

Appendix 1 – Equality Impact Assessment

Equality Impact Assessment – Nottingham City Council Tax Support Scheme

This Equality Impact Assessment relates to the proposed 2014/15 CTSS for Nottingham City.

Section 1 – Background

In April 2013, the Government abolished Council Tax Benefit and gave responsibility for Council Tax Support (CTS) to Council's but cut the money given to do this by at least 10%. The change meant that everyone, except low income pensioners, had to pay something towards their Council Tax bills from 1 April 2013.

In 2012, the DCLG published an Impact Assessment for Localising Council Tax which can be viewed here:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/8464/2063707.pdf

Following a formal consultation exercise in autumn 2012, NCC introduced a scheme for one year that meant that low income households of working age receive help with up to 91.5% of their Council Tax bill. The Council was able to do this by using a one-off grant from the Government and finding an extra £1 million from council funds. At the time of adopting the CTSS for 2013/14, the Council stated that the CTSS 2013/14 was for one year only and that it was likely that the contribution from people of working age would increase in 2014/15 (in light of analysis of consultation feedback and equality impact assessment).

The Government has said that, from April 2014, it will reduce the funding it provides to councils generally. In addition, the Government has also said that it will not provide the one-off grant in 2014/15. Therefore, the Council has had to look again at how much it can help low income households with their Council Tax bills for 2014/15 and must introduce a new CTSS for 2014/15.

The local scheme must be adopted by 31 January 2014 or the Government default scheme will be implemented.

The proposed local CTSS 2014/15 will impact on all working age people in Nottingham. There are an estimated 25,600 claimants of working age in Nottingham and an estimated 13,470 pensioners are receiving help to pay their Council Tax bill, costing approximately £11.5 million per annum.

Section 2 - Information used to analyse the effects on equality

The localisation of CTS is one part of the wider Welfare Reform programme which also includes reforms to out of work benefits, housing benefits and disability benefits. Analysis carried out by the Council to quantify and map at cumulative impacts of welfare reform in Nottingham shows that the abolition of Council Tax benefit and the introduction of Council Tax Support will have the widest impact on households in the City (currently approximately 25,600 claimants), although the financial impact will be relatively small. In contrast, a reform such as the benefits cap will have the largest financial impact on individual households but affects the smallest number of households – 132 as at end of September. There are potentially a large number and wide range of households likely to be at risk of some degree of financial impact and vulnerability due to welfare reform changes. The impact of changes to council tax support will inevitably be felt most by those people who are in receipt of more than one benefit affected by the welfare reform programme.

NCC carried out a formal public consultation exercise between 8 November and 6 December 2013 which consisted of two options for changes to the CTSS

for 2014/15, due to take effect in April 2014. These options are outlined in Section 3 below. The Council used various channels of communication during the consultation including:

- Email to voluntary and community sector contacts.
- Emailed to NCVS contacts list and notification on their e-bulletin.
- Area Managers and NDOs notified and circulated information and flyers at public meetings and events.
- Information circulated to all One Nottingham partners/members.
- Advice Nottingham circulated information to consortium.
- Welfare Rights Team have signposted citizens to website and questionnaire.
- Nottingham City Homes have been notified and asked to circulate information.
- Equality and Fairness Commission have been notified and asked to circulate information.
- Events have been advertised on Nottingham City Council's website.
- Joint Service Centres, customer contact points, libraries and non-geographical community centres have received information and copies of the booklet/questionnaire.
- Press Release.
- Social Media promotion (Facebook and Twitter).
- Councillor information packs.

Modelling was carried out using available caseload data.

238 responses were received from the formal consultation. Analysis of the formal consultation responses produced the following headlines:

Consultation Headlines:

- Seven out of ten 72% (164) stated that they preferred 80% support to low income households of working age.
- Three out of ten 28% (65) stated that they preferred 75% support to low income households of working age.
- Three out of four respondents (75%) stated that as a result of the changes they would have to reduce household spending on essential items such as food and heating.
- Almost one in two (45%) stated they would have to reduce spending on non-essential items such as leisure activities.
- One in three (33%) stated that they would need to borrow money to meet the additional cost

Key messages were:

- Respondents said they were already struggling or would struggle if they had to find more money for council tax
- There are concerns about affordability of the additional costs resulting in debt or going without essentials such as food, heating, support for their children's education etc
- Increased worry or stress about how they would pay – affecting their health
- Having to pay extra would reduce their quality of life by restricting movement or removing (small) luxuries such as leisure activities.

