

AGENDA ITEM NO.12	
COUNCIL	
Date	20 DECEMBER 2012
Title	COUNCIL TAX SUPPORT

1. PURPOSE/SUMMARY

There are major changes to Local Government finance from April 2013. In particular Council Tax Benefit (CTB) will be localised and called “Council Tax Support” (CTS). At the same time, funding will move from being demand-led to an annual fixed grant for expected CTS spend. This presents major issues to Councils and requires significant changes to the way Council Tax is administered locally. This report explains how the Council will meet these challenges, including how it will make changes to some Council Tax discounts and exemptions from April 2013 to help fill the funding gap.

- 2. KEY ISSUES**
- Council Tax Benefit will be abolished from 1 April 2013. From this point all Councils must devise their own “Council Tax Support” schemes to replace it.
 - The Government specifies pensioners must be protected from effects of this change.
 - Funding will change from a demand-led basis (where Councils are reimbursed for benefits expenditure) to a fixed annual grant for Council Tax Support (where Councils must fund growth in demand locally).
 - Funding will be cut by 10% (in practice this is nearer 12%).
 - Following the announcement of transitional grant, the gap to the Council will be £1.2 million in 2013-14.
 - Changes to some Council Tax discounts and exemptions will be permitted from April 2013. These are required by the Council to enable the funding gap to be closed without cuts to budgets.

- 3. RECOMMENDATIONS**
- It is recommended by Cabinet that Council approve:
- The Council Tax Support Scheme as set out in Section 18 of this report
 - The discounts applicable to specific classes of properties set out in Section 18 of this report.

Wards Affected	All
Forward Plan Reference No. (if applicable)	These proposals are included in the Forward Plan.
Portfolio Holder(s)	<p>Councillor Alan Melton Leader of the Council.</p> <p>Councillor Chris Seaton Deputy Leader of the Council.</p> <p>Councillor John Clark Portfolio Holder for Quality Organisation, Finance and Performance Management.</p> <p>Councillor Kit Owen Portfolio Holder for Growth and Transport.</p>
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Background Paper(s)	<p>Localising Support for Council Tax – A Statement of Intent Department of Communities and Local Govt 17 May 2012</p> <p>Localising Council Tax Support Report to Cabinet 26 July 2012</p> <p>Local Government Finance Act 2012</p> <p>Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012</p> <p>Council Tax (Prescribed Classes Of Dwellings) (England) (Amendment) Regulations 2012</p> <p>Council Tax (Exempt Dwellings) (England) (Amendment) Order 2012</p>
Abbreviations used in this report	<p>'CTB' means Council Tax Benefit</p> <p>'CTS' means Council Tax Support</p>

1. COUNCIL TAX BENEFIT – AN INTRODUCTION

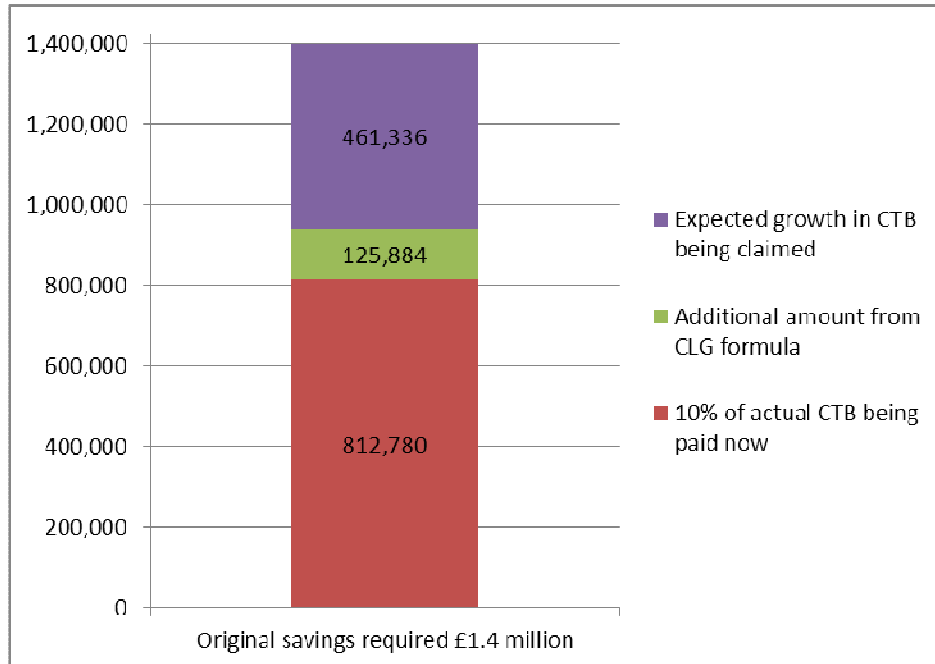
- 1.1 Council Tax Benefit (CTB) is a means tested benefit. Unlike most other benefits, it is given as a reduction in someone's Council Tax bill, rather than being actually paid direct to them.
- 1.2 It shares most rules about eligibility and administration with Housing Benefit (HB). These rules are prescribed by Government regulations with District Councils and Unitary Councils administering both HB and CTB locally.
- 1.3 The amount of CTB awarded depends on:-
 - Income (from wages, other benefits or a state /private pension),
 - Capital (savings and other things that have financial value i.e. shares),
 - Household make-up (if there are people dependent or non-dependent),
 - The Council Tax payable (the basic amount, by band),
 - The circumstances of another adult in the property (this is called "Second Adult Rebate").
- 1.4 Being on some benefits (such as Income Support, Employment and Support Allowance or Jobseekers' Allowance) can mean that a claim for CTB is not needed in its own right. In these cases, the Department for Work and Pensions (DWP) will give us information allowing an application for CTB to be made without a customer needing to complete another form.
- 1.5 The above benefits are "passported" which means that generally (but not always); those people on these benefits will receive full (or 100%) CTB meaning that they will have no Council Tax to pay.
- 1.6 For all other people, there is an application process that is shared with that for HB. This means that customers only complete one form that covers both benefits.
- 1.7 Our website has a benefits calculator that allows customers to see their possible entitlement to CTB, and then takes them to an on-line application form. At the end of this process, a declaration is produced for printing off. This ensures we receive a signature for the claim. It is accompanied by a list of documents that we need to prove things like identity, income and savings.
- 1.8 Paper application forms are also available. Customers can also come into one of our Fenland @ Your Service Shops where they can either use self-serve computer terminals or have a member of staff go through the process with them face to face.
- 1.9 The information on the application form is input into a specialised computer system that calculates the amount of CTB a customer is entitled to. This is then offset against Council Tax liability and a revised bill and payment instalments produced. This process is shared and seamless with that for HB, except that for the later a payment is generated at the end either to the customer or their landlord.
- 1.10 Where customers' circumstances change, they report this to us. Their CTB entitlement is then revised. This means a higher amount of Council Tax becomes payable and their payment instalments will be adjusted accordingly.

2. BACKGROUND TO LOCAL COUNCIL TAX BENEFIT

- 2.1 In its 2010 Spending Review the Government announced that it would localise support for Council Tax from April 2013, and at the same time reduce expenditure by 10%.
- 2.2 In 2011 the Welfare Reform Bill was published (since passed into law) allowing for the current Council Tax Benefit (CTB) scheme to be abolished from 2013.
- 2.3 At present, CTB is governed by legislation set by the Department for Work and Pensions (DWP). District and Unitary Councils administer it alongside Housing Benefit (HB) with some single application and administrative process. CTB when granted, it is offset against peoples' liability for Council Tax, reducing the amount they pay.
- 2.4 CTB is currently paid out by Councils, with the cost of it being reimbursed to them by the DWP. This system allows for fluctuations in demand, so if Councils give more CTB out, the DWP will reimburse the higher costs.
- 2.5 From April 2013, this system is changing. CTB is being "localised". This means that there will no longer be a nationally governed CTB scheme. Councils will determine their own local "Council Tax Reduction Scheme" and CTB will be replaced by "Council Tax Support" (CTS). This is part of the Government's wider policy of localisation, giving Councils increased financial autonomy and a greater stake in the economic future of their local area.
- 2.6 Pensioners (of state pensionable age) will be protected under these new arrangements. CTB for them will be replaced by Council Tax Support but still continue to be subject to national controls. They will not have their support reduced by these changes.
- 2.7 The Government is also committed to ensuring that the most vulnerable in society are supported and it has advised Councils to take the needs of these groups into consideration when devising local schemes for CTS.
- 2.8 At the same time as this shift to local control and accountability, the amount of funding for CTS is being changed. It is moving from the current demand-led arrangements to a fixed budget allocation each year from April 2013.
- 2.9 The headline reduction in funding is 10%. Recent advice from the Department for Communities and Local Government (CLG) has included a formula that explains how this reduction will apply in practice. It suggests that the reduction will be closer to 12% for Fenland.
- 2.10 Demand for CTB has risen year-on-year for a number of years. We need to make budgetary provision for this over and above the funding that we will receive, noting that the DWP have recently issued forecasts that show demand will start to slow from 2013-14.
- 2.11 We currently award about £8.127 million in CTB (2012-13 figures). Taking into account the expected funding reduction and allowance for growth, we originally expected that the funding shortfall will be £1.4 million in 2013-14.
- 2.12 In order to meet this shortfall we needed to consider ways to reduce the cost of providing CTS. This will potentially mean a reduction in the amount we pay out to residents of working age, who are not classed as vulnerable.
- 2.13 Fenland pays CTB out in full and then currently receives funding back from DWP to cover this. The change to local control of CTS will have an effect on other public bodies as well.

