible for support. A recent judicial review confirmed that councils are limited to looking at a customer's financial need when defining the classes that are eligible for support. This raised questions about the recommended scheme which requires Jobseekers to engage in work-related activity in order to continue to get Council Tax Support. Counsel opinion was sought on this matter and this has confirmed that the proposed scheme falls within the requirements of the relevant sections of the Local Government Act.

## **9. Risk Management**

- 9.1** The recommended scheme introduces an element of conditionality in order for Jobseekers to continue receiving Council tax Support. There is a risk that some Jobseekers will not engage in the process and will be faced with losing Council Tax Support. This risk can be mitigated through the quality and type of contact there is with customers, including telephone and face-to-face contact where appropriate, and it is intended to build on existing relationships with Families First and Housing Leeds to help with this. There will also be an opportunity for customers to subsequently engage with the scheme and have their Council Tax Support backdated to when it stopped.
- 9.2** There is a risk that the legality of the scheme may be challenged. However, Counsel's opinion is clear that the scheme meets the requirement of the Local Government Act. It is also the case that the recommended scheme is open to all customer based on their

financial situation. This was not the case in relation to the recent judicial review against Sandwell Borough Council whose scheme barred certain groups from claiming based on specific residence requirement irrespective of their financial situation.

- 9.3 All schemes are at risk of costs pressures caused by increases in caseload and increases in Council tax levels. Changing the scheme to a scheme that provides greater work incentives and requires greater levels of engagement from customers is more likely to have positive outcomes, lead to less dependency on the scheme and be affordable in the long-term. However, it does carry the risk that some households will face even greater hardship where there is not the level of engagement required.

## **10. Conclusions**

- 10.1 The current approach to Council Tax Support schemes is providing reducing levels of financial support to households without providing any incentives or support for people to improve their work prospects. The longer-term approach to providing support needs to be based around helping people into work with elements of the scheme conditional on citizen engagement with initiatives that are designed to improve work prospects. Such schemes are dependent on a number of factors including the provision of wrap around support that incorporates financial help, advice and personal support and also requires integrated delivery models.
- 10.2 The recommended scheme is a major departure from the typical way of providing local Council Tax Support schemes and requires both the citizen and the council to work together to deliver outcomes that are mutually beneficial. One of the key elements is the need for the scheme to work alongside Jobcentre Plus's support and not duplicate or confuse customers. Jobs & Skills Service has designed a support process that works with Jobcentre Plus and the work programme and, based upon their considerable experience in supporting jobseekers to date, adds value to the overall process of helping people into work where appropriate.
- 10.3 The new approach to Council Tax Support will ultimately reduce scheme costs to the council and allow additional funding to be made available to continue helping people to move into work.

## **Recommendations**

1. Executive Board is asked to note the information in this report and recommend for adoption by Full Council a Local Council Tax Support Scheme that:
  - a) Continues with the scheme of protection for vulnerable groups as set out in para 2.4;
  - b) Continues the current local scheme of disregarding in full Armed Forces Compensation Payments;
  - c) Continues to provide a budget of £49.6m which is the same budget as provided in 13/14 and 14/15;
  - d) Reduces from 26% to 25% the amount of Council Tax due from non-protected working age customers eligible for council tax support, and;

- e) Introduces new arrangements for non-protected job seekers that requires after a period of 6 months that they take up additional support to help people them into work in order to continue to receive Council Tax Support.
- 2. Executive Board is also asked to support the proposal that a proportion of any Scheme underspend in 2015/16 should be re-invested in activity to support people into work to support the successful implementation of this new initiative .
- 3 If Full Council support the adoption of the proposed scheme, the decision will be implemented by the Assistant Chief Executive (Citizens and Communities) and will take effect from 1 April 2015. Implementation will commence in the first week of March 2015 as part of the annual billing process in order for the new Scheme to be effective from 1 April 2015.

### **Background documents**

Consultation document

List of appendices:

*Appendix A: draft outline of scheme*

*Appendix B: report on outcomes of consultation*

*Appendix C: responses to issues raised in consultation*

*Appendix D: operational details of recommended scheme*

*Appendix E: information on support package*

*Appendix F: Equality Impact Assessment*

## **Outline of Changes**

**There will be no change for the protected groups.**

The scheme will continue to protect:

- War Pensioners
- Disabled people in receipt of an enhanced or severe disability premium
- Carers
- Lone Parents of children under 5

**The reduction for those affected will decrease from 26% to 25%.**

This will provide support at 75% of what would have been paid under Council tax Benefit

### **Changes for Job Seekers Allowance (Income Based) cases**

From 1 April 2015 Jobseeker's entitlement to Council tax Support (CTS) will be limited to 6 months at 75%.

### **Transitional Protection for existing Jobseekers**

Jobseekers who are in receipt of for JSA(IB) and CTS at 31 March 2015 will be transitionally protected and continue to receive CTS at 75% during 2015/16.

- Transitional protection will continue whilst ever the Jobseeker continues to receive JSA(IB) and CTS.
- If there is a break of 4 weeks or more in either the JSA(IB) or CTS award the transitional protection will end.
- If there is no break of 4 weeks or more in the JSA(IB) and CTS award, transitional protection will end on 31 March 2016

### **Discretionary Conditional Support**

As Jobseekers approach the end of the 6 month award or transitional protection period, they will be given the opportunity to agree a package of support provided by Jobs and Skills to provide help to prepare for, and find work.

If the Jobseeker takes up the support package offer, discretionary CTS will continue to be paid at the "Conditional Support Rate" whilst ever they continue to receive Jobseekers Allowance and work with Jobs and Skills to prepare for work. If the jobseeker ceases to engage with Jobs and Skills the conditional support will cease.

The conditional support rate in 2015-16 will be 75%, the same rate that non protected claimants will receive.

The basis for the financial assessment of need will be identical to the assessment for Council Tax Support.



### **Identifying affected Jobseekers**

It is proposed that the changes will apply only to Jobseekers who receive Income Based Jobseekers Allowance, a means tested benefit paid by Jobcentre Plus to Jobseekers who are actively seeking work. The means test applied by Jobcentre Plus is sufficient to determine that Jobseekers are in financial need of Council Tax Support. The method of assessing need mirrors the assessment that is made in the Council Tax Support assessment.

The changes will not apply to Jobseekers receiving contribution based Jobseekers Allowance which is based on the National Insurance contributions made prior to unemployment, and is time-limited to 6 months, after which subject to means test requirements the Jobseeker will move on to Income Based Jobseeker Allowance. The changes will affect these jobseekers 6 months after they move onto Income Based Jobseekers Allowance

The changes will not apply to Jobseekers that fall into the vulnerable groups, their support will continue to be protected at 100%.

### **Changes in circumstances**

It is not unusual for Jobseekers to break their Jobseekers Allowance claim for a relatively short period for a variety of reasons. They may fail to attend a regular signing, go abroad for a short time, claim another benefit or take up temporary employment.

Where a Jobseeker makes a new claim for Jobseekers Allowance and Council Tax Support after 1 April 2015 but has a break in that claim, the length of the break will determine whether the 6 month unconditional period starts again or whether the new period is linked with the earlier period. Where the break is for 4 weeks or more, a new 6 month unconditional period will start from the date that the new claim is made. Where the break is for less than 4 weeks the periods will be linked together and conditional support will apply from the 27<sup>th</sup> week of Jobseekers Allowance and Council Tax Support entitlement.



Report author:	Jane McManus
Tel:	0113 247 5018
Date:	20 November 2014

## **Summary report on the consultation on Council Tax Support local scheme revisions for 2015/16**

### **1 Purpose of this report**

- 1.1 This report sets out key findings from consultation by Leeds City Council on proposals to revise the local Council Tax Support scheme.

### **2 Background information**

- 2.2 In July 2014 Executive Board approved the principle of exploring alternative Council Tax Support scheme proposals for 2014/15 that would be based around providing high levels of support and challenge with a focus of supporting people into work. The board delegated responsibility for designing the detail of the scheme to the Assistant Chief Executive (Citizens and Communities)
- 2.3 The board agreed that a consultation should be undertaken on detailed proposals once these had been developed and discussed and agreed with relevant members.
- 2.4 A draft proposed scheme for 2015/16 has been developed that would:
- Continue to protect vulnerable groups from any reduction in support
  - See support for non-protected groups reduce further from 26% to 30%
  - Keep spend at current levels in the event of an increase in Council Tax in 2015/16
  - Limit automatic support for new Jobseekers to 6 months
  - Introduce conditional Council Tax Support as part of a wider package of support available to jobseekers after the 6 month automatic award has been exhausted
- 2.5 The proposed scheme has been examined by members of the Budget Review Group, The Resources and Council Scrutiny Board and Cabinet.
- 2.6 A survey was produced with information on the proposed changes to the scheme to allow people to have their say. 12,000 of the 48,000 working age recipients of Council Tax Support were randomly selected and were sent a full paper questionnaire and invited to respond to the consultation. The 12,000 included
- 4,000 vulnerable households who are protected from the reduction in support,
  - 4,000 Jobseekers
  - 4,000 who not protected or jobseekers
- 2.7 The survey was also available on talking-point and this was promoted in the council's home web page. Posters were also displayed in One Stop Centres, Libraries and Housing Offices, Neighbourhood Networks, Children Centres and Adult Social Care Offices. Leeds Advice Network were also informed of the consultation by email and invited to respond.

2.8 The consultation ran from 1 October 2014 to 14 November 2014 and a total of 1,279 responses to the survey were received.

