

The **public sector Equality Duty** (Section 149 of the Equality Act) requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people carrying out their activities.

The Equality Duty supports good decision making – it encourages public bodies to be more efficient and effective by understanding how different people will be affected by their activities, so that their policies and services are appropriate and accessible to all and meet different people’s needs. The Council’s Equality and Safety Impact Assessment (ESIA) includes an assessment of the community safety impact assessment to comply with section 17 of the Crime and Disorder Act and will enable the council to better understand the potential impact of the budget proposals and consider mitigating action.

<p>Name or Brief Description of Proposal</p>	<p>Council Tax Reduction scheme 2016-17</p> <p>The Chancellor of the Exchequer, announced a number of welfare measures as part the Summer Budget on 8th July 2015. Of significance are the planned changes to the assessment of Housing Benefit (A and B below) which would normally be included in our local Council Tax Reduction scheme (CTR);</p> <p>A. The removal of the family premium from new claims for Housing Benefit.</p> <p>B. Backdating new housing benefit claims will be limited to 4 weeks It is proposed that the 2016-17 Council Tax Reduction scheme is adjusted accordingly to take account of the changes. There will be no impact on existing recipients of local Council Tax Reduction. There will be an impact on new claims made from the 1st April 2016 by some working age persons, but pensioners remain fully protected and can still receive up to 100% support.</p>
<p>Brief Service Profile (including number of customers)</p>	<p>Current 2015-16 scheme (As at the 30th September 2015);</p> <ul style="list-style-type: none"> • There are 104,109 domestic properties in Southampton. • Currently 21,699 council tax payers have been awarded CTR which equates to 21% of properties in the city. • 37% of CTR claimants are pensioners and are not affected by these changes. • Current expenditure on CTR is £15 Million • The average CTR award is £689 a year • Of the working age claimants 8,707 (64%) were pass-ported (automatically entitled to CTR as in receipt of other qualifying benefits) and likely to receive maximum support under the scheme. • Currently Housing Benefit and CTR can be backdated up to 6 months

	<p>Council Tax Reduction</p> <table border="1"> <thead> <tr> <th></th> <th>Total</th> <th>Pensioners</th> <th>Working Age</th> </tr> </thead> <tbody> <tr> <td>Caseload Sept 2015</td> <td>21,669</td> <td>8,047</td> <td>13,652</td> </tr> <tr> <td>Pass-ported</td> <td>13,652</td> <td>4,943</td> <td>8,707</td> </tr> <tr> <td>Non pass-ported</td> <td>8,047</td> <td>3,104</td> <td>4,945</td> </tr> <tr> <td>Reduction awarded</td> <td>£14,944,195</td> <td>£6,570,212</td> <td>£8,373,983</td> </tr> <tr> <td>Pass-ported</td> <td>£10,273,037</td> <td>£4,513,152</td> <td>£5,759,885</td> </tr> <tr> <td>Non pass-ported</td> <td>£4,671,158</td> <td>£2,057,060</td> <td>£2,614,098</td> </tr> </tbody> </table> <p>* Passport benefits – In calculating Housing Benefit and CTR a person counts as being on a passported benefit if they are; On guarantee credit On income support (IS) On income based jobseekers allowance JSA (IB) On income related employment and support allowance ESA (IR).</p>		Total	Pensioners	Working Age	Caseload Sept 2015	21,669	8,047	13,652	Pass-ported	13,652	4,943	8,707	Non pass-ported	8,047	3,104	4,945	Reduction awarded	£14,944,195	£6,570,212	£8,373,983	Pass-ported	£10,273,037	£4,513,152	£5,759,885	Non pass-ported	£4,671,158	£2,057,060	£2,614,098
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<p>Summary of Impact and Issues</p>	<p>The Chancellor of the Exchequer announced a number of welfare measures as part the Summer Budget on 8th July 2015. Of most significance are the planned changes to the assessment of Housing Benefit (HB) which would normally be included in our local Council Tax Reduction scheme (CTR).</p> <p>These changes if implemented in our local 2016-17 CTR scheme will not result in a reduction in entitlement to existing claimants CTR. The changes only apply to new claims made by working age persons on or after the 1st April 2016.</p> <p>Pensioners remain fully protected and can still receive up to 100% support.</p> <p>These changes commence on the 1st April 2016;</p> <ul style="list-style-type: none"> • The removal of the family premium from new claims for Housing Benefit. • Backdating new housing benefit claims will be limited to 4 weeks. <p>If the above changes being made to Housing Benefit are not replicated in our CTR scheme it is estimated that the cost of the 2016-17 local scheme will increase by up to £281,000 (I.E we will grant more CTR);</p> <ul style="list-style-type: none"> • Family Premium cost increase = £239,000 (estimated 1,300 new claims affected) • Backdating cost increase = £42,000 (estimated 650 new claims affected) <p>The estimates are based on claims made and backdating requests received in 2014/15.</p>																												