3. THE FINANCIAL CONTEXT

3.1 At the time we calculated the effects of a move to CTS, the savings required in 2013-14 were as follows:-



3.2 The above savings figures have three distinct elements which are explained below in more detail.

3.3 **The 10% of actual CTB being paid now.** This is the base cut in spending that the Government is bringing in. This was first announced as part of the Government's deficit reduction plans in 2010.

3.4 **The additional amount from CLG formula.** This formula was published on 17 May 2012 and give further information on the basis of the actual savings requirement, which indicated that the real cut in funding is more than 10%. For Fenland, it is in fact £938,664 which represents 12% of current CTB being paid out. Annex A of this report gives an illustration of the formula used by the CLG to arrive at this picture. This indicates that the change in funding is more complex than a straight 10% cut in funding. The final amount of this funding will not be confirmed until the financial settlement for Local Government is published.

3.5 **Expected growth of 5% in CTS spend per annum.** The reduction in funding makes no allowance for increased demand for CTS. Taking into account growth in recent years, and the potential increased benefit take-up that the publicity and consultation for CTS will generate this figure has been calculated as 5%. It should also be noted that the funding reduction also takes no account of any potential increases in Council Tax in future years. This figure also includes an allowance for increased, unexpected demand. This could come if a large local employer were to make cuts in the size of its workforce. In the past, the DWP would have funded this additional demand, but with the new scheme Fenland will have to fully fund this additional demand should it be needed. This spend also allows an element for non-collection of the increased amount of Council Tax that needs to be collected as a result of the changes to CTS.

3.6 The DWP issued revised estimates of the growth of CTB nationally in October 2012, after Cabinet first received the proposals for Fenland's CTS scheme. The effects of these and how they change our growth projections are shown in Section 9 of this report.

- 3.7 It should be noted that these were the first indicative figures, for which the CLG has given a health warning whilst at the same time allowing Councils to start planning for the impact of these funding changes.
- 3.8 In effect, grant from the CLG to (partially) fund CTS in future will be paid to Councils as part of other overall Government grants. As we collect Council Tax on behalf of other bodies as Cambridgeshire County Council, the Fire and Police authorities and Town /Parish Councils this will affect them as well.
- 3.9 Taking Council Tax that is paid on an “average” Band D property (this is the base point for calculating what Council Tax is paid), this is how the savings in section 2.11 above would be allocated:-

Savings distribution			
Body	Share of Band D Council Tax		Saving effect
Fenland District Council	£241.56	15.29%	£214,060
Cambs County Council	£1078.65	68.27%	£955,780
Cambs Police	£174.51	11.04%	£154,560
Cambs Fire	£59.31	3.75%	£52,500
Town and Parish Councils	£26.16	1.65%	£23,100
Average Band D tax	£1580.19		
Total savings required	£1,400,000		

- 3.10 It should again be noted that the above are indicative amounts and the exact effects will be different.
- 3.11 The key principle is that the above amounts represent the money that needs to be saved. If we were to keep CTS levels exactly the same as those under CTB now and not make this saving, both Fenland and these other bodies who we collect Council Tax on behalf of would all need to find this shortfall in funding.
- 3.12 It was therefore clear that savings needed to be made.

4. THE ORIGINAL PROPOSALS FOR REDUCING THE COSTS OF CTB

4.1 As at July 2012, we awarded £8.127 million in CTB for the current financial year, split:-

CTB recipients	
Pensioners	4,910
Working Age	4,552

4.2 Pensioners will be protected from these savings (a legal requirement), which means that the amount to be saved from working age customers will actually be much higher than the headline 10% saving and in effect over 20% for these customers.

4.3 At the same time we were mindful of the potential serious financial impact on customers, who represent the most vulnerable members of society. In order to make savings, we initially proposed that 20% be cut from CTB entitlement for all working age customers as shown in the table below:-

The effects of the 20% cut in CTB awarded for Working Age customers	
Overall reduction in CTB paid	9.66%
Reduction for pensioners	0%
Reduction for Working Age	20%
Key features	CTB is calculated as now. Then 20% is taken off the award.
Overall saving	£784,896
Number of customers who lose CTB	4,552
Average weekly loss	£3.32
Average annual loss	£172.43

- 4.4 The existing benefits system gives consideration to vulnerable groups using a system of disregards, premiums and allowances that in effect pay more to those such as families with children and the disabled. An example of this is families; Child Benefit is already disregarded in the CTB calculation.
- 4.5 The Government is also keen to see Councils using CTS as a way of incentivising customers to return to work. This originally proposed scheme did this by retaining a feature of the existing CTB scheme, whereby the first £15 of a single persons' income, the first £20 of a couples' income and the first £35 of a lone parents' income is disregarded in the CTB calculation. This helps reinforce the principle that "work pays". It also retains what are now called "extended payments" (to be called "extended reduction" from April 2013). These mean that when a person moves back into work or increases their wages, they may be eligible to have their CTS paid at the level it was before the change, for up to four further weeks.
- 4.6 It will be noted that the above original proposals did not meet the expected budget shortfall in full, contributing just over half the expected savings required.
- 4.7 The next section of this report covers how we proposed to fill the remaining gap, using amendments to Council Tax legislation that are contained in the Local Government Finance Act 2012 and take effect from 1 April 2013.

5. WAYS OF MAKING UP THE REMAINING BUDGET SHORTFALL

- 5.1 The Local Government Finance Act 2012 gives Councils the power to change the level of some Council Tax discounts and exemptions.
- 5.2 Other than CTB, the other reductions currently available are:-
- Exemptions: certain types of properties that are normally empty, or occupied by students for example. A list of current exemptions (including which ones change in April 2013), is attached to this report as Annex L.
 - Discounts: 25% or 50% is deducted in certain situations, such as 25% where the property only has one adult living in it.
- 5.3 The above are currently prescribed by Government regulations and cannot be changed.
- 5.4 In 2004 the Government amended legislation to allow Councils to change some discounts in respect of second homes and long term empty properties. Fenland took advantage of this power from April 2005.
- 5.5 From April 2013 we will have new powers to change the level of discount applicable to the circumstances outlined in this table:-

Changes to Council Tax discounts and exemptions		
<u>Circumstance</u>	<u>Current legislation</u>	<u>Proposed legislation</u>
Empty properties	Class A exemption: Unoccupied, undergoing major repairs (exempt up to one year)	Replaced with a discount for up to 12 months: Councils can set this between 0% and 100%
	Class C exemption: Empty and unfurnished (exempt up to six months)	Replaced with a discount: Councils can set this between 0% and 100%
Second homes	Discount: 10% for properties that are second homes (no time limit)	Replaced with a discount: Councils can set this between 0% and 100%
Long-term empty properties	Discount: 0-50%. We currently give 0%. For properties that are long term empty (generally over six months with no upper time limit)	Empty up to 2 years: Councils can set a discount between 0% and 100% Empty over two years: Councils can charge an additional 50% (in effect 150% of basic Council Tax level) for properties empty over two years.

- 5.6 By making the changes to Council Tax discounts and exemptions that this legislation will allow, it is possible to generate additional revenue that will make a significant contribution to the shortfall.
- 5.7 The table overleaf shows the possible income from these changes.

Potential income from discount and exemption changes		
Detail	Savings	Customers affected
Class A exemption: Replace with 0% discount.	£51,422	74
Class C exemption: Replace with 0% discount.	£440,290	808
Second homes discount: Replace with 0% discount.	£11,036	96
Long-term empty properties: Create 50% premium where empty over two years.	£136,746	140
Total savings possible	£639,494	

- 5.8 In order to achieve the required £1.4 million savings required, it is necessary to take elements of the suggested options for reducing CTS expenditure together with the additional income that can be raised by changing some Council Tax discounts and exemptions.
- 5.9 The combined effects of the changes to both CTS and Council Tax discounts and exemptions are shown the table below.

Combined effects of savings	
CTS – 20% cut for working age claims	£784,896
Class A exemption replaced by 0% discount	£51,422
Class C exemption replaced by 0% discount	£440,290
Second Homes discount reduced from 10% to 0%	£11,036
Long term empties charge 50% premium after two years	£136,747
Total saving	£1,424,391

6. THE NEXT STAGE OF CHANGE FOR THE ORIGINAL PROPOSALS

- 6.1 **For changes to Council Tax discounts and exemptions**, these would need to be approved by Council before Council Tax levels are set for 2013-14. No formal consultation would be required, although the original proposals were to contact those customers directly affected in advance to make them aware of the forthcoming changes to their Council Tax bills.
- 6.2 **For Council Tax Support**, there is a much more comprehensive process that must be followed.
- 6.3 The first stage of this was a requirement to consult major precepting authorities (the County Council, Fire and Police Authorities) about our intention to create a CTS scheme, in common with all other District Councils in Cambridgeshire. The purpose of this consultation was not to gain approval of any scheme but to make these bodies aware of the financial considerations each District will have with regards to funding CTS and their potential effects on preceptors. We did this in July 2012.
- 6.4 We are required by law to devise, consult on and for Council to formally approve a local scheme before 31 January 2013, which will be implemented from 1 April 2013. If we fail to do this, the Government will impose a default CTS scheme upon us. This will mean that we will have to operate what is in effect the existing CTB scheme. Although no customers will see reductions in CTS, the overall scheme will have a resultant budget shortfall of over £1 million in 2013-14 (shared between Fenland and precepting authorities) if this happens.
- 6.5 The Local Government Finance Act 2012 gave these specific instructions with regards to the next steps:-
- That we publish a draft scheme in such manner as we see fit,
 - That we consult such persons we consider likely to have an interest in the scheme,
 - Having made a scheme, we publish it in a way that we see fit.
- 6.6 More detailed information about the originally proposed steps for CTS follow in the table overleaf:-