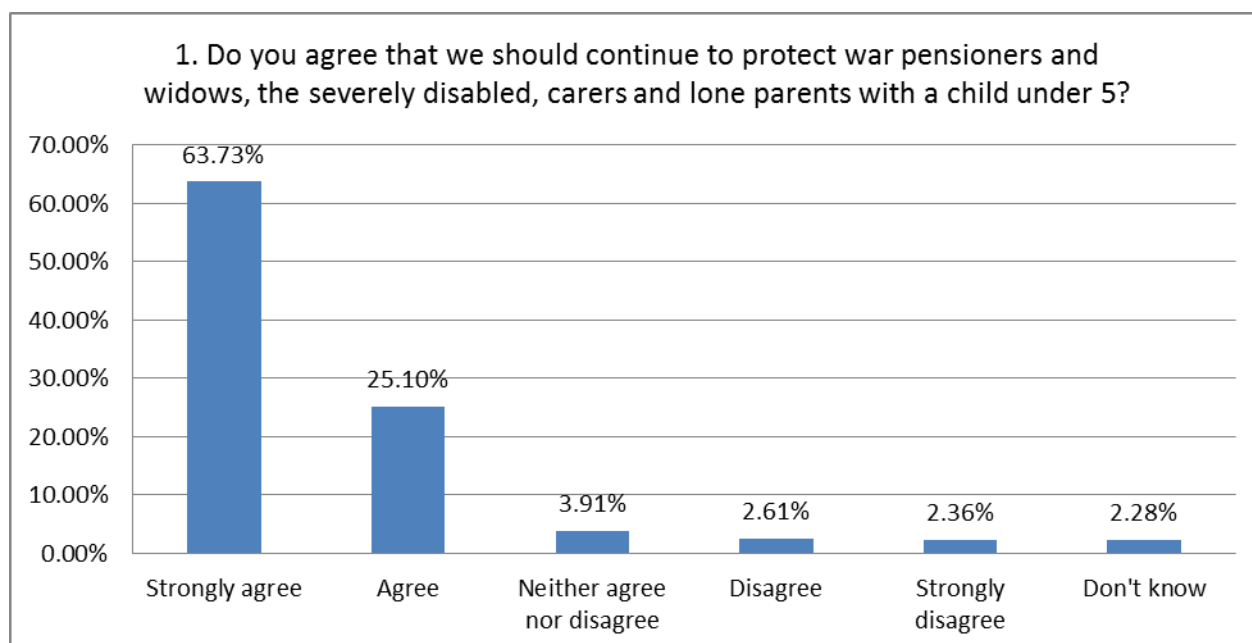
### 3 Main issues

3.1 The charts below set out key findings from the 'agree / disagree questions in the survey, followed by Table 1, showing thematically-grouped results from the 'open-response' questions in the survey, where respondents were free to write their responses.

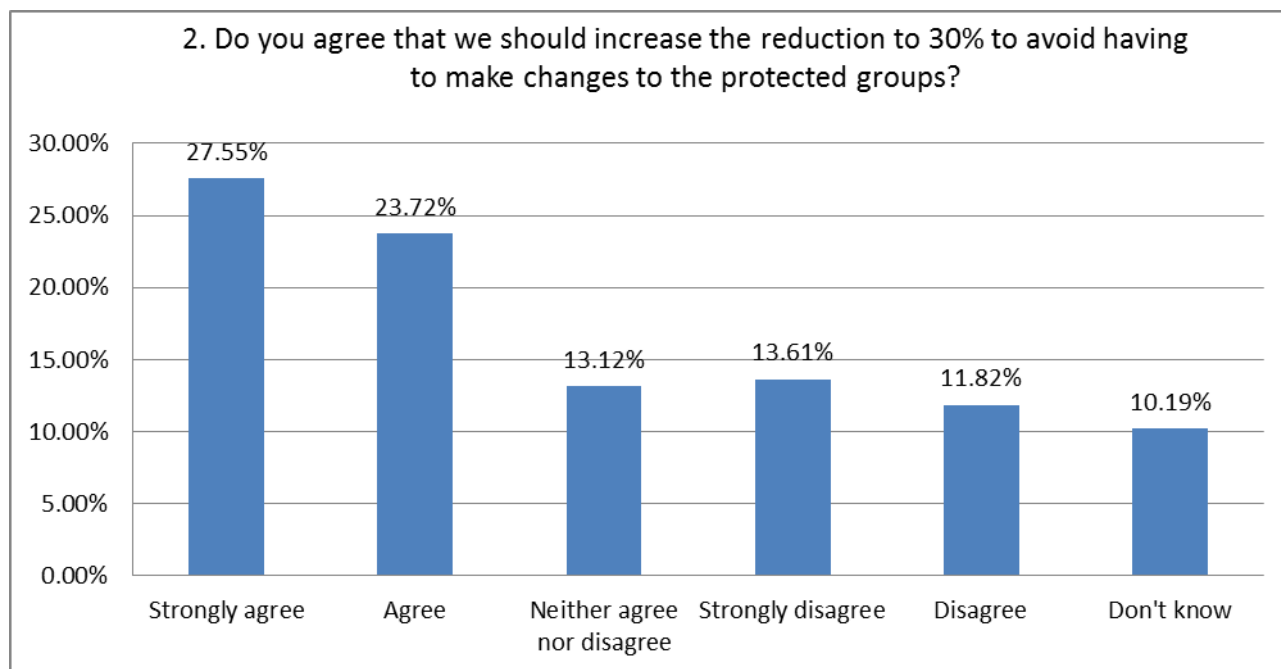
#### Summary of key findings

##### 3.2 Protection of vulnerable people

Respondents were asked if they agree that the council should continue to protect vulnerable people through the LCTS. Overall, 89% of respondents agreed such protection should continue.

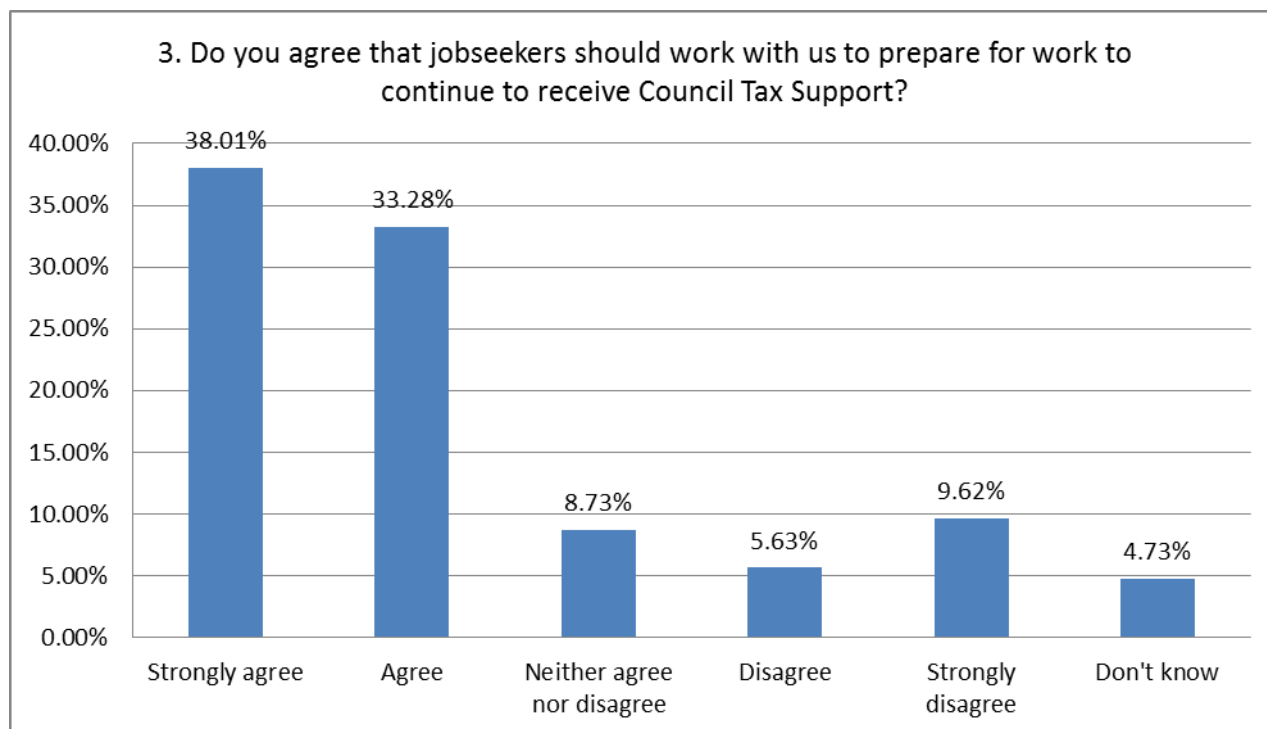


Respondents were also asked if they agree that the council should increase the reduction to 30% to avoid making changes to the protected groups. Again, more respondents agreed (51%) than disagreed (25%).



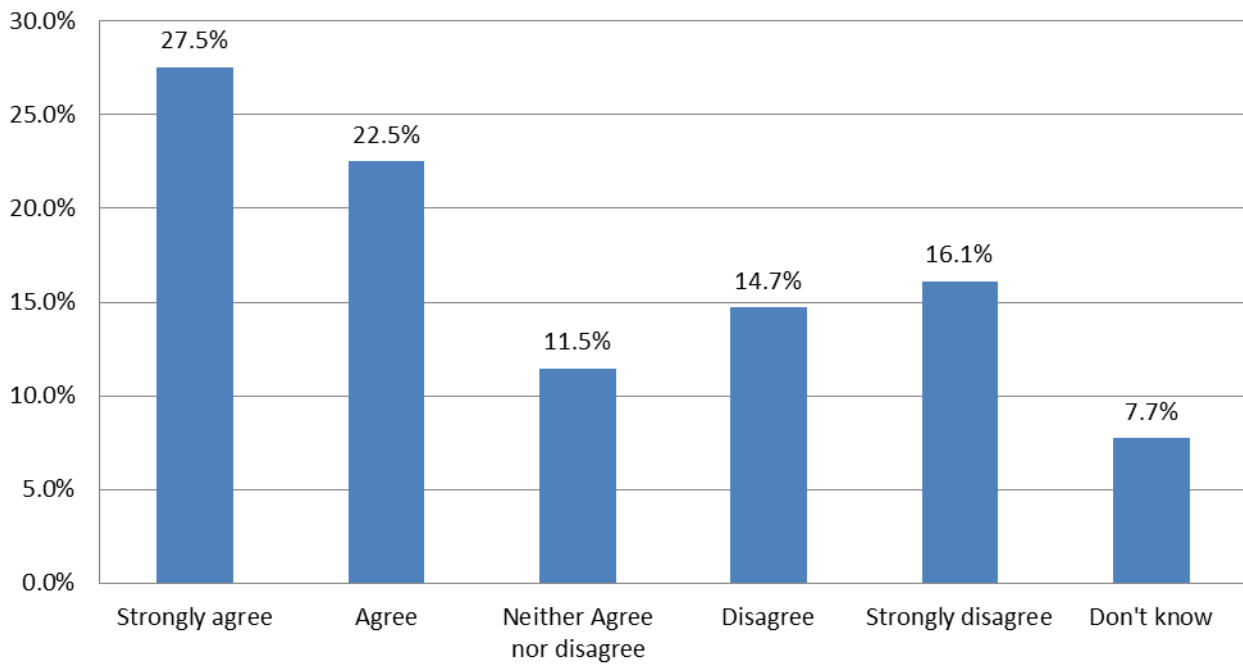
### 3.3 Supporting Jobseekers into work

Respondents were asked if they agreed that Jobseekers should work with us to prepare for work to continue to receive Council Tax Support. There was strong support 71% who agreed that Jobseekers should work with us to prepare for work.