	<p>The Family Premium is a part of how we assess the 'needs' of any claimant and is included in their 'Applicable Amount' which is compared with their income. Family Premium is normally given when a claimant has at least one dependent child or young person. Removing the Family Premium will mean that when we assess a claimants' 'Applicable Amount' it would not include the Family Premium (currently £17.45). This change would not affect those claimants on Universal Credit, Income Support, income related Employment and Support Allowance or Income based Job Seekers Allowance.</p> <p>Currently claims for Housing Benefit and Council Tax Reduction from working age claimants can be backdated for up to six months where a claimant can prove that there was 'good cause' that they could not claim at an earlier time.</p>
<p>Potential Positive Impacts</p>	<p>Local Council Tax Reduction replaced the national Council Tax Benefit scheme from 1st April 2013. In designing its local scheme Southampton City Council closely matched with the Default Scheme Regulations.</p> <p>The Local Government Finance Act 2012 (Schedule 4) required the Secretary of State to prescribe by regulations a "default scheme". The default scheme would take effect, in respect of dwellings situated in the area of a billing authority, if the authority failed to make its own scheme on or before 31st January 2013. Southampton City Council adopted the default scheme as did many other councils in 2013 for its working age Council Tax Reduction Scheme.</p> <p>For 2013 the prescribed scheme for pensioners and the default scheme for working age persons mirrored the matters previously contained within Council Tax Benefit for determining the classes of person entitled to support and matters relevant to determining eligibility, calculation and the amount of reduction.</p> <p>For 2014 schemes, The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (no.2) Regulations 2014 made provisions to amend certain figures which are used in calculating the amount of the Council Tax Reduction for pensioners. The purpose of this 'uprating' of the figures is to maintain consistency with the situation that would have applied had council tax benefit not been abolished.</p> <p>Each year these regulations align the allowances, premiums and deductions made in calculating Council Tax Reduction for pensioners with the increased amounts made by the DWP in calculating Housing Benefit. This is because Housing Benefit and Council Tax Benefit were broadly on all fours prior to 1st April 2013.</p>

	<p>However the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (no.2) Regulations 2014 specifically do not apply to working age persons. To overcome this the Southampton Council Tax Reduction Scheme for working age persons simply mirrors the amendments made to the scheme for pensioners each year.</p> <p>By following the default scheme the reduction remains means tested operating in a similar way to its predecessor national Council Tax Benefit. I.E. to work out Housing Benefit and Council Tax Reduction, the council will look at the money a claimant has coming in, including earnings, some benefits and tax credits and things like occupational pensions, savings, as well as the claimants' circumstances, such as age, the ages and size of their family, whether they or any of their family are disabled, and whether anyone who lives with them could help with the rent.</p> <p>There will be no impact on existing recipients of local Council Tax Reduction. There will be an impact on new claims made from the 1st April 2016 by some working age persons, but pensioners remain fully protected and can still receive up to 100% support.</p> <p>By encouraging residents to claim promptly they will receive council tax support quickly and are less likely to fall into arrears with their council tax payments to the council.</p> <p>Discretionary fund - The council as part of the local CTR scheme agreed an annual discretionary fund of £200K to help claimants deal with exceptional hardship. This additional support helped 1,321 claimants in 2014 meet the shortfall between Council Tax Reduction and their overall council tax liability when having to deal with exceptional financial or personal circumstances. The amount awarded totalled £193,793 (an average award of £146.70).</p> <p>To receive support from the discretionary fund a claim is required. This can initially be in written format (including electronic), over the telephone, or in person. However the customer must then complete the Council's application form to proceed with their claim. Assistance with this application will be provided if needed.</p>
Responsible Service Manager	Steven Olney. Revenues & Benefit Client.
Date	