Original key milestones for implementing Local CTB		
Action	Detail	Dates
Consultation with precepting authorities	Liaise with Cambs County Council, Fire and Police Authorities to explain CTB options and financial effects.	End of July 2012
Brief Members	Briefing packs with example main consultation documents, and case studies issued to all Members ahead of community consultation starting.	Start of August 2012
Consultation with the community	Consult through media, website, roadshows at our Shops and Community House. Hold meetings with customers, disability groups, community groups and Housing Associations.	Eight weeks Started 6 August 2012; Ended 30 September 2012
Contact directly affected customers	Series of personal mailshots and information packs that explain the changes and potential effects.	August 2012, November 2012, March 2013
Revise and finalise scheme in light of consultation	Take feedback into account; prepare legal considerations and policies associated with new scheme.	October 2012
Scrutiny	Overview and Scrutiny examine scheme and effects.	12 November 2012
Cabinet	Cabinet examine and agree scheme.	Originally proposed 22 November 2012
Council	Council examine and agree scheme.	Originally proposed 13 December 2012
Final publicity	Directly affected customers advised, wider community awareness.	January 2013
Informing the change	New 2013-14 Council Tax Bills sent with the amended CTB.	March 2013
New scheme starts	The new rules take effect.	1 April 2013

7. THE FIRST PUBLIC CONSULTATION PROCESS

- 7.1 The first public consultation about the proposed changes to CTB lasted for ten weeks, from 13 August 2012 to 20 October 2012.
- 7.2 We publicised the proposed changes to the community in these ways:-
- Press releases at the start of, and during the process,
 - Using the “Fenlander” insert in the Cambs Times,
 - Having an article on the front page of www.fenland.gov.uk,
 - Writing to 70 local voluntary groups and Housing Associations,
 - Having posters and information in our Fenland @ Your Service Shops,
 - Holding drop-in surgeries for customers in our Fenland @ Your Service Shops,
 - Writing to all 4,500 customers potentially affected to advise them personally.
- 7.3 We also sent a letter with copies of all information being used above, to all Council Members in August before the consultation started, so that they were aware of the proposals and were equipped to help concerned residents with queries.
- 7.4 The central part of the consultation was a survey, in which we asked for views about the proposals. This was available at www.fenland.gov.uk. It was also downloadable from our website and hard copies were available at our Fenland @ Your Service Shops.
- 7.5 The letter and additional information we sent to all 4,500 customers potentially affected by these proposals is attached as Annex E. This letter contained an estimate of the weekly reduction in CTB that each individual customer could expect themselves (this figure was calculated using their current CTB entitlement at the time the letter was produced).
- 7.6 All the information that was sent to customers and available in hard-copy form in our Fenland @ Your Service Shops is shown in this table (and available as printed annexes to this report):-

Annex (1)	Description (2)	Sent out (3)	In our Shops (4)
B	Local CTB survey form	No	Yes
C	Local CTB information leaflet	Yes	Yes
D	Local CTB FAQ document	No	Yes
E	Local CTB letter sent to customers	Yes	No

- Note (1) This refers to the annex shown, printable separate to this main report.
- (2) What the document is.
- (3) If the document was sent to customers with the personalised letter.
- (4) If the document was available from our Fenland @ Your Service Shops on demand [it was also sent to customers who contacted us, on request].

- 7.7 Customers were able to seek information and advice from us in these ways:-
- By ringing us on our normal Customer Services number of 01354-654321,
 - By emailing a dedicated email address at localcounciltaxbenefit@fenland.gov.uk,
 - By writing to us using our existing CTB, HB and Council Tax postal addresses,
 - By visiting any of our Fenland @ Your Service Shops,
 - By our special pages on www.fenland.gov.uk.

8. FIRST CONSULTATION PHASE RESULTS

- 8.1 74 survey forms were completed. The majority were on-line. Those completed using hardcopy forms were input on-line after receipt.
- 8.2 The results of the survey by question follow. A summary of the report responses is attached as Annex F.
- 8.3 The first question in the survey asked about our proposals with regards to:-
- If they are understood,
 - If people agree with the principle that everyone (except pensioners) has to pay,
 - If vulnerable groups should get more CTB than non-vulnerable groups.
- 8.4 The table below shows that respondents understood the proposals. They did not agree that everyone should pay Council Tax. They agreed that vulnerable people should get more help paying than others:-

Some questions about the proposals - Please tick one answer for each question below.						
<u>Answer Options</u>	<u>Strongly Agree</u>	<u>Agree</u>	<u>Neither Agree or Disagree</u>	<u>Disagree</u>	<u>Strongly Disagree</u>	<u>Total</u>
Do you understand the Local CTB scheme being proposed?	31	26	8	4	5	74
The proposals mean everyone (except Pensioners) must have to pay some Council Tax. Do you agree with this?	10	8	2	12	39	71
Vulnerable groups (such as the disabled and families with young children) will be helped by getting more benefit than those without a disability or young children. Do you agree with this?	28	16	5	9	16	74

8.5 The second question asked for comments about our proposed scheme.

8.6 These are summarised in the following table. Where comments were very similar, the main issue is quoted with the number of customers mentioning this issue noted as a number in brackets next to it.

What comments do you have about the Local CTB scheme being proposed?		
	Customer comments	How we mitigate these
1	Disabled people and their carers should not be affected (9)	The benefits system allows the disabled to receive more income than non-disabled people.
2	This is asking those least able to pay more (6)	Noted.
3	If getting only means-tested benefits, do not have any money to pay more Council Tax (6)	Noted.
4	Everyone, including Pensioners should pay (5)	The Government requires us to protect Pensioners.
5	Being in minimum JSA of £71 /week means further debt if have to pay some Council Tax (3)	Noted.
6	Council spending should be cut instead (3)	Cabinet have determined CTB should be reduced and not our spending. We cannot pass on a share of the cut to other bodies. We are reducing on-going total spending.
7	Difficult to collect the unpaid Council Tax which could mean others paying more (3)	We will focus resources to collect these smaller amounts effectively.
8	Making more families vulnerable to poverty (2)	Noted.
9	Government bodies are out of touch with the community in making these decisions (2)	Noted.
10	People unable to work (disabled or retired) should not be made to pay (2)	See response (2) above.
11	Families with children should get more help than pensioners.	We are required to protect pensioners.
12	Those on highest rate of Disability Living Allowance should be protected as they have no chance of work.	This group receives more benefits overall than other groups to reflect their greater needs.
13	Can't see any other options.	Noted.
14	Disabled, get 100% CTB now, does not feel protected.	See response (2) above.
15	Cannot afford 20% as travel costs to Job Centre considerable. Could pay 5-10%.	Noted.
16	People will have to cut other spending to pay this.	Noted.
17	I think it is fair.	Noted.
18	Pensioners should pay more Council Tax instead of families.	The Government requires us to protect Pensioners.
19	Children of adults claiming earn high amounts or have high capital.	CTB rules will ensure these people do not unfairly gain.
20	Cut should be only 10% with greater cut for new claimants phased in.	Regulations do not give us scope to do this.
21	People not on CTB should pay more instead.	There is no mechanism to raise this additional income from Council Tax.

8.7 The third question asked if there are any other people that we should protect from these changes.

8.8 These are summarised in the following table. Where comments were very similar, the main issue is quoted with the number of customers mentioning this issue noted as a number in brackets next to it.

Are there any other people we should protect from these changes and why?		
	Customer comments	How we mitigate these
1	Disabled people (15)	The disabled receive a higher income overall before the benefits calculation is made, meaning that their total income including CTS will be higher than a non-disabled person.
2	No groups should be protected (7)	We are legally required to protect pensioners.
3	People already on benefits (4)	Applying the same % reduction across all groups makes the proposal as fair as possible.
4	People with children (3)	
5	All people on low incomes (2)	
6	Carers (2)	
7	Young single people (2)	
8	Families with disabilities and young /disabled children (2)	
9	People with incomes below minimum wage.	
10	Everyone entitled as it is a means-tested benefit.	
11	Vulnerable, people with mind related illnesses, those on poor income, disabled, pensioners	
12	People unable to work through illness.	
13	Disabled and vulnerable people.	
14	The genuinely disabled and those with younger children.	
15	Any vulnerable groups especially single parents of children under 5 and those with mental health conditions.	
16	Those who cannot work whatever the reason.	
17	Those on severe disability allowance and disabled living allowance.	
18	Middle aged home-owners should get more help.	There is not a mechanism to help this group.
19	People in rural areas relying on taxis.	There is not a mechanism to help this group. Some people can set up a Direct Debit to save travelling to make payments.
20	Unemployed and in private rented property.	These can claim HB to help with their rent.
21	Students.	Students are disregarded from Council Tax already and pay nothing where the whole property is occupied by students.
22	The elderly.	Pensioners are protected.

8.9 The fourth question asked if our proposals affect any individuals or groups more than others, and if so how we deal with them.

8.10 These are summarised in the following table. Where comments were very similar, the main issue is quoted with the number of customers mentioning this issue noted as a number in brackets next to it.