Respondents were also asked if they agreed that Jobseekers who do not work with us to prepare for work should not receive Council tax Support after 6 months. 50% supported this whilst 31% did not.

4. Do you agree that jobseekers who do not work with us to prepare for work should not receive Council Tax Support after 6 months?



### 3.5 Respondents comments

There were two open response questions and respondents were asked whether they thought any other groups would benefit from the work support packages and asked to say why.

Finally respondents were given space in the survey to add any comments relevant to the consultation.

Over 600 comments were received to these two questions and then grouped into themes.

Table 1 sets out the main themes and table 2 sets out the recurring comments in relation to the work support package

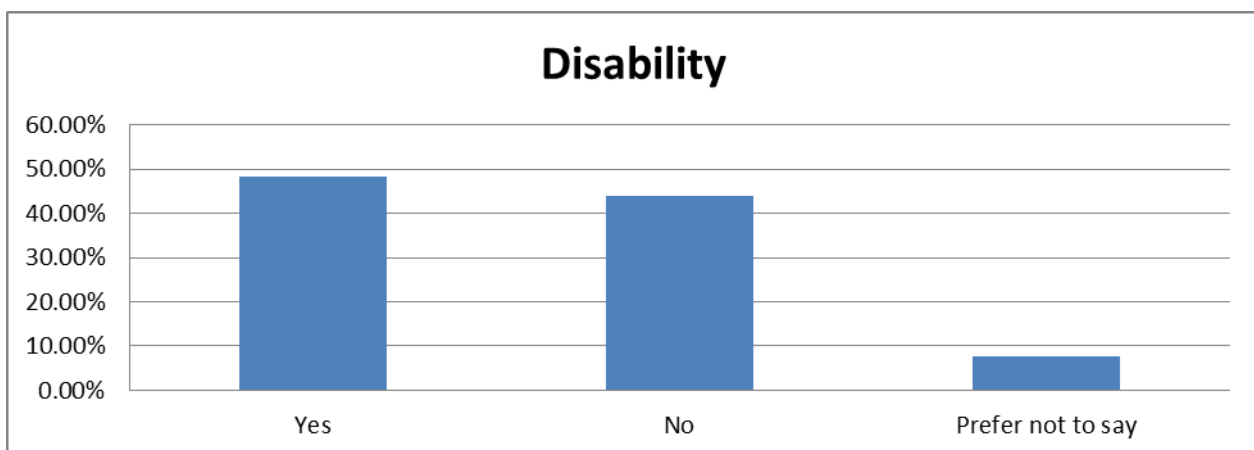
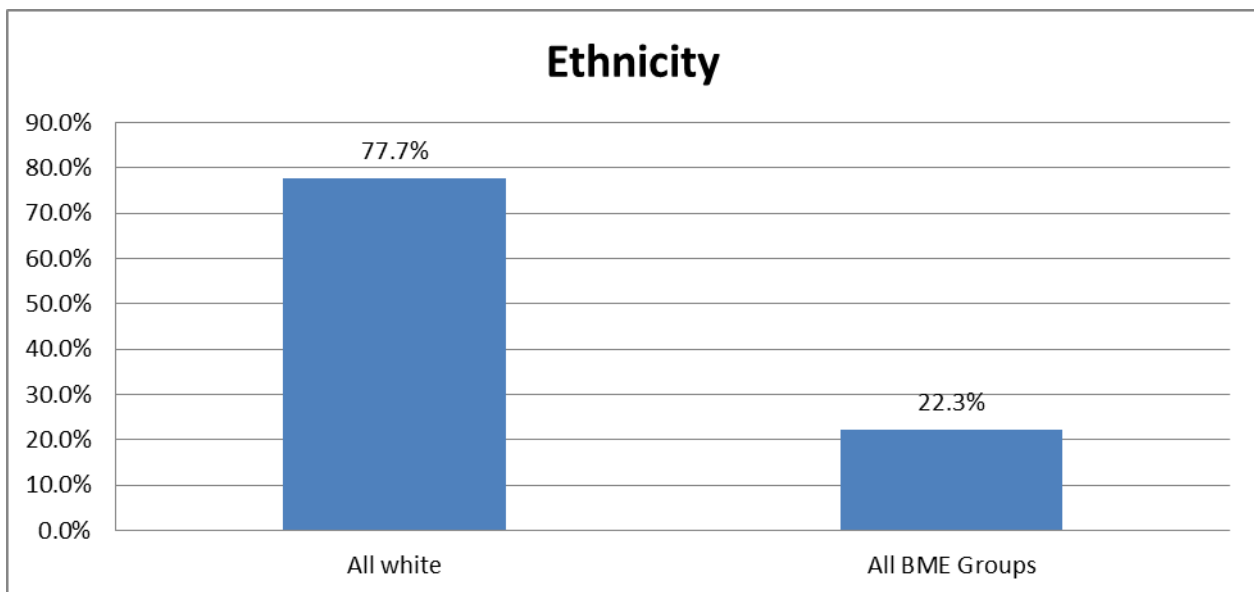
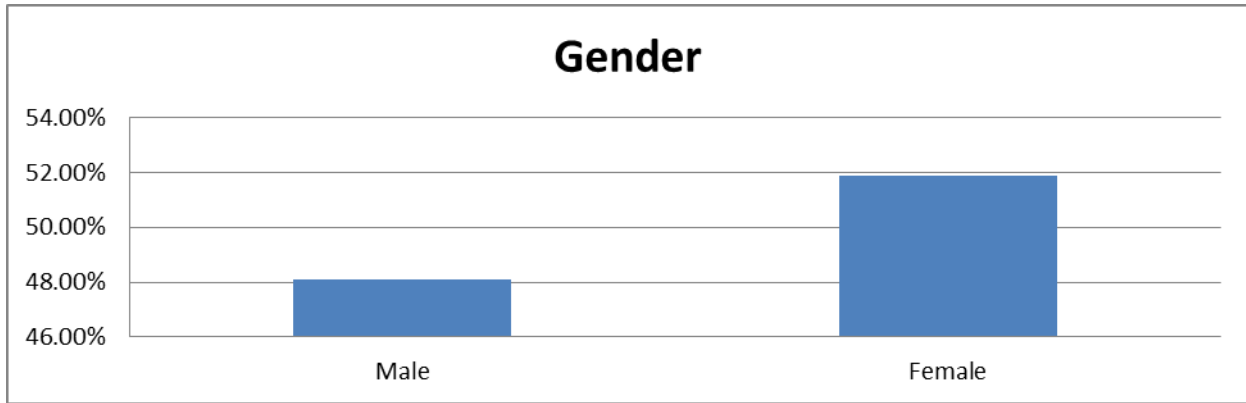
**Table 1 - Open-response question results** (Grouped into the main themes of responses)

<b>Theme of comments</b>	<b>Number of comments</b>
Respondents stated that they were struggling to meet living costs or suffering financial hardship because of the current reduction and / or that the proposed reduction in support would cause further difficulties. Many commented on the cumulative impact of the welfare reform programme	99
A number of alternative suggestions about how the Council or the Government could save money or which particular groups should pay more Council Tax. Many of these suggestions were outside the scope of Council Tax administration regulations. I.e. Increase the amount paid by those who live in the most expensive properties and set the Council Tax based on earnings.	83
Respondents expressed that hardship was being experienced by them particularly or by people they know who are low income and / or part time workers.	43
Various comments expressing support for protecting vulnerable people	41
Support for protecting all lone parents from the 30% reduction or a suggestion that no lone parents should be protected	41
Suggestions that the work support package also be offered to people who get Employment Support Allowance, or that this entire group be protected from the reduction.	36
Suggestion that young people (under 25) should receive more support	28
Other miscellaneous comments	46