Section 3 - Name and brief description of policy being assessed

In 2014/15 NCC will adopt a CTSS which seeks, as far as possible, to balance the significant cut to the council's resources for CTS and the Council's wider

budget challenges with the need to help the most financially vulnerable members of the community with their Council Tax bills.

The proposed working age 2014/15 CTSS will retain all of the key features of the 2013/14 CTSS which include: setting a maximum level of Council Tax support; no Second Adult Rebate; backdating of awards and a minimum award level of 50p

The only change to the proposed 2014/15 CTSS is to the level of contribution citizens will make towards their Council Tax bill.

The proposed 2014/15 CTSS has been shaped by concerns expressed within the consultation about affordability for low income households. Following analysis of the consultation data relating to 2014/15 the only proposed change for the 2014/15 CTSS is putting a maximum limit on the amount of CTS that can be paid to all working age people – where everyone would pay at least 20% towards their Council Tax bill. This proposal also recognises the expected financial constraints and budget challenges for the Council in 2014/15 and beyond.

The proposed 2014/15 CTSS will meet the parameters set by government for local CTSS and respond to feedback from the consultation on changes to the 2014/15 CTSS by retaining mechanisms to take account of household circumstances. See **Table below**.

Scheme parameters	Scheme design proposed 2014/15 CTSS	Mechanism used	NCC actions following consultation
Continue to help low income pensioners	No change to the amount of help that low income pensioners currently receive	No mechanism used as scheme parameters are prescribed by government.	Scheme complies with Government parameters so no actions needed
Consider needs of families, disabled people and those who receive war pensions	The Council will recognise the needs of those with children, disability or caring responsibilities by retaining features of the current scheme that address those needs as listed opposite	<ul style="list-style-type: none"> - Disregard Child Benefit and childcare costs in the applicable amount - Recognise caring responsibilities by premiums in the applicable amount. - Premiums in the applicable amount, disregarding DLA and other disability benefits as well as those receiving War Disablement and War Widows Pensions 	<p>Recognising the needs of particular households:</p> <p>At the moment, when we calculate CTS, we look at the amount of money the household has to live on. Certain benefits, such as Child Benefit and DLA are not taken into account. Under the proposed scheme, this will not change.</p>
Encourage people to work	The Council will recognise the needs of those with children, disability or caring responsibilities by retaining features of the current scheme that address those needs as listed opposite	<ul style="list-style-type: none"> - Retain earnings disregards and a tapered approach to the calculation of CTS that avoids the sudden drops – “cliff edges” – inherent in a stepped or banded approach to entitlement. 	Proposed 2014/15 CTSS complies with Govt parameter so no actions needed. The Council proposes to retain earnings disregards and a tapered approach to the calculation of CTS that avoids the sudden drops – “cliff edges” – inherent in a stepped or banded approach to entitlement.