Will these proposals affect any individuals or groups more than others, and if so how can we deal with this?		
	<u>Customers' say these people affected</u>	<u>Customers' suggestions to deal with</u>
1	Everyone (5)	Look at each case individually. The extra cost should be borne by everyone. Share the cost. Make everyone pay.
2	People on fixed incomes (4)	Cut Council spending instead.
3	Target directly least able to pay (4)	Disabled and elderly should be exempt from these measures.
4	People who cannot work (3)	N/a
5	Massively affect families (2)	Protect the same as pensioners.
6	Families with disabilities and young /disabled children (2)	N/a
7	Don't give help to people who don't need it.	These people can give up other things.
8	Carers.	N/a
9	Disabled people.	Cut non-disabled benefit by 40% and disabled by nothing.
10	Wrong to further impoverish those with least.	N/a
11	Long-term unemployed (one year plus).	Protect these where single and registered with back to work scheme.
12	Help everyone not just those affected by this.	Give everyone 12 months to pay instead of 10.
13	N/a	Contact people to go through changes with them so they understand what they mean.
14	People on Income Support.	N/a
15	Disabled people.	Stop supporting migrants.
16	N/a	Encourage more people to downsize properties.
17	Everyone receiving HB /CTB.	Petition the Government to reject these cuts.
18	Those receiving DLA and ESA	Treat same as pensioners.
19	Children	N/a
20	People on low incomes who have no money for food after paying their bills.	Food tokens.
21	Unsure	Not clear what groups affected by proposal.
22	Families in social housing where no-one working	Work with Roddons to help families move.
23	Single unemployed people under 25.	Target those with incomes which can stretch to pay this.
24	Those getting 100% CTB now affected more than someone on lower percentage CTB.	N/a
25	Existing claimants.	New claimants have CTB cut first.
26	Single people under 35.	N/a
27	People living on state benefits alone.	Fully protect these.
28	Older people below the rising pension age who are limited in work or unable to work.	N/a
29	All single working age people.	Incentive to work, higher wage disregard.

8.11 There was a mixture of different circumstances of those completing the survey, albeit that not everyone completed all the questions relating to this. It may be that where a person is receiving CTB now, they do not think that they pay Council Tax to us.

Please tick the boxes that apply to you. This will help us understand about the range of people commenting on our proposals.		
Answer Options	Yes	No
Do you pay Council Tax to Fenland District Council?	40	15
Do you currently get Council Tax Benefit from Fenland District Council?	48	21
Do you currently get Housing benefit from Fenland District Council?	33	32

8.12 In order to ensure that we took into account the views of different groups in the community, we asked if this was a factor in their answers.

Do you feel any of the following have been a factor in the issue you have raised? (Please tick the relevant boxes and include any extra information if necessary.)		
Answer Options	%	Number
Age	32.6%	15
Disability	50.0%	23
Gender Reassignment	0.0%	0
Pregnancy and Maternity	0.0%	0
Race	2.2%	1
Religion or Belief	2.2%	1
Gender	2.2%	1
Sexual Orientation	0.0%	0
Marriage and Civil Partnerships	0.0%	0
None of the above	43.5%	20

8.13 These are summarised in the following table. Where comments were very similar, the main issue is quoted with the number of customers mentioning this issue noted as a number in brackets next to it.

Do you feel any of the following [table 7.11 above] have been a factor in the issue you have raised?	
	Customer comments
1	Hitting most vulnerable in society who are trying to get work (3)
2	Extra payments will be made with money people don't have (2)
3	Young families hardest hit as pensioners protected (2)
4	Full-time Carer for daughter. Will make financial problems worse.
5	Older and disabled persons are treated differently because most others affected by EU influx.
6	Being in low-paid jobs detrimental to marriage and children.
7	Not clear which disabled groups will receive more help and withy DLA reviews more people will need further help with CTB.
8	Suffer from mental illness and panic attacks.
9	Vulnerable as getting Severe Disability Allowance and DLA, not being recognised.
10	Less job prospects for people not aged 30-40 so hit the most.
11	Issue with arm no longer treated as a disability.
12	People claiming whilst working should be targeted instead.
13	Proposals disproportionately hit people on 100% CTB compared with those on lower CTB amounts now.
14	Older women but not of state pension age.
15	Working age people without children hardest affected.

- 8.14 We received three letters in response to the consultation. These stated:-
 Letter 1 - It is not fair to have to pay an extra £3.05 per week in Council Tax,
 Letter 2 - Proposals strongly opposed. It will hit them financially,
 Letter 3 - A registered blind person would have to find £150 per year from doing without other essential items.
- 8.15 We received one email to our dedicated email address localcounciltaxbenefit@fenland.gov.uk about these proposals. It was from a person receiving ESA and DLA who understood the proposals but was concerned that the poorest sector of the community is being penalised.
- 8.16 We held surgeries at our four Fenland @ Your Service Shops. Specialist benefits staff were on hand for two hours, advertised in advance in “The Fenlander”, in the information we sent to those directly affected and on our website; at each of our four Shops.
- 8.17 Our Customer Advisors who work at our Shops and in our Telephone Contact Centre were also trained on the proposed changes and offered advice and guidance on our proposals in addition to the specialist staff at the above surgery events.
- 8.18 The specific feedback from the customers we saw at the surgeries is shown below.

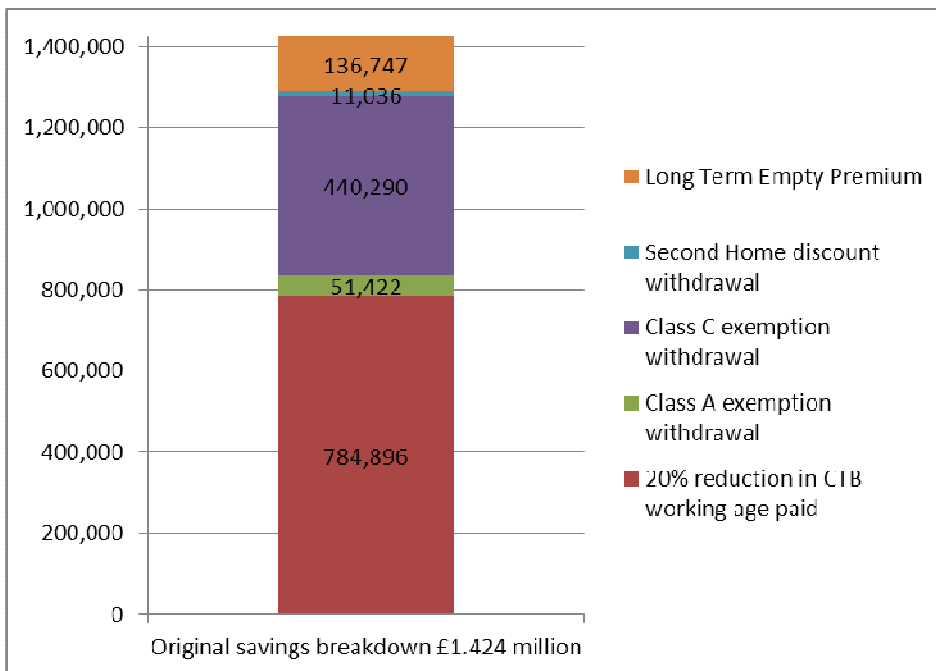
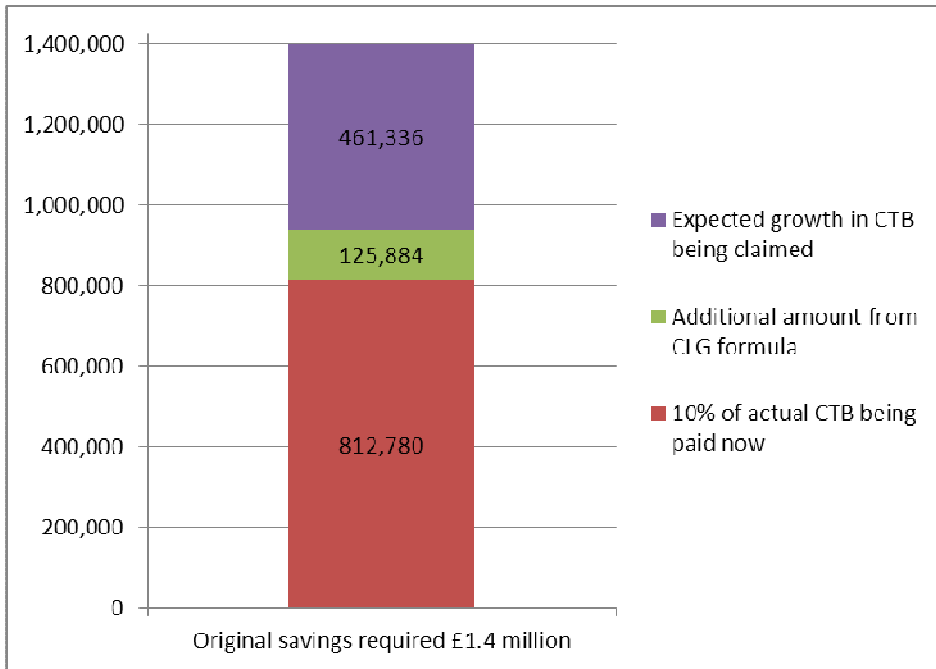
Feedback received from customers in surgeries at Fenland @ Your Service shops		
	<u>Customer comments</u>	<u>How we mitigate these</u>
1	On Income Support. Understands changes. Could find extra £3 /week.	By reducing the % reduction.
2	Disabled. Accepts have to pay more but seeks clarity on how to pay.	By giving support and guidance to those being asked to pay for the first time.
3	Carer. Unfair other benefits not increased to compensate.	We do not have any control over other benefits.
4	Will have to take extra from JSA (2)	Noted.
5	Carer. Cannot pay extra £4 /week but could pay £2 /week.	See (1) above.
6	Lives in remote location without internet or phone. Costs to travel are significant.	Support such people to set up Direct Debit to save travel to make payments.
7	Concerned we are not protecting disabled people or those who care for them, more (2)	Noted.
8	Everyone should pay something but where on JSA this should be 5-10% not 20%.	See (1) above.