**Table 2 – Recurring comments made regarding the Work Support Package**

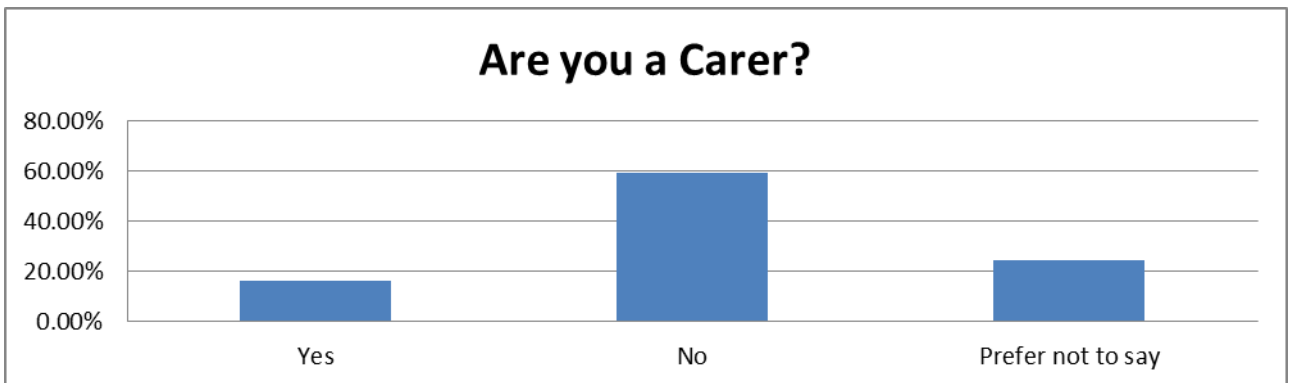
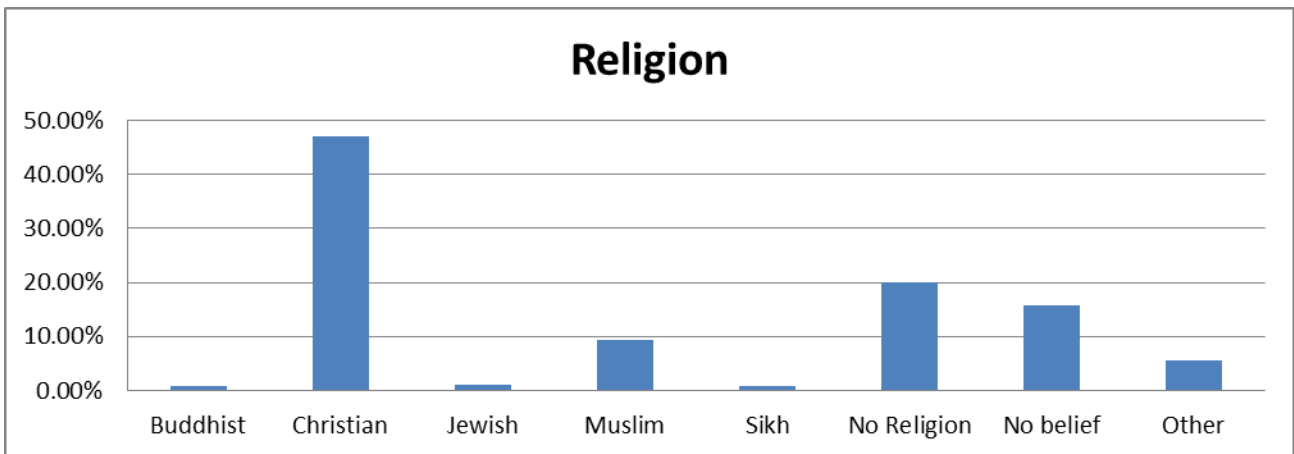
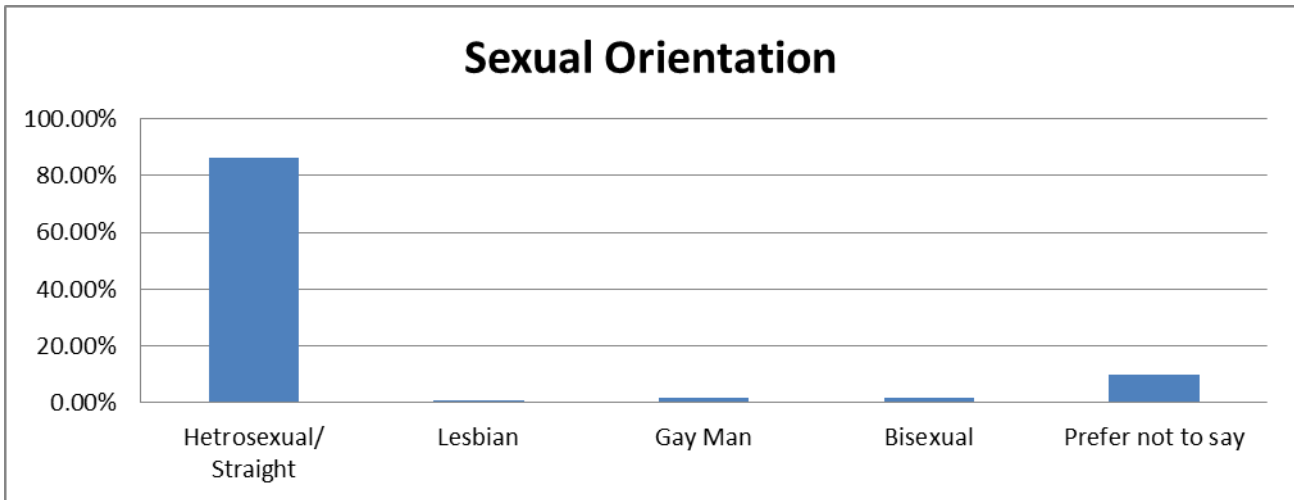
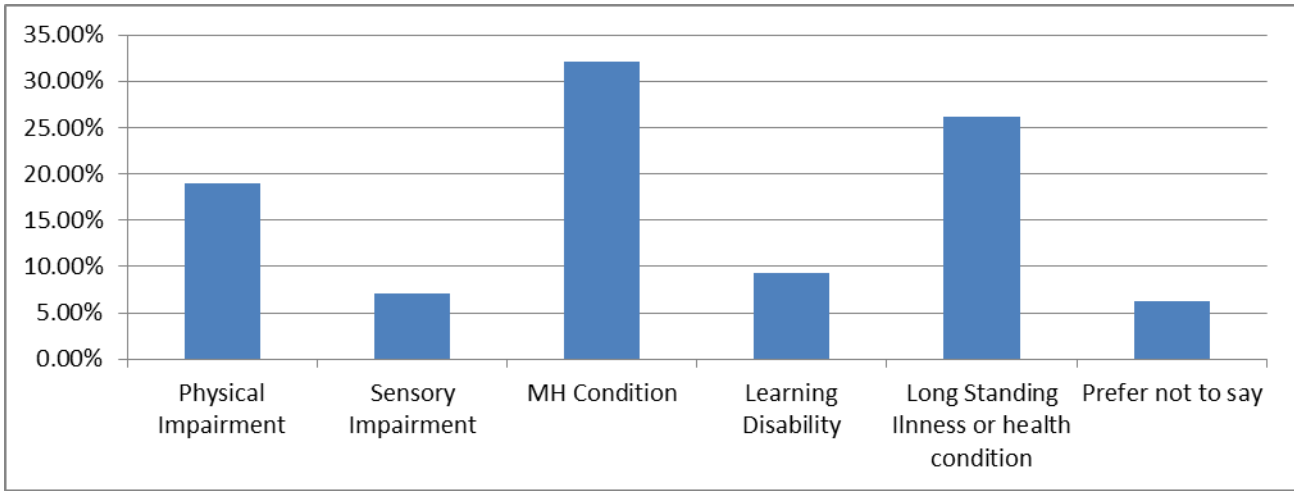
<b>Comments about the proposed Work Support package</b>
The scheme would be a duplication of work already undertaken by Jobcentre Plus and the work programme providers
Support package should be concentrated on: <ul style="list-style-type: none"> <li>• School leavers, and other young Jobseekers</li> <li>• Lone Parents</li> <li>• Families</li> <li>• Ex-prisoners</li> <li>• Ex-service men and women</li> </ul>
That Jobseekers should be treated as individuals and those who are vulnerable or have mental health and social problems such as drug and alcohol dependency should be recognised and supported accordingly
Those close to retirement age may need different support
Concern about the resources required and associated cost of providing the support package
Fears that the package would involve unpaid compulsory voluntary work, and pressure would be placed on jobseekers to take low paid work and zero hours contracts
That there are insufficient suitable jobs available
Concern that onerous demands, conflicting with Jobcentre Plus requirements would place additional pressure on jobseekers and that a Jobcentre sanction would be deemed to be non-engagement
Suggestion that work preparation activities with other organisations are recognised when determining individual support plans
A request that couples have support made available to both members, but that Council Tax Support is not withdrawn where both members do not engage with the support package.
Concern that the withdrawal of support would create a negative effect on crime

#### 4.0 Equality Data supplied by respondents



Those respondents who said that they were disabled they described their disability as follows:





## **5 Consultation with the Major Precepting Authorities**

The West Yorkshire Police and Fire Services have been consulted and both have responded that they have no objections to the proposals provided that the changes do not have any budget implications on their services

## **6 Conclusions**

- 6.3 The consultation exercise showed clear support for continuing to protect vulnerable groups and good support for this to be done even if it meant that others had to pay more.
- 6.4 There is strong agreement for providing additional support for jobseekers to help them prepare for work and overall agreement for withdrawing support for Jobseekers who do not work with us to prepare for work.
- 6.5 There are concerns about some aspects of the work support package and these must be addressed in the detailed design of the support package and communicated clearly so that the support package offered is not misunderstood

## Appendix C: Responses to issues raised about the proposed work support package by consultation exercise

### Comment 1

The scheme would be a duplication of work already undertaken by Jobcentre Plus and the work programme providers

*By working with Jobcentre Plus we will ensure that this does not happen, Support requirements will be focussed around the individuals own "my work plan" document that Jobseekers make with their Jobcentre Plus work coach. A 1:1 meeting will identify any barriers to work that have not already been identified and addressed in the plan and actions to address these will be included as part of the support package.*

### Comment 2

The support package should be concentrated on:

- School leavers, and other young Jobseekers
- Lone Parents
- Families
- Ex-prisoners
- Ex-service men and women

*All Jobseekers will have access to the support package which will be tailored to the individual's needs which will recognise the individual's particular barriers to work*

### Comment 3

That Jobseekers should be treated as individuals and those who are vulnerable or have mental health and social problems such as drug and alcohol dependency should be recognised and supported accordingly

*The 1:1 meeting will seek to identify barriers to work. The Jobseekers will be referred or signposted to specialist organisations who can work with the jobseeker to remove or manage these barriers. Work preparation activities will take into account these needs and will ensure that that these are manageable.*

### Comment 4

Those close to retirement age may need different support

*We recognise that the support requirement of those approaching retirement may be different. The age of the jobseeker will be taken into account when determining what activities should be included in the work support package. The jobseeker's work history, existing skills and how easily these can be transferred, and the health of the jobseekers will also be taken into account when determining the work preparation activities that are reasonable taking and also the financial preparations the jobseeker has made for their retirement.*

### Comment 5

Concern about the resources required and associated cost of providing the support package

*We feel that the support package can be provided in 2015-16 by prioritising existing resources to meet the needs of new Jobseekers claiming Council Tax Support. We need to consider very carefully how we will meet the requirements of existing jobseekers before the work support package is rolled out to this group. Our roll-out plans for this group need to be take into account the resources available to provide support, whilst at the same time providing support to new jobseekers.*

*If the Council Tax Support expenditure savings anticipated by reducing the number of jobseekers claiming support are achieved, it may be possible to direct some of these savings into the support provision.*

#### Comment 6

Fears that the package would involve unpaid compulsory voluntary work, and pressure would be placed on jobseekers to take low paid work and zero hours contracts

*Whilst the offer to participate in voluntary work will be offered to some as part of the package, no jobseeker will be forced to undertake unpaid voluntary work. Neither will jobseekers be penalised for rejecting work paid at a rate below the minimum wage or zero hours contract work.*

#### Comment 7

That there are insufficient suitable jobs available

*There is no expectation that all Jobseekers will move into work, we simply want to help jobseekers to make themselves more “work ready” so that they stand the best chance possible of succeeding in their search for employment.*

#### Comment 8

Concern that onerous demands, conflicting with Jobcentre Plus requirements would place additional pressure on jobseekers and that a Jobcentre sanction would be deemed to be non-engagement

*“My work plan” will be a key focus of the support package so that unreasonable and conflicting priorities are not placed on the jobseeker, and no jobseeker will lose Council Tax Support because they have been sanctioned by Job Centre Plus. It is anticipated that the work that Jobseekers undertake with us as part of the work support package will help them to meet their claimant commitment. We also want to provide support to sanctioned jobseekers who work with us to navigate the sanction appeal process.*

#### Comment 9

Suggestion that work preparation activities with other organisations are recognised when determining individual support plans

*The work of other organisations providing Jobseeker Support will certainly be recognised in the work support package. We will be contacting organisations directly to look at how we can work together to provide the support that jobseekers need.*

#### Comment 10

A request that couples have support made available to both members, but that Council Tax Support is not withdrawn where both members do not engage with the support package.