	Could particularly benefit (X)	May adversely impact (X)	How different groups could be affected: Summary of impacts	Details of actions to reduce negative or increase positive impact (or why action not possible)
People from different ethnic groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>The financial arrangements for the CTSS must be affordable to the Council and ultimately to the Council Tax payers whilst supporting protection for pensioners since the Government has outlined that there should be no change in the amount of benefit low income pensioners receive.</p> <p>One group with 'protected characteristics' that will see no change are older people who are low income pensioners and the scheme will fully protect low income pensioners from the changes.</p> <p>Given the significant cut to the council's resources for CTS and the Council's wider budget challenges, working age households who currently receive Council Tax reduction will be affected.</p> <p>The overall impact for different equality groups are summarised in Table 2 below.</p>	<p>The Council will continue to disregard war pensions in full in the proposed 2014/15 CTSS.</p> <p>The proposed 2014/15 CTSS seeks as far as possible, to balance the significant cut to the council's resources for CTS and NCC's wider budget challenges with the need to help the most financially vulnerable members of the community with their Council Tax bills.</p> <p>The proposed 2014/15 CTSS seeks to limit the impact on low income households by taking the approach to evenly distribute a reduction in support for working age people and not allow this reduction in support to have a disproportionately negative affect on any sub-group within the working age population.</p> <p>The DCLG transition funding is not available for 2014/15 because it was available for one year only. This means that the proposed 2014/15 CTSS is less generous for all working age households.</p> <p>The Government's wider welfare reform agenda seeks to make sure that work pays and that increases in earnings are not undermined by similar or greater reductions in other income. The Council proposes to retain earnings disregards and a tapered approach to the calculation of CTS that avoids the sudden drops – "cliff edges" – inherent in a stepped or banded approach to entitlement.</p>
Men, women (including maternity/pregnancy impact), transgender people	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Disabled people or carers	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
People from different faith groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Lesbian, gay or bisexual people	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Older or younger people	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Other (e.g. marriage/civil partnership, looked after children, cohesion/good relations, vulnerable children/adults)	<input type="checkbox"/>	<input checked="" type="checkbox"/>		

Outcome(s) of equality impact assessment:

No major change needed Adjust the policy/proposal Adverse impact but continue Stop and remove the policy/proposal

Arrangements for future monitoring of equality impact of this proposal / policy / service:

The CTSS for 2014/15 will be reviewed annually.

Approved by (manager signature):

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Table 2 – Outline of potential impacts and measures taken to minimise impact for different protected groups

The following is an equality impact assessment carried out for proposals set out in the Council's CTSS 2014/15 consultation to change support scheme. It summarises the impact for each group of protected characteristics and notes actions taken to minimise adverse impacts. Details of how individual proposals have been adjusted to minimise impact are set out in the equality impact assessments for affected groups.

Equality Group	Reasons for positive / negative impact	Actions needed to reduce/mitigate impact for proposed 2014/15
People from different ethnic groups	<p>Ethnic group data is available for 12,904 working age claimants, 50% of the total. The 2013 data shows that the Black Caribbean group is the most overrepresented amongst CTS claimants followed by the Mixed: White and Black Caribbean and Black Other groups. The groups which are most underrepresented in terms of claimants are the Indian and Chinese groups. (see Table 4 in Appendix 2). The group who responded to the formal consultation are largely representative of those groups claiming CTS with the exception of the group 'Arab' which is not explicitly recorded for CTS claimants.</p> <p>Race and ethnic group are not relevant to the calculation of CTS and data on the ethnicity of CTS claimants is limited.</p> <p>The analysis of the formal consultation does not highlight any specific adverse impacts on ethnic groups other than those within these groups who are of working age.</p>	<p>NCC has considered all responses to the formal consultation and has taken account of the available demographic and caseload data relating to race and ethnicity.</p> <p>NCC is supporting the proposed 2014/15 CTSS because it considers that this scheme seeks, as far as possible, to balance the significant cut to the council's resources for CTS and the Council's wider budget challenges with the need to help the most financially vulnerable members of the community with their Council Tax bills.</p> <p>The 2014/15 CTSS evenly distributes a reduction in support for working age people and does not allow this reduction in support to have a disproportionately negative affect on any sub-group within the working age population.</p> <p>The DCLG transition funding is not available for 2014/15 and the Council will receive an overall reduction in its funding for CTS in 2014/15. This means that the proposed 2014/15 CTSS is less generous for all working age households.</p>
Men, women (including maternity/pregnancy impact), transgender people	<p><u>Men/Women</u> Our modelling showed us that from the 26,500 CBT claimants, there are approximately 13,350 households with dependents (50%) – 9535 lone parents (35%) and 3815 couples with children (14%)¹.</p>	<p><u>Men/Women</u> The proposed 2014/15 CTSS includes considerations of the amount of money a household has to live on and certain benefits, such as child benefit, will not be taken into account as income. In addition, we will continue to disregard child care costs to the same levels as the 203/14</p>

¹ Working age Council Tax Benefit claimants (1st September 2012)