- 8.19 The consultation showed that there are concerns about our application of a 20% cut in CTB for all Working Age customers, regardless of the higher level of benefits (in total, across all means-tested benefits) paid to vulnerable groups such as the disabled.
- 8.20 The opportunities presented in section 9 have allowed us to use customer feedback in designing a revised scheme that gives a lower reduction in CTB for all Working Age customers.

9. TRANSITIONAL GRANT AND RISKS TO THE COUNCIL

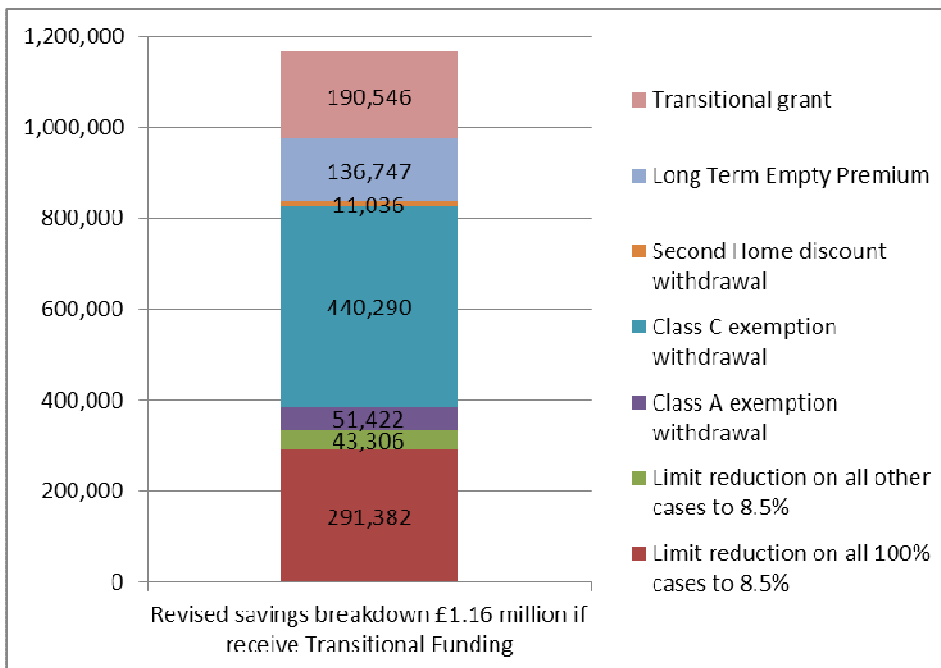
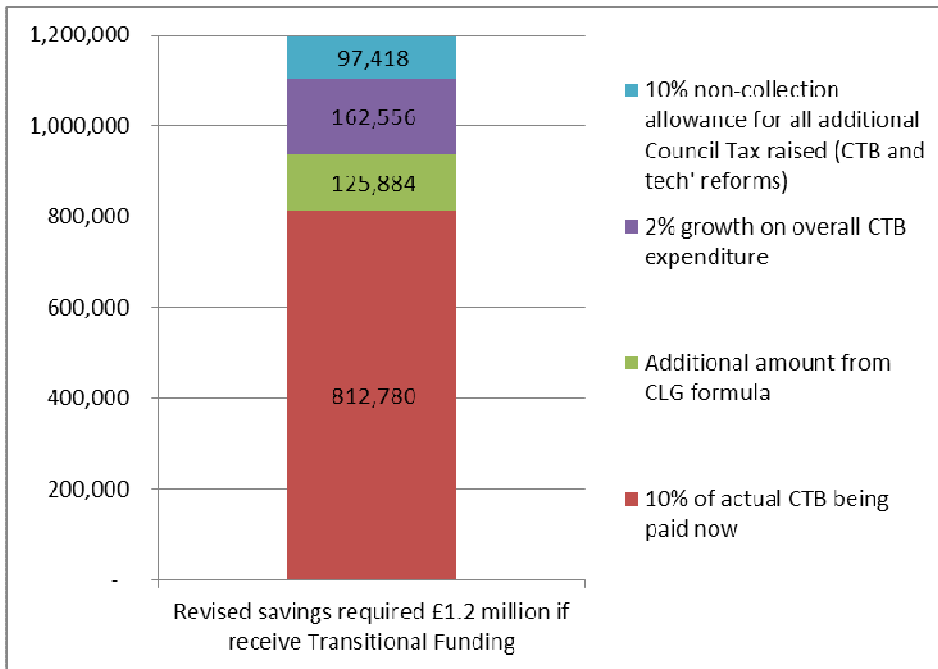
- 9.1 Further developments took place in October 2012 that influenced the Council's subsequent direction. There are also funding risks to the Council, these are covered in section 9.21 of this report in more detail.
- 9.2 The next step should have been to analyse the consultation feedback, then make any appropriate amendments to the proposed CTS scheme before taking them forward through the Cabinet and Council decision making processes.
- 9.3 However, on 19 October 2012 the Government formally announced that it was making £100 million available nationally to support authorities develop "well-designed council tax support schemes and maintain positive incentives to work".
- 9.4 Note that the above funding is available in respect of the 2013-14 financial year only.
- 9.5 This additional funding has been made available through an application process that will take place in early 2013. To apply for funding, Councils must show that:-
- Those receiving 100% CTB now will pay no more than 8.5% of their net Council Tax liability,
 - The taper [this is the rate at which someone loses CTB for additional income above their eligible amount] does not increase above 25%,
 - There is no sharp reduction in CTB for those entering work.
- 9.6 On the same day as the above, the DWP issued statistics that showed that they expect the demand for CTB to reduce nationally from 2013-14 onwards as the country emerges from the current economic downturn.
- 9.7 However the DWP statistics should be treated with caution and we are still building in growth into our demand estimates, as reducing the budget for CTS would carry great risk to the Council.
- 9.8 The latest developments shown above have led to a recalculation of the costs of the current CTS proposals in order to understand their effects and also to determine if Fenland can meet the criteria shown in section 9.5 above in order to receive a share of the £100 million funding (for Fenland this would be £190k, split between the Council and major preceptors).
- 9.9 We also used the two developments above to determine if the proposed cut of 20% for Working Age CTS customers could be reduced from the originally proposed 20% to the amount of 8.5% being suggested by the Government.

9.10 The funding and savings models for the original proposals are below:-



9.11 Taking the conditions attached to the additional funding offer and the DWP demand estimates, this changed the funding gap to £1.2 million.

9.12 A breakdown of this revised gap and the way to cover this is shown in the two charts below.



9.13 It was therefore possible to reduce the level of reduction in CTB for customers being proposed as a result of these developments.

9.14 The revised proposals had these effects on those customers receiving CTS:-

Original proposals	Revised proposals
Working Age customers lose an average of £3.32 CTB per week.	Those currently receiving 100% CTB will lose an average of £1.52 CTB per week. Those currently receiving less than 100% CTB will lose an average of £0.72 CTB per week.
A 20% reduction is applied to all these cases.	A 8.5% reduction is applied to all these cases.

9.15 This additional funding cannot be applied for until after 31 January 2013 but before 15 February 2013 with the grant being paid to Councils in March 2013.

9.16 Note that the funding has to be applied for after the statutory deadline for Councils to have set a CTS scheme, which is 31 January 2013. This creates a risk that a CTS scheme is approved and funding is not agreed by the CLG creating additional budget pressures on the Council.

9.17 The funding will apply for one year only; the 2013-14 financial year.

9.18 In view of the above, the CTS scheme we propose and adopt for 2014-15 will need to be significantly different, in order to meet the funding pressures that existed before the Government announced the additional funding for 2013-14.

9.19 These latest developments have allowed us to potentially reduce the effects of these changes in CTS as the table in section 9.14 above indicates. Whilst we cannot protect the poorest members of our community completely from these changes, we can now significantly reduce the impact upon them.

9.20 The savings figures in the graphs above demonstrate that the changes to Council Tax exemptions are also required in addition to the changes to CTS, in order to reconcile the deficit and assist the Council in setting a balanced budget.

9.21 Even if the Council were to implement the CTS scheme being recommended, together with the changes to Council Tax discounts and exemptions, there remain funding risks to the Council as indicated below:-

- That the CTS grant may be different to that expected. This grant is the amount of CTS that the Government expects the Council to give out in 2013-14, less the 10% cut in funding.
- That the collection rate on the additional Council Tax debit caused by these changes is lower than the 90% projected.
- That there will be an increase in demand for CTS in excess of the 2% growth projected.

9.22 The CTS scheme, discount and exemption changes set out to minimise the financial risk to the Council but there variables that can only be predicted at this time. The exact effects of these changes will not be fully known until the changes have taken place and the Council's position is constantly monitored during 2013-14. Any effects will be incorporated into changes that the Council will make when it prepares a CTS scheme for 2014-15.