Approved by Senior Manager	
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Signature	
Date	

Potential Impact

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions																				
Age	<p>A breakdown of the caseload by age:</p> <table border="1"> <thead> <tr> <th>Age</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>16 to 17</td> <td>0</td> </tr> <tr> <td>18 to 24</td> <td>760</td> </tr> <tr> <td>25 to 34</td> <td>3,384</td> </tr> <tr> <td>35 to 49</td> <td>5,269</td> </tr> <tr> <td>50 to pension age</td> <td>3,189</td> </tr> <tr> <td>Pension age to 64</td> <td>1,419</td> </tr> <tr> <td>65 to 79</td> <td>4,872</td> </tr> <tr> <td>Over 80</td> <td>2,806</td> </tr> <tr> <td>TOTAL</td> <td>21,699</td> </tr> </tbody> </table> <p>Oldest is 106 and we have 21 over 100 years of age.</p> <p>Older People: The council is not permitted to reduce Council Tax Support for people of pensionable age – so the impact falls disproportionately on people of working age.</p> <p>Family premium change ;</p> <ul style="list-style-type: none"> • In 2014/15 there were 3,662 new CTRS claims with children • As 64% of working age claimants are pass-ported and already receive maximum support under 	Age	Number	16 to 17	0	18 to 24	760	25 to 34	3,384	35 to 49	5,269	50 to pension age	3,189	Pension age to 64	1,419	65 to 79	4,872	Over 80	2,806	TOTAL	21,699	<p>These changes only apply to new claims for CTR received from 1st April 2016. Therefore it is not possible to write in advance of the changes to persons who make these future new claims.</p> <p>In calculating entitlement to council tax reduction an applicable amount is assessed. The applicable amount is based on personal and family circumstances. Currently there are personal allowances for the claimant and any partner, each child or young person in the family. Plus additional amounts (Premiums) for family, disabled child, carer, enhanced disability and severe disability premiums. From 1st April 2016 the Family Premium will not be included in respect of new claims. However the remaining allowances and premium elements of the applicable amount remain within the CTR scheme to reflect the needs of the claimant.</p> <p>The Family Premium change will not affect those claimants on Universal Credit, Income Support, Income related Employment and Support Allowance or Income based</p>
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	<p>our scheme, only 1,318 claims would be affected in 2016-17 if we receive similar numbers and types of claims.</p> <ul style="list-style-type: none"> • The family premium rate for is £17.45 per week. If we followed the changes to HB then new claimants may lose up to £2.62 CTR each week • The reduction in CTR awarded would be up to £239,249 (1,318 X £181.48) in 2016-17 if we receive similar numbers and types of claims. This would reduce further if you factor in a 3.4% drop in caseload in 2016-17. • Currently in 2015-16 (at the 30th September 2015) 3,114 working age claims include the Family Premium. Of those 1,342 are passported and 1,772 are non passported. 	<p>Job Seekers Allowance.</p> <p>The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances.</p> <p>The changes to Family Premium for new claims will be publicised on the council's website.</p> <p>The councils CTR scheme is published on the website by the 31st January each year</p> <p>Local Housing Offices, Advice Agencies, Welfare Rights will be aware of the change to Family Premium for Housing Benefit and will be made aware that our local CTR scheme will mirror the change.</p> <p>The application form for Discretionary Payments (hardship) directs customers where to go to get free advice from local agencies;</p> <ul style="list-style-type: none"> • SCC Welfare Rights • Southampton Advice and Representation Centre • No Limits (under 25's) • Cranbury Centre • Southampton Citizens Advice Bureau <p>The SCC website page for Discretionary Payments also directs customers who are struggling in a crisis to organisations in the city that can offer support.</p>
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	<p>Backdating change; Statistics from 2014-15 show</p> <table border="1" data-bbox="496 383 949 730"> <thead> <tr> <th>Age</th> <th>Claims</th> <th>% Working Age</th> </tr> </thead> <tbody> <tr> <td>16 to 17</td> <td>0</td> <td></td> </tr> <tr> <td>18 to 24</td> <td>166</td> <td>13.04</td> </tr> <tr> <td>25 to 34</td> <td>387</td> <td>30.40</td> </tr> <tr> <td>35 to 49</td> <td>517</td> <td>40.61</td> </tr> <tr> <td>50 to pension age</td> <td>203</td> <td>15.95</td> </tr> </tbody> </table> <p>For the period 1.4.2014 to 31.03.15 a total of £78,752.83 Council Tax reduction was allocated to Council Tax accounts based on backdated awards. There were 1,294 individual awards, with £37,013.83 (47%) awarded up to a 4 weeks period, and £41,739 (53%) for a period exceeding 4 weeks.</p> <p>70% of those over 4 weeks would be made by claimants aged 25 to 49 years old.</p>	Age	Claims	% Working Age	16 to 17	0		18 to 24	166	13.04	25 to 34	387	30.40	35 to 49	517	40.61	50 to pension age	203	15.95	<p>The changes to backdating for new claims will be well publicised on the council's website. Aim to promote prompt claims for Council Tax Reduction.</p> <p>Local Housing Offices, Advice Agencies, Welfare Rights will be aware of the change to backdating for Housing Benefit and will be made aware that our local CTR scheme will match HB for backdating.</p> <p>The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances.</p>
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Disability	<p>Family Premium change; in 2014-15 the academy system shows that we received 10 new claims where a family premium was awarded and the claimant or partner had a disability premium.</p> <p>Analysis of those claims shows 6 out of these 10 claims are pass ported so removing the Family Premium would make no difference to their entitlement to CTR. Only 1 case out of the remaining 4 would receive less CTR, which worked out an additional £2.62 per week to pay.</p>	<p>The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances.</p> <p>The SCC website prominently displays that 'illness or disability in your household' is a factor taken into account when making discretionary awards.</p>																		
Gender Reassignment	No data are kept on the benefits system that allows us to identify	The discretionary fund ensures that the most vulnerable can																		