	<p>A large proportion of the lone parent households are headed by women.</p> <p>No issues identified. No data is collected in respect of Gender reassignment or transgender people as it is not relevant to the calculation of Council Tax Reduction.</p>	<p>CTSS and carers will continue to receive an additional allowance towards living costs when we calculate income.</p> <p>Retaining these features of the current CTSS seeks to mitigate the impact on households with children, including those headed by lone parents.</p> <p>The DCLG transition funding is not available for 2014/15 and the Council will receive an overall reduction in its funding for CTS in 2014/15. This means that the proposed 2014/15 CTSS is less generous for all working age households.</p> <p><u>Pregnancy/Maternity</u> No adverse impacts have been identified within the proposed 2014/15 CTSS.</p> <p><u>Transgender people / Gender reassignment</u> No adverse impacts have been identified within the proposed 2014/15 CTSS.</p>
<p>Disabled people or carers</p>	<p>Limited local data is currently held in relation to Council Tax liabilities of disabled households of working age, although a number of disability related benefits (e.g. income Support: Disability Premium, Employment Support Allowance, Disability Living Allowance, Attendance Allowance and Independent Living Fund) potentially qualify citizens for CTS.</p> <p><u>Carers</u> No current caseload data is collected in respect of caring responsibilities and consequently it is difficult to draw any firm conclusions in terms of equality impact on carers, however the Council recognises the needs of those with caring responsibilities</p>	<p><u>Disabled People</u> The proposed 2014/15 CTSS will continue to disregard in full certain benefits such as Disability Living Allowance and attendance allowance etc. Recipients will continue to benefit from the enhanced premiums and personal allowances to which they are entitled to claim as a result of their disability.</p> <p>Retaining these features of the current scheme seeks to mitigate the impact on households with disability. The current intentions for the 2014/15 CTSS are to continue to retain these features. This seeks to mitigate any potential adverse impact on more vulnerable households, especially those where there is poor mental or physical health and to prevent hardship.</p> <p>The DCLG transition funding is not available for 2014/15 and the Council will receive an overall reduction in its</p>

		<p>funding for CTS in 2014/15. This means that the proposed 2014/15 CTSS is less generous for all working age households.</p> <p>Carers The proposed 2014/15 CTSS design recognises the needs of those with caring responsibilities by retaining features of the 2013/14 scheme that address those needs. It looks at the amount of money a household has to live on and recognises those with caring responsibilities by the inclusion of premiums in the applicable amount.</p> <p>The current intentions for the 2014/15 CTSS are to continue to retain this feature.</p>
People from different faith groups	<p>No issues identified. The data available in respect of religion or belief as it is not relevant to the calculation of CTS.</p> <p>The formal consultation analysis did not highlight any potential adverse impacts for people of different faith groups.</p>	No adverse impacts have been identified within the proposed 2014/15 CTSS.
Lesbian, gay or bisexual people	<p>No issues identified. No data is collected in respect of sexual orientation as it is not relevant to the calculation of CTS.</p> <p>The formal consultation analysis did not highlight any potential adverse impacts for lesbian, gay or bisexual people.</p>	No adverse impacts have been identified within the proposed 2014/15 CTSS.
Older or younger people	<p>People over pension age will not be affected by the proposals because they are excluded from the changes. The Government has determined that people over the state pension age for women and younger people with a partner over the state pension age for women will receive help with Council Tax under a national scheme as now. The Council has no power to change this. Pensioners who are protected make up 34.4% of our current caseload (13,470 pensioners).</p> <p>The Government is reducing the amount they pay local</p>	<p>Older People:- Low income pensioners are protected and therefore No adverse impacts have been identified within the proposed 2014/15 CTSS.</p> <p>Working Age People: NCC is delivering a number of targeted initiatives to support vulnerable working age residents back into work:</p> <ul style="list-style-type: none"> • The Integrated Employer Hub in partnership with JCP links unemployed city residents to vacancies and opportunities secured through employer