10. ACTION AFTER ANNOUNCEMENT OF THE TRANSITIONAL GRANT

- 10.1 The developments outlined in section 9 significantly changed the Council's proposals. It meant that we should further consult on them, also demonstrating that we have been able to reduce the effects on the 4,500 customers impacted upon by these changes.
- 10.2 We therefore consulted for a further four weeks, from Monday 5 November 2012 to Sunday 2 December 2012 inclusive. This was the longest possible time possible to take into account the need to analyse feedback and then feed that into a formal report to Council for its meeting on 20 December 2012 where the formal decision will be made regarding the final CTS scheme for 2013-14.
- 10.3 The consultation had these elements:-
- Press releases at the start of, and during the process,
 - Using the "Fenlander" insert in the Cambs Times,
 - Having an article on the front page of www.fenland.gov.uk,
 - Engaging with 70 local voluntary groups and Housing Associations,
 - Having posters and information in our Fenland @ Your Service Shops,
 - Writing to all 4,500 customers potentially affected to advise them personally.
- 10.4 The above slightly revised the Council's key dates for implementing CTS to become:-

Key milestones for implementing Local CTB		
Action	Detail	Dates
Second Consultation with the community	Consult through media, website and letters to customers, voluntary groups and Housing Associations.	November 2012
Contact directly affected customers	Series of personal mailshots and information packs that explain the changes and potential effects.	November 2012, January 2013, March 2013
Revise and finalise scheme in light of consultation	Take feedback into account; prepare legal considerations and policies associated for scheme.	December 2012
Cabinet	Cabinet consider scheme and recommend action to Council.	20 December 2012
Council	Council examine and agree scheme.	20 December 2012
Final publicity		January 2013
Informing the change	New 2013-14 Council Tax Bills sent with the amended CTB.	March 2013
New scheme starts	The new rules take effect.	1 April 2013

11. OVERVIEW AND SCRUTINY

- 11.1 As part of the process of major change such as that in this report, the progress so far and proposals for consideration at subsequent Cabinet and Council meetings were scrutinised by the Overview and Scrutiny Panel at its meeting on 12 November 2012.
- 11.2 The Panel asked a number of questions at its meeting, as detailed in the Minutes of that meeting. It also noted progress of the preparations for Council Tax Support and the Council Tax discount and exemption changes to date.

12. SECOND CONSULTATION PHASE RESULTS

12.1 91 survey forms were completed. About half were completed on line and half as paper survey forms.

12.2 The results of the survey by question follow. A summary of the report responses is attached as Annex J.

12.3 The first question in the survey asked about our proposals with regards to:-

- If they are understood,
- If they are fair,
- If they agree with our proposals.

12.4 The table below shows that respondents understood the proposals. They did not agree that they are fair:-

Some questions about the proposals - Please tick one answer for each question below.						
<u>Answer Options</u>	<u>Strongly Agree</u>	<u>Agree</u>	<u>Neither Agree or Disagree</u>	<u>Disagree</u>	<u>Strongly Disagree</u>	<u>Total</u>
Do you understand how we have revised the Local Council Tax Benefit scheme proposed?	16	27	17	9	18	87
Do you think it is fair?	4	11	10	18	43	86
Do you agree with our proposal to reduce benefit for everyone (except pensioners) by 8.5%??	5	11	3	18	52	89

12.5 The second question asked for comments about our proposed scheme.

12.6 These are summarised in the following table. Where comments were very similar, the main issue is quoted with the number of customers mentioning this issue noted as a number in brackets next to it.

What comments do you have about the changes we have made to our proposals?		
	Customer comments	How we mitigate these
1	Don't have money to pay (25)	Allow payments over 12 months on request (as opposed to standard 10 months) to help spread the burden
2	People with disabilities should not be affected (21)	Disabled people receive a higher income that is disregarded before benefit is calculated
3	Proposals are fair (15)	Noted
4	Cut budgets or staff instead (12)	The Council has decided to cut benefits instead of services
5	People with lowest income can't adapt their spending (11)	Signposting them to help i.e. CAB
6	Pensioners benefit should be cut as well (11)	We are not permitted to do this by law
7	Discriminates against most vulnerable (7)	We have tried to limit the cut as much as we can
8	Unfair (6)	
9	Better that % cut lower than originally proposed (5)	Noted
10	Unfair as heating and food costs still rising (4)	We cannot take these into account in the scheme
11	Unfair to people on benefits due to ill health (4)	Noted
12	Close Fenland @ Your Service Shops instead (3)	Noted
13	Should be no cut (3)	We have no choice but to do this
14	People on benefit who undertake voluntary work should not have to pay.	No scope for doing this
15	What ways can I pay?	We will give more information in due course
16	Hope % reduction is lower next year	We will only know at the time
17	Why have we got to pay tax we pay tax on food and other things	Noted
18	Comments won't change our proposals anyway	Comments are being considered here as part of the final decision
19	Prime Minister said benefits rising by 1%	This referred to other benefits controlled by the DWP
20	Does not suit everybody	Noted
21	Difficult for lone parents	Noted
22	Get no services for it	There is not a direct link between benefits paid and services provided
23	Benefit not rising with inflation	We are unable to fund this increase
24	Is cut enough to meet demand for new claimants?	We have allowed for 2% growth in demand
25	Poorer diet and increased health costs	Noted
26	Cost more to collect than it will raise	Collection will be from existing resources
27	Will be pensioner soon, can't see point of paying more now	Noted

12.7 The third question asked if there are any other people that we should protect from these changes.

12.8 These are summarised in the following table. Where comments were very similar, the main issue is quoted with the number of customers mentioning this issue noted as a number in brackets next to it.

What can we do to help people faced with increased Council Tax bills as a result of our proposals?		
	Customer comments	How we mitigate these
1	Do not change things (9)	This is not an option bearing in mind the funding gap
2	Help disabled more (8)	Disabled people receive a higher income that is disregarded before benefit is calculated
3	Cut budgets not benefits (7)	The Council has decided to cut benefits instead of services
4	Not raise the bill by too much (5)	This is the lowest increase in order to balance our books
5	Offer support/guidance for disadvantaged families and work with them to help their situation (financially) (4)	We will give more detailed information to those affected to help them
6	Make it payable over 12 months (3)	12 monthly instalments will be available if requested
7	Help people get back into work (3)	Benefits will be paid at the previous level for up to four weeks after someone gets a job, to help them into work
8	Help people re the importance and penalties/consequences of not making this payment (2)	We will give more detailed information to those affected to help them
9	Revise your scheme and investigate priorities (2)	The scheme has already been revised
10	If they get behind with the payment is to see them in person to find out why and see what you can do help them pay it.	We will consider how we can contact people in arrears to help them with their payments
11	Give extra bins to families	We already have a three bin system that provides capacity
12	Pensioners should have their council tax benefit reduced too	The law prevents us from doing this
13	Just reduce the amount and help the tenant to look for a suitable downsized house, bungalow or flat.	Noted
14	Look at different peoples situations at present	The system does not allow us to do this
15	Have money deducted at source to make easier to pay	The law does not allow us to do this
16	Lobby parliament not to make savings on council tax benefit	Councils have already raised concerns with Government about these changes
17	Stop wasting money sending letters about this change	We have a responsibility to let customers know about the proposed changes and how they may be affected
18	Get more money from the Government	The funding system does not allow this
19	Make them exempt from these cuts like pensioners are	We do not have the funds to do this
20	Those in ill health should get more benefit	Noted
21	Increase Council Tax by 5.6%	Noted
22	Turn street lights off when no-one about	We have no control over this

12.9 There was a mixture of different circumstances of those completing the survey, although not all respondents identified themselves according to the categories below.

Please tick the boxes that apply to you. This will help us understand about the range of people commenting on our proposals.		
Answer Options	Yes	No
Do you get a Council Tax Bill from Fenland District Council (by this we mean do we send you a bill each year, even if you have nothing to pay)?	80	4
Do you currently get Council Tax Benefit from Fenland District Council?	82	6

12.10 In order to ensure that we took into account the views of different groups in the community, we asked if this was a factor in their answers.

Do you feel any of the following have been a factor in the issue you have raised? (Please tick the relevant boxes and include any extra information if necessary.)		
Answer Options	%	Number
Age	20	6
Disability	60	18
Gender Reassignment	0	0
Pregnancy and Maternity	3.3	1
Race	6.7	2
Religion or Belief	3.3	1
Gender	0	0
Sexual Orientation	0	0
Marriage and Civil Partnerships	3.3	1
None of the above	26.7	8

12.11 These are summarised in the following table. Where comments were very similar, the main issue is quoted with the number of customers mentioning this issue noted as a number in brackets next to it.

Do you feel any of the following [table 11.11 above] have been a factor in the issue you have raised?	
	Customer comments
1	Pensioners will be getting more CTB, at the detriment to younger claimants (3)
2	People don't have enough money to live on already (3)
3	The disabled cannot get more income to pay an increase in Council Tax (3)
4	Biased against unemployed and people on low income. Immigrants in area get all help needed (3)
5	You are making it increasingly harder to maintain an adequate living standard (2)
6	How about equal opportunities for the poor? Food and shelter comes first
7	Having to discuss personal affairs in an open-plan office when applying for benefit for the first time
8	Should have been a freepost reply envelope with this survey
9	On benefits for this reason and the council / PM want to take advantage of the poor as usual never the rich.
10	Do you have any permitted work I could do for you to increase my income?
11	I am Registered Blind and feel happy with the service provided.
12	I have to rely on other people
13	Target people who don't want to work not those who are ill for genuine reasons.
14	Paid in advance but still got a threatening letter
15	Carers are often seen as a 'soft target' for benefit cuts.
16	Stroke in 2008

13. DISCOUNT AND EXEMPTION CHANGES CONSULTATION

13.1 The Local Government Finance Act 2012 expressly requires Councils to consult with regards to its proposed CTS scheme. However, no such requirement is made for any changes Councils make to Council Tax discounts and exemptions.

13.2 As detailed in section 5 of this report, in order to close the funding gap we have proposed to make changes to Council Tax discounts and exemptions as now permitted in the above Act.