*This suggestion will be incorporated into the design of our scheme*

#### Comment 11

Concern that the withdrawal of support would create a negative effect on crime

*The scheme is intended to provide additional support to help residents looking for work. There is no need for jobseekers to face a withdrawal of support.*

## Appendix D: **Delivery Arrangements**

The change will apply only to new Jobseekers from 1 April 2015, engagement with the work support package will not be required until 6 months after the start of the Jobseekers Allowance based Council Tax Support Claim. The first time Jobseekers will be required to meet the conditionality will be October 2015

When a new claim for Council Tax Support is made Council Tax Support will be awarded on an ongoing basis, the Council Tax charge will be adjusted to reflect their current circumstances and will assume that those circumstances will remain the same until the end of the financial year. This is a requirement under the Council Tax Administration Act and results in the charge payer receiving a bill for 26% of their charge for the remainder of the year. This remains in place until the charge payer has a change in their circumstances.

At the start of the award the claimant will be advised that their Council Tax Support award is conditional upon their engagement with us in the work support package from 6 months after their claim was made.

If a Jobseeker's claim for JSA is broken for more than 28 days, the 6 month unconditional period will start again. Any breaks of less than 28 days will be treated as continuous. This is consistent with Jobcentre Plus processes for entry to the Work Programme

After 6 months unconditional support has been paid the Jobseeker will be contacted by letter and invited to meet with Jobs and Skills to discuss and agree their personal support package. The letter will explain the conditionality requirement again and will ask the claimant to contact Welfare and Benefits if they think that they have a good reason why they are unable to meet with Jobs and Skills or why they believe that the work support package will not benefit them. This will be termed an exception request. The letter will explain that if the claimant does not meet with Jobs and Skills within one month of the date of the letter, their Council tax Support will be terminated from the date that they had received 6 months unconditional support

Once the jobseeker registers with Jobs and Skills and commits to take up the support package, Jobs and Skills will notify Leeds Welfare and Benefits Service that engagement has commenced this will be recorded and Council Tax Support will continue.

If the Jobseeker has not registered with Jobs and Skills within 2 weeks of the date they were invited to meet with Jobs and Skills the Jobseeker will be contacted again by telephone by Welfare and Benefits Staff and invited again to meet with Jobs and Skills to discuss and agree their personal support package.

If the jobseeker does not register with Jobs and Skills within 1 month of the first invitation letter and no exception request has been received, their Council Tax Support will be cancelled from the date that they received 6 months unconditional support. A letter will be sent explaining why support has been cancelled and inviting the jobseeker to make an exception request if they believe they have reasons why they are unable to meet with Jobs and Skills or why they believe that the work support package will not benefit them. They will also be advised that they may contact Jobs and Skills at any time to register for the work support package, and that if they do their support will be reinstated from that time. They will also be advised of their right to request reconsideration and their right to appeal to a valuation tribunal.

If Welfare and Benefits are advised later that the jobseeker has registered with Jobs and Skills, Council tax Support will be reinstated from the date that the Jobseeker registered with Jobs and Skills. If the break between the date that the 6 months unconditional support ended and the date that the Jobseeker registered with Jobs and Skills is less than 13 weeks Council tax

Support will be backdated to the date that it was cancelled. If it is more than 13 weeks it will not be backdated.

If a Jobseeker registers with Jobs and Skills initially but fails to maintain engagement Jobs and Skills will notify Welfare and Benefits of the facts why they feel that engagement has broken down.

Welfare and Benefits will contact the claimant by telephone and also in writing to explain that if the Jobseeker does not re-engage with Jobs and Skills within 1 month that Council Tax Support will end. The jobseeker will also be advised that if they believe they have reasons why they are unable to meet with Jobs and Skills or why they believe that the work support package will not benefit them and asked to put these in writing

After 1 month if Jobs and Skills have not advised that the jobseeker has re-engaged and no exception request has been received Council Tax Support may\* end. If a decision is made to end the award a letter will be sent explaining why support has been cancelled. They will also be advised that they may contact Jobs and Skills at any time to register for the work support package, and that if they do their support will be reinstated from that time. They will also be advised of their right to request reconsideration and their right to appeal to a valuation tribunal. (\*See Broken engagement below)

If Welfare and Benefits are advised later that the jobseeker has re-engaged with Jobs and Skills, Council tax Support will be reinstated from the date that the Jobseeker re-engaged with Jobs and Skills. If the break between the date that engagement ceased and the date that the Jobseeker re-engaged with Jobs and Skills is less than 13 weeks Council Tax Support will be backdated to the date that it was cancelled. If it is more than 13 weeks it will not be backdated. Only one backdate is allowed. If a jobseeker breaks engagement a second time. Support will be re-instated only from the date that the jobseeker re-engaged.

### **Broken engagement**

A jobseeker may have registered with Jobs and Skills, but Jobs and Skills may later consider that the engagement has broken down. In this situation they will notify Welfare and Benefits of the facts. Jobs and Skills will report the missed and rescheduled appointments and uncompleted actions to Welfare and Benefits. Welfare and Benefits will then telephone the jobseeker and encourage the jobseeker to re-engage before support is cancelled. The decision to cancel the support will be made by the Welfare and Benefits officer and this should be an individual judgement based on the facts presented by Jobs and Skills, and the discussion with the jobseeker. In some cases an exception request may be appropriate. Support should only be stopped if the broken engagements relate to work preparation activities. If a jobseeker fails to only take-up the additional support relating to health and well-being Council Tax Support will not be affected.

### **Exception requests**

There will be occasions where it may be unreasonable to expect a jobseeker to engage with Jobs and Skills. Every scenario cannot be prescribed for and often these issues are likely to be temporary issues and a short term exception may be appropriate. As such these will be considered on a discretionary basis and responded to individually explaining the term of the exception if one has been granted or alternatively why an exception has not been allowed. Evidence may be requested.

Examples may be:

- The jobseeker has recently suffered a bereavement

- The jobseeker is homeless and living in temporary accommodation
- The jobseeker is a victim of domestic violence
- The jobseekers is already receiving intensive support from another recognised support provider e.g. Multi Storey Flats DHP pilot, Gipsil, Families First
- Jobseeker approaching pension credit age
- The jobseeker is a young care leaver
- Pregnancy

### **Couples**

Jobseeker couples will both be invited to take up the support package but only one need take up the support package for the Council Tax Support to continue.

## The Support Package

Leeds Welfare and Benefits Service, Employment and Skills Service and Jobcentre Plus have been involved in developing the employment support package. The provision of wrap around support that incorporates financial help, advice and personal support requires integrated delivery models through Hubs, and links with external partners including local Jobcentre Plus colleagues.

A proposed model for Employment Support is attached at Figure A.

This details a two phase approach lasting for up to 26 weeks and concluding before mandatory referral to the Work Programme, at week 52 of unemployment.

The proposal includes a period of intensive support followed by an additional period where individuals will receive ongoing support according to need.

It is proposed that the initial, Intensive Support phase will last for 13 weeks. The Ongoing Support phase will last for *up to* 13 weeks and be determined by individual need.

Both periods will conclude ahead of an individual being mandated to the Work Programme to ensure the model:

- Is well timed / sequenced in terms of established 'customer journey'
- Avoids duplication of Work Programme interventions
- Simplifies the system for customers in terms of conditionality and compliments JCP's 'Claimant Commitment'
- Focuses the window of effort from other LCC colleagues
- Provides a more efficient sequence of public funding
- Is manageable within the Service resource
- Is measurable in terms of impact alongside existing support provision

It is proposed that the scheme will be available from April 2015, enabling new Council Tax Support recipients who have been on Job Seekers Allowance for less than 6 months being able to self-refer and participate voluntarily. Managed referrals to the scheme will commence from October 2015.

Analysis of projected referrals indicate that all of the current Job shop sites could be involved in delivery although it is not possible to confirm this until further work on the proposed Hub sites has been completed. However, it is anticipated that Hub 'pop up' facilities will also be required. Support will be provided using a traditional balance of appointment and drop in services available within Job Shops.

Continued close working between Welfare and Benefits, Employment and Skills and Jobcentre Plus will ensure that the support offered compliment and add value to the model administered through Jobcentre Plus which reflects national policy.