	<p>authorities towards help with Council Tax. NCC cannot provide resources to make up for all of this reduction so it has made changes to the CTSS for 2014/15 proposing that all people of working age will receive less CTS than under the present CTSS 2013/14. EIA Appendix 1 shows the Nottingham City profile of working age CTS claimants.</p>	<p>engagement, public sector partners and planning and procurement obligations.</p> <ul style="list-style-type: none"> • The Nottingham Jobs Fund is a grant to employers creating roles for unemployed city residents • The Apprenticeship Hub works with employers to create apprenticeships in the City • NCC funds community based employment and skills provision through the Area Based Grant programme • The Council supports PATRA by providing apprenticeship opportunities. <p>The Council has also secured £3 million through the youth contract to tackle unemployment amongst 18-24 year olds.</p>
<p>Other (e.g. marriage/civil partnership, looked after children, cohesion/good relations, vulnerable children/adults)</p>	<p><u>Marriage / Civil Partnership</u> No issues identified. No data is collected in respect of Marriage and civil partnership. Same sex partners are treated the same as opposite sex partners for the purposes of Council Tax Support and this will be the case for the CTSS 2014/15.</p>	<p><u>Marriage / Civil Partnership</u> No adverse impacts have been identified within the proposed 2014/15 CTSS.</p>

Overall, the proposed 2014/15 CTSS will protect low income pensioners so there will be no impact on this group. This complies with the Government's requirement that there should be no change in the amount of benefit low income pensioners receive. The Council will continue to disregard war disablement pensions and pensions for war widows and widowers. The Council uses a discretionary power to disregard the full amount of these pensions and will continue to disregard these pensions in full both the proposed 2014/15 CTSS.

Other vulnerable citizens' impact

During the development of a local scheme the Council has tried as far as possible to balance the significant cut to our resources for CTS with the need to protect the most vulnerable members of the community. The proposed 2014/15 CTSS limits the impact on people of different equality groups as listed in Table 2 above by:

- evenly distributing a reduction in support for working age people
- not allowing for a disproportionately negative affect on any sub-group within the working age population.

NCC recognises that there were concerns expressed within the consultation about the affordability for many low income working age households. The CTSS recommended for 2014/15 seeks, as far as possible, to balance the significant cut to the council's resources for Council Tax Support and the Council's wider budget challenges with the need to help the most financially vulnerable members of the

community with their Council Tax bills.

In the design of the CTSS 2014/15, the Council will recognise the needs of those with children, disability or caring responsibilities by retaining features of the CTSS 2013/14 that address those needs. The proposed 2014/15 CTSS will make a wide range of provision to recognise the needs of:

- those with children: in the applicable amount, in disregarding Child Benefit and in disregarding childcare costs.
- those with disabilities: by premiums in the applicable amount, disregarding Disability Living Allowance and other disability premiums as well as those receiving War Disablement Pension and War Widows Pension.
- those with caring responsibilities: by premiums in the applicable amount.

Affordability: Affordability for both NCC and citizens is a concern for NCC. Consultation told us that many people are concerned that they will have to pay at least 20% of their Council Tax bill when they have previously had to pay at least 8.5% of their bill. By adopting the proposed 2014/15 CTSS, NCC will comply with the Government CTSS parameters while evenly spreading the reduction in support across all citizens of working age and therefore not allowing for a disproportionately negative affect on any sub-group within the working age population.

EIA Appendix 1

Table 4 – Council Tax Support client breakdown by ethnicity as at December 2013

	Ethnic Group	% of working age claimants	% of Working age population	Under/Over representation
White	British	70.3	65.2	1.1
	Irish	0.5	0.8	0.6
	Other White	5.2	5.9	0.9
Mixed	White and Black Caribbean	4.7	3.2	1.5
	White and Black African	0.5	0.5	0.9
	White and Asian	0.7	1.0	0.7
	Other mixed	0.6	0.7	0.8
Asian or Asian British	Indian	0.9	3.7	0.2
	Pakistani	3.5	4.9	0.7
	Bangladeshi	0.4	0.3	1.2
	Other Asian	1.6	2.2	0.7
Black or Black British	Caribbean	6.5	3.0	2.2
	African	3.3	3.4	1.0
	Black other	1.1	0.8	1.4
Chinese		0.2	2.6	0.1

Source: Claimant data from December 2013, Nottingham City Council. Population data by ethnic group from the 2011 Census

Notes: Ethnic group data is available for 12,904 working age claimants, 50% of the total (Correct as at December 2013)