13.3 These changes are detailed in the table below:-

Changes to Council Tax discounts and exemptions		
Circumstance	Current (specified by law)	Our proposals
Empty properties	Class A exemption: Unoccupied, undergoing major repairs (exempt up to one year)	Empty up to 2 years: A 0% discount will apply (meaning full Council Tax will be payable).
	Class C exemption: Empty and unfurnished (exempt up to six months)	
Second homes	Discount: 10% for properties that are second homes (no time limit)	Empty over 2 years: From 2 years after the property become empty, onwards an additional 50% premium will be charged (in effect 150% of basic Council Tax will be payable).
Long-term empty properties	Discount: 0-50%. We currently give 0%. For properties that are long term empty (generally over six months with no upper time limit)	

13.4 Although there is no requirement to consult, a consultation was conducted in November 2012, which ran for two weeks ending on 5 December 2012. At this stage, this was the longest time possible to receive comments and analyse them before publication of this report.

13.5 The consultation had these elements:-

- Press releases at the start of, and during the process,
- Using the "Fenlander" insert in the Cambs Times,
- Having an article on the front page of www.fenland.gov.uk,
- Engaging with 40 local Letting Agents, Managing Agents and Estate Agents,
- Writing to all 955 customers currently receiving the affected discounts and exemptions to advise them personally.
- An on-line comment facility advertised in all the above consultation elements allowing comments to be recorded (which could be anonymous if required).

13.6 Some 51 responses were received to this consultation. A table overleaf shows those made using the on-line comment form (49 of these).

13.7 These are summarised in the following table. Where comments were very similar, the main issue is quoted with the number of customers mentioning this issue noted as a number in brackets next to it.

Comments on proposed discount and exemption changes	
	Customer comments
1	No charge for few weeks after becomes empty should be allowed so properties can be refurbished and new tenants found (10)
2	Gives landlords additional costs that will make them sell their properties (8)
3	Will be costly for Council to collect these small amounts (5)
4	Unoccupied properties do not cause same cost to Council as occupied ones (4)
5	Second homes should still have a discount as receive limited Council services (4)
6	Unfair on people just trying to sell empty property (4)
7	Will have to increase rent causing arrears and evictions (3)
8	Do not agree, no other comments (3)
9	Council should find other ways to raise the funds or cut budgets (2)
10	Policy does not allow for individual circumstances (2)
11	Agree with proposals. If someone can afford a second home, they should not get a discount on it (2)
12	Will lead to downward pressure on housing market (2)
13	Impossible to get new tenants immediately after old ones leave
14	Special dispensation should apply if jointly own property of deceased person and trying to sell
15	Impact on housing supply to poorest families
16	Landlords will just make properties un-occupy-able to avoid payment
17	Extra rent will need to be charged
18	Will slow down local recovery and have negative effect on local economy
19	Will refuse to take tenants receiving Housing Benefit
20	Will drive down quality of rented properties as Landlords can no longer afford to refurbish them
21	When tenants lose their job they go onto benefits and do not use them to pay their rent

13.8 We received two letters in response to the consultation.

13.9 Letter 1 was from a local Estate Agent. They were concerned that charging Council Tax from the day a property was purchased; where it needed refurbishment would dissuade people from improving the standard of properties or even buying them at all. This would also prevent landlords from making improvements between tenants. They were also concerned about people being charged full Council Tax when trying to sell an empty property. However they did not have any issues with the application of a premium for properties that has been empty for over two years.

13.10 Letter 2 was from a local resident. They moved into a bungalow as their husband's mobility needs meant that they could no longer live in a house they owned. The house has been empty and for sale (for a non-specified period). They are concerned about the increase in Council Tax in respect of the empty property.

14. EQUALITIES IMPACT ASSESSMENT

- 14.1 The Equality Act 2010 reminds all public bodies that they have “due regard” for the need to:-
- Eliminate unlawful discrimination,
 - Advance equality of opportunity,
 - Foster good relations.
- 14.2 The Act also identifies groups of people who share a common characteristic and must be “protected” under the terms of the Act. These groups have these characteristics:-
- Age,
 - Disability,
 - Gender reassignment
 - Pregnancy and maternity,
 - Race,
 - Religion or belief,
 - Gender,
 - Sexual orientation,
 - Marriage and civil partnerships.
- 14.3 Other legislation and best practice suggest that we should also extend these groups to include those people affected by these considerations:-
- Human Rights,
 - Socio economic factors.
- 14.4 Equalities Impact Assessments (EIA) have been carried out in respect of both the proposed Council Tax Support scheme and the proposed changes to Council Tax discounts and exemptions. These are attached as Annexes M and N to this report.
- 14.5 Members received training on the Equality Act 2010 on 25 October 2012 and received full notes and copies of slides presented at this training.

15. THE WAY FORWARD

- 15.1 In order to close the funding gap identified in Section 5, the Council is now required to make decisions with regards:-
- **Council Tax Support scheme.** The format of the scheme, features and savings made.
 - **Changes to Council Tax discounts and exemptions.** The changes required in order to close the funding gap after the CTS scheme is applied.
- 15.2 Cabinet have considered the above steps and this report recommends them to Council.

16. THE FINAL COUNCIL TAX SUPPORT SCHEME

- 16.1 The Council is required under the Local Government Finance 2012 to make a Council Tax reduction scheme. In order to avoid any confusion with the previous Council Tax Benefit system, which is being abolished from 1 April 2013 by regulations already passed, the Council will refer to this scheme as a **Council Tax Support Scheme**.
- 16.2 The scheme for determination by Council is attached as Annex O to this report.
- 16.3 If the Council did not set its own scheme by 31 January 2013, the “default scheme” would be imposed upon it by the Government. This is, in effect a renaming of current Council Tax Benefit rules with the legislative changes to enable this.
- 16.4 Failure to set a scheme would have serious financial impact on the Council. It would face the revised gap in funding detailed in section 9 of this report.
- 16.5 The default scheme is detailed in the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012. This is available on-line at:-
<http://www.legislation.gov.uk/uksi/2012/2886/contents/made>
- 16.6 The default scheme also forms the legal basis for pensioners to be protected in that their entitlement to CTS must be assessed in the same way as it was for CTB, meaning that we cannot apply a further cut to their CTS entitlement in the same way that we are proposing to do for working age people.
- 16.7 However in order to simplify administration of Fenland’s Council Tax Support Scheme the Council will use the default scheme but with these specific additions:-
- After calculation of the CTS amount, a deduction of 8.5% of the amount awarded will be made for working age people.
 - War pensioners will have their war pension completely disregarded as now.
- 16.8 As with CTB, there will be a work incentive incorporated into the CTS scheme. It also retains what are now called “extended payments” (to be called “extended reduction” from April 2013). These mean that when a person moves back into work or increases their wages, they may be eligible to have their CTS paid at the level it was before the change, for up to four further weeks.
- 16.9 During 2013 the Government is expected to introduce Universal Credit (UC) as a replacement for a number of means-tested benefits administered by the DWP. This does not replace CTS but it will replace Housing Benefit for new claimants. The Council will treat UC as income (which will vary according to the circumstances of the person applying for it), and still reduce the CTS awarded by 8.5% for working age people.

17. CHANGES TO COUNCIL TAX DISCOUNTS AND EXEMPTIONS

- 17.1 The Local Government Finance Act 2012 allows Councils to vary some of the above. The Council will do this in order to close the funding gap.
- 17.2 The above Act also changes some current Council Tax exemptions (where no Council Tax is payable for a specified period) to discounts that are locally determined (where discounts of between 0% and 100% can be applied for varying periods, subject to some legislative requirements)
- 17.3 There are many situations where current exemptions remain in force. Annex L details all current Council Tax exemptions and how they will be treated from April 2013.
- 17.4 The Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 also create additional classes of dwellings and this is an appropriate moment to update Council about them:-

Certain additional prescribed classes of dwellings		
<u>Description</u>	<u>Current</u>	<u>After 1/4/13</u>
Class E: Properties that are empty as they are the sole or main residence of a qualifying person in relation to another property provided as armed forces accommodation, which is job-related (i.e. service personnel posted away from home).	Did not apply. New class from 1/4/13.	100% discount
Class F: Unoccupied annexe to a property	Did not apply. New class from 1/4/13.	100% discount

- 17.5 It is recommended that Council agree to the treatment of these new classes of dwellings from April 2013. The Council is not aware of any properties that would currently meet these criteria but there is a requirement for the Council to determine how they should be treated for Council Tax purposes.
- 17.6 Changes are also required to the discounts and exemptions detailed in section 13 of this report.
- 17.7. By referring to the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003, which were updated by the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012, the Council updates the basis of charging for certain types of unoccupied and second homes in the way outlined in the table overleaf.