	people who have reassigned their gender	access additional support in exceptional circumstances
Marriage and Civil Partnership	The scheme does not distinguish between couples who are married or in a civil partnership and those who are living together	The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances
Pregnancy and Maternity	No identified negative impacts	N/A
Race	No data are kept on the benefits system that allows us to identify a claimant's race.	The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances
Religion or Belief	No data are kept on the benefits system that allows us to identify a claimant's religion or belief	The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances
Sex	No identified negative impacts	N/A
Sexual Orientation	No data are kept on the benefits system that allow us to identify a claimant's sexual orientation and there is nothing in the proposed scheme that is likely to adversely affect people of differing sexual orientation.	The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances
Community Safety	No specific impact identified	
Poverty	<p>Currently of the 13,562 working age claimants 8,707 (64%) were pass-ported (automatically entitled to CTR as in receipt of other qualifying benefits) and likely to receive maximum support under the scheme.</p> <ul style="list-style-type: none"> The Family Premium rate for is £17.45 per week. If we followed the changes to HB then new non passported claimants may lose up 	<p>The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances.</p> <p>The SCC website prominently displays that Discretionary Council Tax Support and Discretionary Housing Payments provide additional</p>

	<p>to £2.62 CTR each week</p>	<p>support for those people already receiving Council Tax Reduction Housing Benefit or Universal Credit.</p> <p>Discretionary Payments can help you if a resident is:</p> <ul style="list-style-type: none"> • struggling to pay rent or council tax • has other circumstances that are causing hardship • finding it difficult because of the under occupation, benefit cap rules or following the removal of council tax benefit • the Housing Element of Universal Credit does not cover full housing costs <p>Any entitlement is determined by individual circumstances and level of income left after taking into account essential expenditure.</p> <p>A number of factors are taken into account before a Discretionary Housing Payment award can be made:</p> <ul style="list-style-type: none"> • Income • Savings • Other people in the home • loans and debts • money managing skills • Illness or disability in the household • efforts to improve the situation
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Other Significant Impacts		
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