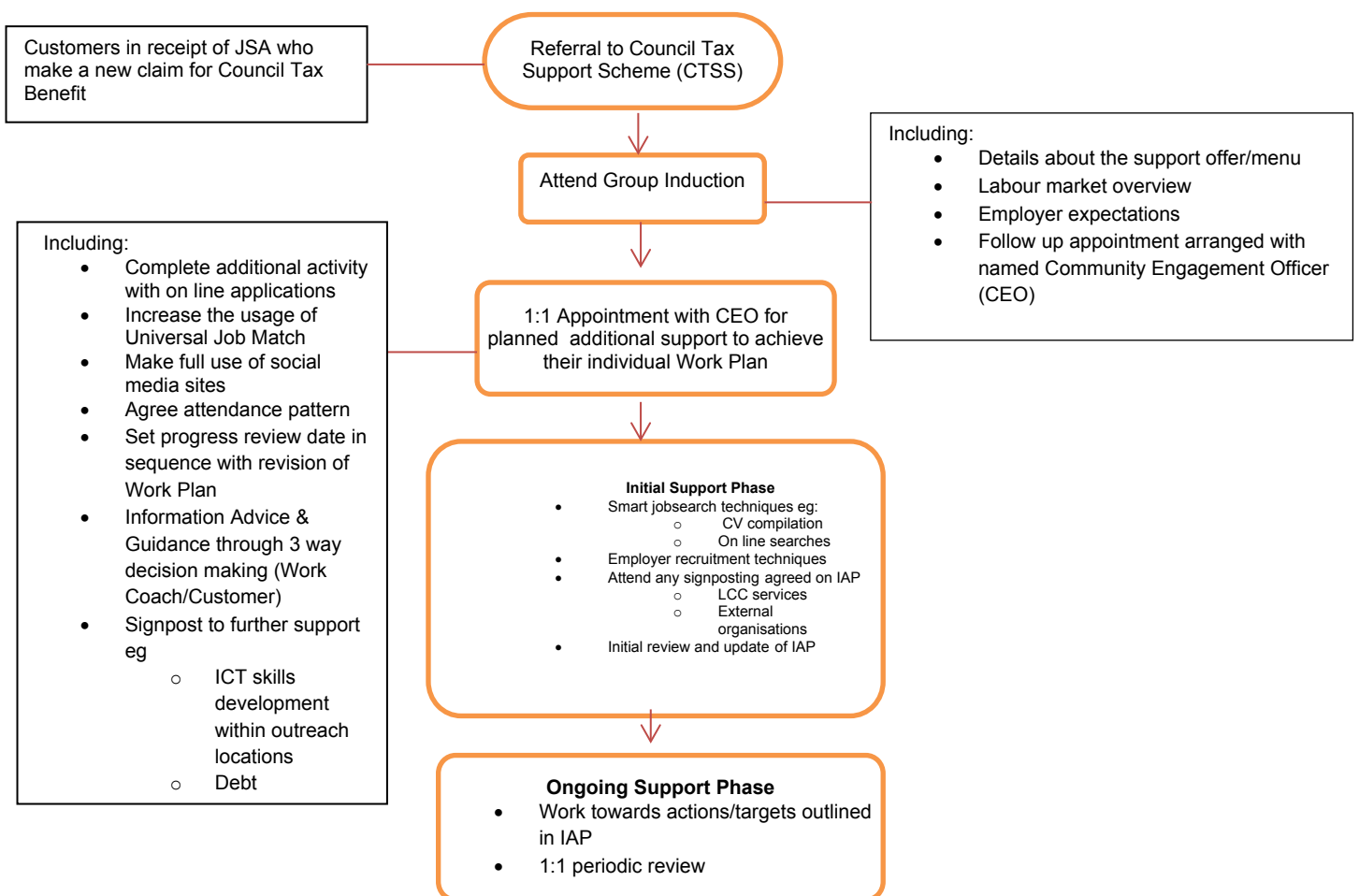
An individual's Work Plan, a key part of the Claimant Commitment will be the main reference document. This is to ensure that there is no complication, misunderstanding or misrepresentation of the compliance agreement the individual has signed to ensure continued entitlement to benefit.



The Council's package of support will comprise a series of additional and sequenced interventions to strengthen and support an individual's journey back to work including for example: financial management support; reinforcement of ICT skills through community based library or third sector provision; advice on smoking cessation etc.

Joint working will continue to refine the referral mechanisms and information sharing arrangements. Options to select cohorts with similar circumstances to improve peer support; the desire from JCP to be able to share possible sanction alerts so that we can have a consistent support message around conditionality and assist the customer avoid Job Centre sanctions will be explored further.

Figure A



## Equality, Diversity, Cohesion and Integration Impact Assessment

### Appendix F

<b>Directorate: Resources</b>	<b>Service area: Revenues and Benefits</b>
<b>Lead person: Jane McManus</b>	<b>Contact number: 0113 247 5018</b>
<b>Date of the equality, diversity, cohesion and integration impact assessment: 26 November 2014</b>	

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

### 2. Members of the assessment team

<b>Name</b>	<b>Organisation</b>	<b>Role on assessment team e.g. service user, manager of service, specialist</b>
Jane McManus	Revenues and Benefits	Project Manager
Steve Carey	Revenues and Benefits	Chief Officer (Welfare and Benefits)

### 3. Summary of strategy, policy, service or function that was assessed:

The Local Government Finance Act 2012 required that local authorities put in place local schemes of Council Tax Support from 1 April 2013 in place of the national Council Tax Benefit scheme which ended on 31 March 2013

A fixed level of Government funding of £49.201m was provided to Leeds for the local Council Tax Support scheme in 2013/4. The funding for Council Tax Support schemes in subsequent years will not increase and is now included within the Council's settlement grant. This is around £5million a year less than the funding provided in respect of the Council Tax Benefit scheme which was funded at a level of 100% of expenditure on the scheme.

Additionally 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.

Local Authorities can choose to:

- Limit their expenditure to the level of funding received from government
- 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 (West Yorkshire Police and Fire Service) budgets but to a lesser extent than fully funding the shortfall.

Following a public consultation in 2012 which found strong support for protecting vulnerable claimants Leeds adopted a local scheme that was largely based upon the national Council Tax Benefit Scheme.

There were no reductions in support for war pensioners and widows, those who are entitled to a severe or enhanced disability premium within their Council Tax Support assessment, carers and lone parents of children under 5. Like pensioners, these groups continue to receive the same level of support as they did Council Tax Benefit prior to 1<sup>st</sup> April 2013.

However anyone else of working age has had their support reduced so that the cost of the scheme would fall within the budget available. It was agreed that support would be reduced by the required percentage so that the scheme would fall within the available budget.

In addition to the £49.201m Government grant, Leeds City Council and the precepting authorities made a £471k contribution to the scheme, increasing the overall budget to £49.672m

The rate of the % reduction 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 support that people are entitled to based on their income and circumstances;
- the level of Council Tax charge;

Based on the caseload and scheme expenditure in January 2013 (the time the initial Council Tax Support scheme was agreed) a £4.7m saving was required.

To achieve the savings required the scheme that was introduced reduced support for affected claimants by 19% and Second Adult Rebate was also abolished for working age claimants.

The support scheme must be reviewed each year, and if changes are to be made a new scheme must be published by 31 January each year. If a new scheme is not published by 31 January, the existing scheme must continue for another year.

There was a 1.99% increase in Council Tax in 14/15, and during 13/14 a 4,500 further

households were identified as qualifying for protection from the % reduction. These factors increased the cost of providing Council Tax Support

In 2014-15 to maintain scheme costs within the £49.672m available budget, and continue to protect vulnerable people it was calculated that support for affected claimants must be reduced by 26%. A consultation took place in 2013 and again there was strong support for protecting vulnerable people even though it meant increasing the % reduction to 26%.

A revised Council Tax Support Scheme was agreed by Full Council in January 2014 that retained the existing features but increased the % reduction to 26% from 1 April 2014. This increase in the % reduction from 19% to 26% equated to a 40% increase in the amount that those affected had to pay.

Since the 2014/15 scheme was published a further 2,000 households have been identified as qualifying for protection from the % reduction which again increases the cost of the scheme. Scheme costs must also remain within the £49.672m allocated budget in the event that there is an increase in Council Tax for 2015-16. In order to keep the cost of the scheme within current expenditure if there is a further 1.99% increase in Council Tax it was calculated that the % reduction may need to increase from 26% to 30% in 2015-16.

If the Council continues to retain the principles of the current scheme it is almost certain that the % reduction will continue to increase each year, gradually eroding the support that is given to non-protected working age claimants year on year.

At the 16<sup>th</sup> July 2014 Executive Board it was agreed that alternative scheme options should be developed that would aim to keep scheme expenditure at current levels and would be based around high levels of support and high levels of challenge with a focus on supporting people into work.

The aim of the proposed scheme is to support more people into work and in doing so reduce demand for Council Tax Support. When a jobseeker moves into work their level of income is likely to be such that it will mean their entitlement to support will reduce. If their income is high enough, support will be removed entirely. If we can help jobseekers currently claiming Council Tax Support move into work, the cost of providing Council Tax Support to this group will reduce

For those making a claim for Jobseekers Allowance, Jobcentre Plus requires that they sign up to the Claimant Commitment (formerly known as Jobseekers Agreement) to undertake activity to prepare for and search for work. A key part of this Commitment is 'My Work Plan', detailing an agreed schedule of activity. Under the new scheme proposal *additional* support, delivered by the council, and/or signposted to but delivered by other partners, would be available to jobseekers to complement the support provided by Jobcentre Plus. Jobcentre Plus data suggests that 50% of jobseekers will end their claim in the first 6 months, therefore it is intended to target the additional support to those that claim Council Tax Support and Jobseekers Allowance for more than 6 months.

To encourage claimants to participate in the additional support package, it is proposed that Council tax Support for Jobseekers who make a new claim for Council Tax Support from 1 April 2015 be limited to 6 months. After 6 months, support will be conditional upon the jobseeker taking up the complete support package

Welfare and Benefits will assess entitlement to support and decide whether the jobseeker is subject to conditionality and make referrals to Employment and Skills at the appropriate time for additional help with finding a job.

Employment and Skills would be responsible for agreeing and sequencing additional actions or service interventions to complement My work Plan and monitoring compliance.

Employment and Skills will work flexibly with each jobseeker and take into account:

- individual needs and job goals,
- the support already in place with Jobcentre Plus;
- available resources

Examples would be:

- Attending a Job shop for a 1:1 guidance appointment and completing appropriate tasks from the agreed plan
- completing a CV;
- setting up an email account;
- having a mock interview;
- support from a council or signposted service, eg debt advice,
- Attending scheduled appointments with Employment and Skills for ongoing job search support and guidance on further improving employability

For as long as the jobseeker engages in the agreed package they will continue to receive discretionary conditional support. If the jobseeker does not engage with Jobs and Skills in the agreed package, Council Tax support will end and the jobseeker will have the full amount of Council Tax to pay.

It is intended that the conditional support package be extended to existing jobseekers during 2016-2017. Precisely how this is achieved will be determined during 2015-16 and the method adopted will be informed by how successful the approach to be taken in 2015-16 for new jobseekers.

A consultation on the draft scheme commenced on 1 October 2015, further details of the consultation are in section 6. The draft scheme proposed an increase in the % reduction to 30%. However at the present time expenditure on the current Council Tax Support scheme is £48,715,782. This is £956,528 below the projected cost of the scheme when the 2014-15 scheme was agreed. There has been a consistent underspend throughout 2014-15 so far:

Date	Costs	Underspend
01 May 2014	£48,633,280	-£1,039,031
01 June 2014	£48,627,272	-£1,045,039
01 July 2014	£48,841,292	-£831,019
01 August 2014	£48,690,803	-£981,508
01 September 2014	£48,810,440	-£861,871
01 October 2014	£48,799,504	-£872,807
01 November 2014	£48,715,783	-£956,528

The number of households claiming Council Tax Support (caseload) has reduced by around 1,500 in the 12 months to November 2014 and although the caseload has not reduced in recent months the proportion of "in work" claims where the rate of support is less is increasing

There have also been a number of successful data-matching initiatives between local Authorities, HM Revenue and Custom (HMRC) and the Department of Work and Pensions aimed at identifying reduced entitlements to Housing Benefit. These have resulted in an increase in the amount of Housing benefit overpayment identified, many of these also having a corresponding adjustment to Council Tax Support award.

These factors together have reduced the cost of providing Council tax Support and there is no known reason why, if the Council Tax Support Scheme and the Council Tax charge remained the same, expenditure would increase significantly and so the current level of expenditure on the scheme is likely to continue. On this basis a recommendation will be

made to the executive board to reduce the % reduction from 26% to 25% rather than increase it to 30% as was proposed initially in the draft Council tax Support scheme for 2015-16.

**4. Service, function, event**

please tick the appropriate box below

The whole service  
(including service provision and employment)

A specific part of the service  
(including service provision or employment or a specific section of the service)

Procuring of a service  
(by contract or grant)  
(please see equality assurance in procurement)

**Please provide detail:**

The design and delivery of a new Local Council Tax Support Scheme from 1 April 2015

**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 were considered when the Local Council Tax Support scheme was developed and implemented in 2013/14 and continue to be considered each time changes are considered.

Throughout the planning and development of the proposals the following information and data has been considered:

- The 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)

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

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

All of these features have been retained in the Leeds Local Council Tax Support scheme.

The % reduction applies equally to all working age claimants with the exception of the groups set out below.

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

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.

19,012 households are currently entitled to protection from the reduction.

- Households that qualify for a severe or an enhanced disability premium (10,630)
- War widow(ers) and War Disablement Pensioners (32)
- Lone parents of children under the age of five (6,558)
- Carers (1,792)

Council Tax Support 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.

Support 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).

In accordance with the Act, pensioners are unaffected which means that the required savings must continue to be borne only by 47,617 working age claimants

The impact of protecting the 19,012 customers in the protected groups is that less funding is 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.

72% 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.

Claimants entitled to partial awards 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.

The needs of disabled people are already reflected in the assessment by the award of additional premiums and income disregards. Additionally the proposal to continue to protect 10,630 claimants who receive the severe and enhanced disability premium from reductions will further remove any negative impact for disabled people.

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 continue to protect 6,558 lone parents with children under the age of 5 from reductions will further reduce any negative impact for these families.

Jobseekers are currently subject to a 26% reduction in support. If these proposals are adopted it will mean new Jobseekers will be affected from April 2015 with existing Jobseekers cases coming on stream in April 2016. Some may come within scope sooner where they have a break in their Jobseekers Allowance claim or their Council Tax Support claim.

No Jobseeker will be worse off if they take up the support package offer. The expectation is that the additional support provided by Jobs and Skills will increase their prospects of getting a job.

We are developing procedures for encouraging Jobseekers to work with us, and also to consider how best to support those residents who do not engage and will see an increase in the amount of Council Tax they have to pay.

For example; A single person receiving Jobseekers Allowance living in a band A property is currently required to make a weekly contribution of £3.34 per week based on a 26% reduction.

After 6 months the Jobseeker would need to engage in the complete support package to retain their Council Tax Support. If they fail to engage, their Council Tax Support will end and they will have £12.86 per week to pay

A couple receiving Jobseekers Allowance living in a band B property are currently required to make a weekly contribution of £5.20 per week based on a 26% reduction.

After 6 months the Jobseekers would need to engage in the complete support package to retain their Council Tax Support. If they fail to engage, their Council Tax Support will end and they will have £20.01 per week to pay.

**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 to Council Tax Support.

**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 design of the new scheme 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 does not have financial implications for their services.

In addition to this consultation and engagement, Leeds City Council has carried out a public consultation each year to gather views on the proposed changes

A survey was produced with information on the proposed change to the scheme for 2015-16 to allow people to have their say. 12,000 claimants received a full paper questionnaire and an online survey was available for the wider public. 1,279 responses to the survey were received.

**Key findings from all the consultation activities with the public**

The consultation ran from 1 October 2014 to 14 November 2014.

The main findings were:

- 89% of respondents agreed that vulnerable groups should continue to be protected from the cuts
- 51% were in agreement to changing the reduction to 30% to avoid having to make changes to the protected groups
- 71% agreed that jobseekers should work with us to prepare for work to continue to receive Council Tax Support
- 50% agreed that jobseekers who did not work with us should not receive Council tax Support after 6 months

99 of the respondents commented that they were struggling financially because of the current reduction in support and or that any further reduction in support would result in further hardship.

A further 43 respondents expressed concern of difficulties faced by low income and part time workers.

Additional hardship can be avoided by reducing the % reduction to 25% rather than increasing it to 30% as was originally proposed

There were a significant number of comments expressing concerns over the work support packages, in particular that there would be duplication with work undertaken with Jobcentre Plus.

Follow these links for more information:

An explanation of

- the [proposed scheme](#)
- The [consultation questionnaire](#)
- The [summary findings report](#)

The consultation responses have been used to inform the detailed design of the support package and it is also proposed to involve jobseekers in the detailed design of the support package and a focus group is planned to facilitate this involvement.

**Action required:**

A detailed report on the responses is 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       |

**Cost**

**Consultation and involvement**

**Financial exclusion**

**Employment and training**

**specific barriers to the strategy, policy, services or function**

## **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*

### **8a. Positive impact:**

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.

The updated scheme continues to be built around allowances and premiums that continue to recognise disability, age, family status and low income.

There should also be a positive impact for those groups that the proposed scheme protects:

- Households that qualify for a severe or an enhanced disability premium
- Carers
- War widows and War Disablement Pensioners
- Lone parents of children under the age of five

The proposed change will impact upon new jobseekers. New jobseekers will be offered additional support to help them to prepare for and move into work. If they take up the support that is offered it is likely that they are likely to be able to improve their circumstances sooner than they may have done otherwise without the additional support.

When jobseekers move into work they are likely to require less financial support through Council Tax Support reduction. This will reduce the cost of the scheme and allow the Council to avoid increasing the reduction in support that others face.

Limiting funding required from the Council and precepting authorities places less pressure on other services for vulnerable people.

In order to receive Jobseekers Allowance, jobseekers must make a claimant commitment to undertake activities to help them to prepare for and find work. The activities are set out in a work plan that is agreed with their Job centre work coach. If a jobseeker does not meet their claimant commitment their Jobseekers Allowance may be sanctioned (reduced). By taking up the support package it will be more likely that the jobseeker will be able to continue to meet their claimant commitment and avoid sanctions.

### **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.

Continue to undertake appropriate monitoring of the scheme, analyse available data and take appropriate action.

**8b. Negative impact:**

The proposed scheme will mean that jobseekers who do not take up the support package will lose the help they would otherwise receive towards their Council Tax. People will have to pay their Council Tax from a very limited income. It is likely to severely affect their ability to meet their living costs

**Action required:**

Jobseekers will be encouraged at every opportunity to take up the additional support that is offered to them. If support is not taken up immediately but the jobseeker engages later then support will be re-instated and in most cases if the jobseeker engages within a reasonable period Council tax Support will be backdated.

Measures will be put in place to make sure that vulnerable jobseekers are identified and their support packages will be tailored to their individual circumstances.

Examples of vulnerable jobseekers who may require a more flexible package of support might be:

- The jobseeker has recently suffered a bereavement
- The jobseeker is homeless and living in temporary accommodation
- The jobseeker is a victim of domestic violence
- The jobseekers is already receiving intensive support from another recognised support provider e.g. Multi Storey Flats DHP pilot, Gipsil, Families First
- Jobseeker approaching pension credit age
- The jobseeker is a young care leaver
- Pregnancy

We will identify households with children and work closely with families first so that families get specific support tailored to meet the families' needs.

We will seek to identify jobseekers with specific barriers to work and direct them to specialist support to address their personal barriers.

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

Yes

No

**Please provide detail:** The proposed scheme treats all groups and communities equally and will not have an impact on relationships between communities

**Action required:**

No action required at this stage

**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 proposed scheme will require that jobseekers engage with the council through the Employment and Skills Service. The wraparound service will provide support to find employment but will also signpost people to other services

**Action required:**

No action required at this point

**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.

New jobseekers who make a new claim from 1 April 2015 will be adversely impacted from 1 October 2015 if they continue to claim Council Tax Support as jobseekers and do not take up the support package offer. It is not possible to determine who will be affected but the current caseload profile has been examined to gauge the number of households who will be required to engage and their circumstances.

The analysis can be found [here](#) and is attached to this report

**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)

<b>Action</b>	<b>Timescale</b>	<b>Measure</b>	<b>Lead person</b>
<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.</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> <p>Undertake appropriate monitoring of the scheme once implemented, analyse available data and take appropriate action.</p>	ongoing	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 provide help and support.</p>	ongoing	Performance data	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>	ongoing	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>	ongoing	Take-up activity	Jennifer Ellis

<b>13. Governance, ownership and approval</b> 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	<b>26 November 2014</b>
<b>Date impact assessment completed</b>		<b>26 November 2014</b>

<b>14. Monitoring progress for equality, diversity, cohesion and integration actions</b> (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)

<b>15. Publishing</b>	
Though <b>all</b> key decisions are required to give due regard to equality the council <b>only</b> publishes those related to <b>Executive Board, Full Council, Key Delegated Decisions</b> or a <b>Significant Operational Decision</b> .	
A copy of this equality impact assessment should be attached as an appendix to the decision making report:	
<ul style="list-style-type: none"> <li>• Governance Services will publish those relating to Executive Board and Full Council.</li> <li>• The appropriate directorate will publish those relating to Delegated Decisions and Significant Operational Decisions.</li> <li>• A copy of all other equality impact assessments that are not to be published should be sent to <a href="mailto:equalityteam@leeds.gov.uk">equalityteam@leeds.gov.uk</a> for record.</li> </ul>	
Complete the appropriate section below with the date the report and attached assessment was sent:	
For Executive Board or Full Council – sent to <b>Governance Services</b>	Date sent: <b>27 November 2014</b>
For Delegated Decisions or Significant Operational Decisions – sent to appropriate <b>Directorate</b>	Date sent:
All other decisions – sent to <a href="mailto:equalityteam@leeds.gov.uk">equalityteam@leeds.gov.uk</a>	Date sent:



## Jobseeker Caseload analysis – November 2014

### 1. Whole JSA Caseload

#### 1.1 Age and household status:

Claimant's Age	No Partner	Partner Under 25	Partner 25 - 54	Partner 55 - 59	Partner Over 60	Total
Under 25	840	158	73	0	0	1071
25 - 54	5279	103	1112	31	9	6534
55 - 59	599	0	64	24	13	700
Over 60	247	0	13	14	10	284
<b>Total</b>	<b>6965</b>	<b>261</b>	<b>1262</b>	<b>69</b>	<b>32</b>	<b>8589</b>

#### 1.2 Households and children

Household	Couples	Single	Total
No children	340	5244	5584
1 Child	421	868	1289
2 Children	391	536	927
3 Children	297	215	512
4 Children	107	75	182
5 Children	39	18	57
6 Children	21	5	26
7 Children	6	3	9
8 Children	2	1	3
<b>Total</b>	<b>1624</b>	<b>6965</b>	<b>8589</b>

### 1.3 Ward and claimants age

Ward	Under 25	25 - 54	55 - 59	Over 60	Total
Adel and Wharfedale	13	67	3	1	84
Alwoodley	9	104	16	4	133
Ardsley and Robin Hood	6	62	11	5	84
Armley	88	485	42	28	643
Beeston and Holbeck	69	444	37	19	569
Bramley and Stanningley	29	205	20	9	263
Burmantofts and Richmond Hill	136	723	65	23	947
Calverley and Farsley	9	48	14	2	73
Chapel Allerton	39	361	42	24	466
City and Hunslet	79	521	47	19	666
Cross Gates and Whinmoor	20	114	12	9	155
Farnley and Wortley	32	228	26	11	297
Garforth and Swillington	3	39	3	1	46
Gipton and Harehills	119	736	60	27	942
Guiseley and Rawdon	4	28	4	1	37
Harewood		13	4	1	18
Headingley	44	100	11	2	157
Horsforth	3	38	4		45
Hyde Park and Woodhouse	64	331	29	7	431
Killingbeck and Seacroft	57	305	46	15	423
Kippax and Methley	1	53	7	7	68
Kirkstall	55	246	30	12	343
Middleton Park	68	356	44	15	483
Moortown	8	80	5	8	101
Morley North	8	90	8	4	110
Morley South	15	124	15	6	160
Otley and Yeadon	5	43	15	4	67
Pudsey	14	103	14	3	134
Rothwell	4	77	8	3	92
Roundhay	15	110	14	4	143
Temple Newsam	28	153	22	2	205
Weetwood	25	127	20	4	176
Wetherby	2	20	2	4	28
<b>Grand Total</b>	<b>1071</b>	<b>6534</b>	<b>700</b>	<b>284</b>	<b>8589</b>

## 2.0 JSA Claims less than 12 months old:

The data highlighted in red in respect of May 2014 provides an indication of the number of jobseekers who would be invited to take up the work package this month if the scheme was in place now.

### 2.1 Households and duration of latest claim

JSA Start date	Number of months since CTS / JSA claim started	Couple	Single	Total
Nov 13	1 month	47	175	222
Dec 13	2 months	38	154	192
Jan 14	3 months	35	242	277
Feb 14	4 months	26	144	170
Mar 14	5 months	42	176	218
April 14	6 months	51	200	251
<b>May 14</b>	<b>7 months</b>	<b>53</b>	<b>237</b>	<b>290</b>
June 14	8 months	71	250	321
July 14	9 months	95	325	420
Aug 14	10 months	110	387	497
Sept 14	11 months	132	574	706
Oct 14	12 months	101	444	545
<b>Total</b>		<b>801</b>	<b>3308</b>	<b>4109</b>

### 2.2 Children and duration of latest claim

JSA Start date	No Children	1 Child	2 Children	3 Children	4 Children	5 Children	6 Children	7 Children	8 Children	Total
Nov 13	144	33	24	17	3	1	0	0	0	222
Dec 13	121	30	21	9	7	0	2	2	0	192
Jan 14	192	38	29	12	4	0	1	1	0	277
Feb 14	122	26	11	6	2	3	0	0	0	170
Mar 14	133	38	22	16	4	4	1	0	0	218
April 14	162	28	36	11	10	3	0	1	0	251
<b>May 14</b>	<b>183</b>	<b>42</b>	<b>35</b>	<b>19</b>	<b>10</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>290</b>
June 14	196	58	31	23	9	3	1	0	0	321
July 14	257	75	52	22	10	3	0	0	1	420
Aug 14	285	80	66	39	14	6	5	2	0	497
Sept 14	440	127	73	46	11	3	5	0	1	706
Oct 14	361	67	70	37	7	1	1	1	0	545
<b>Total</b>	<b>2596</b>	<b>642</b>	<b>470</b>	<b>257</b>	<b>91</b>	<b>28</b>	<b>16</b>	<b>7</b>	<b>2</b>	<b>4109</b>

### 2.3 Tenure and duration of latest claim

JSA Start date	Council Tenant	Council Tax Support	Local Housing allowance	Registered Social Landlord	Total
Nov 13	94	14	94	20	222
Dec 13	88	11	74	19	192
Jan 14	115	16	115	30	277
Feb 14	71	12	64	23	170
Mar 14	94	16	85	23	218
April 14	106	18	87	40	251
<b>May 14</b>	<b>114</b>	<b>22</b>	<b>112</b>	<b>42</b>	<b>290</b>
June 14	147	19	114	41	321
July 14	178	34	164	44	420
Aug 14	230	38	185	44	497
Sept 14	329	46	262	69	706
Oct 14	227	26	239	53	545
<b>Total</b>	<b>1793</b>	<b>272</b>	<b>1595</b>	<b>448</b>	<b>4109</b>

## 2.4 Ward and duration of latest claim

JSA Start date:	Nov 13	Dec 13	Jan 14	Feb 14	Mar 14	Apr 14	May 14	June 14	July 14	Aug 14	Sept 14	Oct 14	Total
Months claiming JSA and CTS:	12 months	11 months	10 months	9 months	8 months	7 months	6 months	5 months	4 months	3 months	2 months	1 month	
Burmantofts and Richmond Hill	27	15	30	20	25	30	33	36	48	55	80	45	444
Gipton and Harehills	30	23	32	21	20	27	26	29	36	55	62	47	408
City and Hunslet	13	20	29	9	18	15	23	25	32	32	59	50	325
Armley	15	16	19	10	21	14	26	23	37	34	45	39	299
Middleton Park	14	13	21	16	12	16	19	15	22	38	46	38	270
Beeston and Holbeck	14	12	20	8	14	20	16	11	26	40	36	29	246
Chapel Allerton	9	13	11	6	14	17	14	22	25	24	46	32	233
Hyde Park and Woodhouse	11	9	9	13	13	9	13	25	23	28	37	29	219
Killingbeck and Seacroft	12	9	13	4	9	16	11	14	24	25	29	25	191
Kirkstall	7	3	8	7	9	9	9	16	19	16	25	19	147
Farnley and Wortley	6	5	10	7	7	9	8	12	8	23	21	18	134
Bramley and Stanningley	7	8	9	6	5	10	11	10	16	11	21	11	125
Temple Newsam	7	4	10	6	4	7	10	2	8	11	15	10	94
Weetwood	4	1	5	3	4	4	10	7	7	8	17	14	84
Morley South	7	1	4	3	8	11	6	6	10	10	11	6	83
Cross Gates and Whinmoor	4	4	5	3	1	5	3	6	9	6	21	14	81
Headingley	5	4	6	2	2	3	6	5	10	6	21	12	82
Alwoodley	3	7	6	2	3	2	6	7	5	11	13	11	76
Pudsey	1	1	1	4	2	2	5	4	5	12	15	19	71
Roundhay	4	2	6	4	2	5	6	4	8	9	11	10	71
Morley North	1	4	2	0	6	2	4	13	8	4	14	5	63
Moortown	2	1	3	3	3	3	5	2	1	9	10	8	50
Rothwell	0	2	6	3	2	3	3	6	4	6	4	5	44
Ardsley and Robin Hood	5	3	2	2	4	4	1	3	1	1	8	6	40
Kippax and Methley	2	3	2	3	3	1	4	1	8	4	5	5	41
Adel and Wharfedale	3	1	0	1	3	1	1	1	8	5	5	6	35
Calverley and Farsley	1	2	0	0	1	2	4	4	1	4	5	7	31
Otley and Yeadon	0	1	2	1	2	1	2	3	2	6	6	7	33
Guiseley and Rawdon	2	2	1	1	0	0	4	2	2	2	1	7	24
Garforth and Swillington	1	1	2	2	0	1	1	1	2	0	8	4	23
Horsforth	4	2	1	0	1	1	0	3	3	0	5	1	21
Wetherby	1	0	0	0	0	0	0	2	1	1	4	4	13
Harewood	0	0	2	0	0	1	0	1	1	1	0	2	8
<b>Grand Total</b>	<b>222</b>	<b>192</b>	<b>277</b>	<b>170</b>	<b>218</b>	<b>251</b>	<b>290</b>	<b>321</b>	<b>420</b>	<b>497</b>	<b>706</b>	<b>545</b>	<b>4109</b>