Changes to Council Tax discounts and exemptions		
<u>Detail</u>	<u>Current rules (specified by law)</u>	<u>New rules (allowed by law and determined by Council)</u>
Unoccupied property	<p>Class A exemption: Properties that are unoccupied, substantially unfurnished if that property requires or is undergoing major or structural repair work, and for six months from the date the major work finishes.</p> <p>This exemption applies for a maximum of 12 months.</p> <p>No Council Tax is payable during these 12 months.</p>	<p>Class D dwelling: Properties that are unoccupied, substantially unfurnished if that property requires or is undergoing major or structural repair work, and for six months from when major work finishes.</p> <p>This designation applies for a maximum of 12 months (after which a Class C dwelling designation will apply).</p> <p>A 0% discount will apply.</p>
	<p>Class C exemption: Properties that are unoccupied and substantially unfurnished, up to six months from when they become this.</p> <p>This exemption applies for a maximum of 6 months.</p> <p>No Council Tax is payable during this time.</p>	<p>Class C dwelling: Properties that are unoccupied and substantially unfurnished.</p> <p>Designation is open-ended.</p> <p>A 0% discount will apply.</p> <p>After 2 years an additional 50% premium will be charged.</p>
Second Homes	<p>Class B dwelling: Properties that not someone's sole or main residence, that are furnished and not subject to a planning condition restricting occupancy.</p> <p>A 10% discount applies, open-ended.</p>	<p>Class B dwelling: The same designation will continue.</p> <p>Designation is open-ended.</p> <p>A 0% discount will apply.</p>
Other unoccupied property	<p>Class C dwelling: Properties that are unoccupied and substantially unfurnished (known as "long-term empty").</p> <p>A 0% discount applies, which is open ended. These properties are often given an exemption of some kind before this 0% discount becomes applicable.</p>	<p>Class C dwelling: Properties that are unoccupied and substantially unfurnished.</p> <p>This designation is open-ended.</p> <p>A 0% discount will apply.</p> <p>After 2 years an additional 50% premium will be charged.</p>
Holiday homes	<p>Class A dwelling: Properties that not someone's sole or main residence, that are furnished and are subject to a planning condition restricting occupancy for a continuous period of at least 28 dates in a relevant year</p> <p>A 10% discount applies, open-ended.</p>	Unchanged.

18. CONCLUSION AND RECOMMENDATIONS

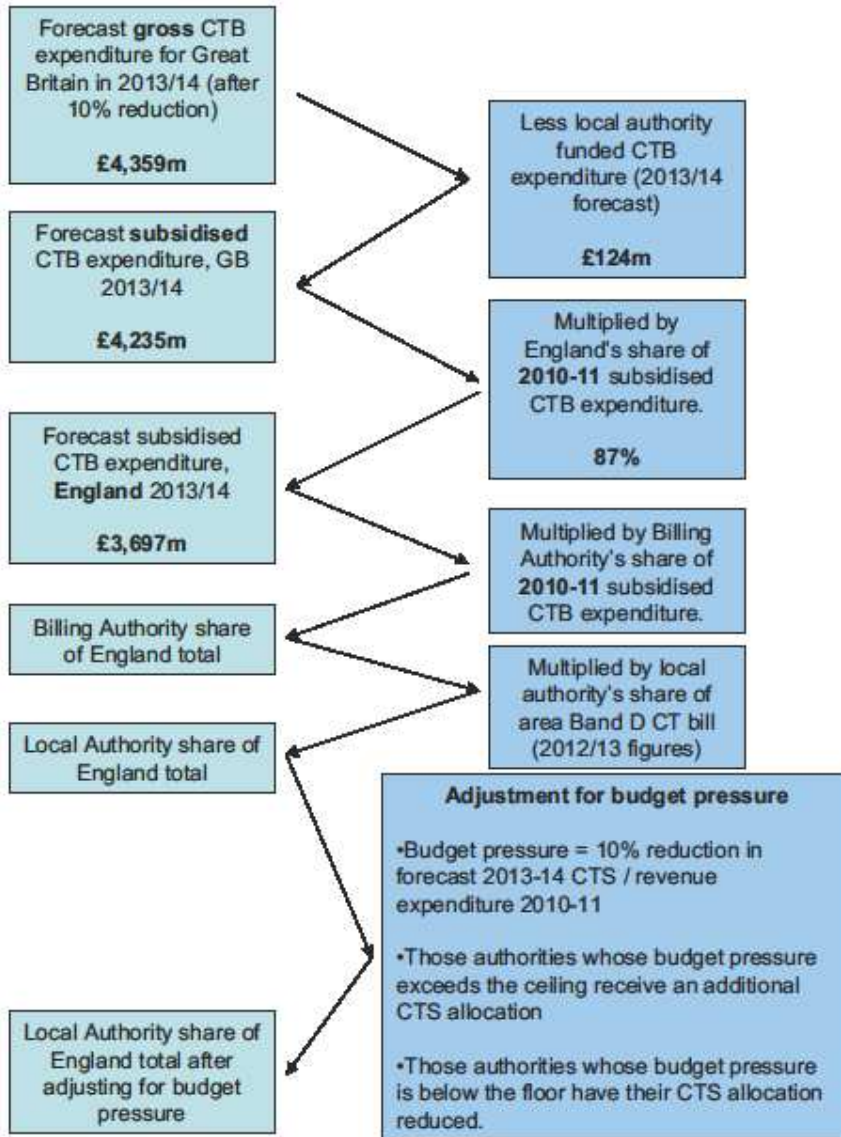
- 18.1 The transfer of CTB to local control and its replacement with CTS is a complex one. This report has explained the background to this as well as the effects it is likely to have on the community.
- 18.2 Cabinet have recommended that Council agree the below matters and make a determination that brings them into effect from 1 April 2013, as detailed in sections 18.3 and 18.4 below:-
- 18.3 That the Council adopts its Council Tax Support Scheme as attached in Annex O to this report. The scheme is the “default scheme” as detailed in the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 with the specific additions shown in the above scheme:-
- After calculation of the CTS amount, a deduction of 8.5% of the amount awarded will be made for working age people.
 - War pensioners will have their war pension completely disregarded as now.
- 18.4 That the Council makes changes to Council Tax discounts and exemptions as specified in Local Government Finance Act 2012, the Council Tax (Exempt Dwellings) (England) (Amendment) Order 2012 [this abolishes the current Class A and C exemptions from 1 April 2013] and Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012:-
- Class A dwellings: 10% discount (unchanged)
 - Class B dwellings: 0% discount
 - Class C dwellings: 0% discount with a 50% premium where unoccupied for more than two years
 - Class D dwellings: 0% discount
 - Class E dwellings: 100% discount
 - Class F dwellings: 100% discount
- 18.5 The details of the above dwelling classes and the relationship between them are detailed in sections 17.4 and 17.7 of this report and the above determination includes these tables.

ANNEXES TO THIS REPORT

These are separate PDF documents that are referred to, and circulated with this report. They are:-

- Annex A Calculation of Government spending reduction
- Annex B First consultation - survey form
- Annex C First consultation - information leaflet
- Annex D First consultation - FAQ document
- Annex E First consultation - letter sent to customers
- Annex F First consultation - summary of survey responses
- Annex G Second consultation - survey form
- Annex H Second consultation - information leaflet
- Annex I Second consultation – letter sent to customers
- Annex J Second consultation – summary of survey responses
- Annex K Council Tax discounts and exemptions consultation – letter sent to customers
- Annex L Council Tax exemptions list
- Annex M Equality Impact Assessment for Council Tax Support
- Annex N Equality Impact Assessment for Council Tax discount and exemption changes
- Annex O Council Tax Support Scheme

Calculation of Council Tax Support allocations in Annex A





Council Tax Benefit is changing from April 2013

Have your say

Complete this questionnaire and
tell us what you think.

You can also fill this in and find out more on-line at
www.fenland.gov.uk/localcounciltaxbenefit

Please answer the questions below

SECTION ONE – ABOUT THE PROPOSALS

Some questions about the proposals. Please tick one box for each question for Questions 1-3 below.

1. Do you understand the Local CTB scheme being proposed?

Strongly Agree Agree Neither Agree or Disagree Disagree Strongly Disagree

2. The proposals mean everyone (except Pensioners) must have to pay some Council Tax? Do you agree?

Strongly Agree Agree Neither Agree or Disagree Disagree Strongly Disagree

3. Vulnerable groups (such as the disabled and families with young children) will be helped by getting more benefit than those without a disability or young children. Do you agree?

Strongly Agree Agree Neither Agree or Disagree Disagree Strongly Disagree

4. What comments do you have about the Local CTB scheme being proposed?

5. Are there any other people we should protect from these changes?

6. Will these proposals affect any individuals or groups more than others, and if so how can we deal with this?

SECTION TWO - ABOUT YOU

(if you're responding for an organisation please go to Section 4)
This section is optional

Your Name

Your Address

Your Email Address

Your Phone Number

SECTION THREE – ABOUT YOU

Please tick the boxes that apply to you. This will help us understand about the range of people commenting on our proposals.

Do you pay Council Tax to Fenland District Council?

Do you currently get Council Tax Benefit from Fenland District Council?

Do you currently get Housing benefit from Fenland District Council?

SECTION FOUR – ABOUT YOUR ORGANISATION

Are you responding as a representative of one of these types of organisations (please tick one box)?

Voluntary organisation

Housing Association

Landlord

Other

Your Name

Your Organisation

Your Address

Your Email Address

Your Phone Number

Please return your completed questionnaire to us by 20 October 2012.

**You can also complete this on-line at
www.fenland.gov.uk/localcounciltaxbenefit**

SECTION FIVE – HOW TO RETURN THIS FORM WHEN COMPLETE

Returning this questionnaire by post

Please post it to:-

Local Council Tax Benefit, Fenland District Council, County Road, March,
Cambs, PE15 8NQ.

Returning this questionnaire to a Fenland @ Your Service Shop

Please bring it into one of our Shops at:-

Chatteris 20 High Street	Open Tuesday, Thursday and Friday 9am to 4pm, Open Saturday 9am to noon.
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March 8 Broad Street	Open Monday, Tuesday, Wednesday and Friday 9am to 4pm, Open Saturday 9am to noon.
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Whittlesey 3 Causeway Centre	Open Tuesday, Thursday and Friday 9am to 4pm, Open Saturday 9am to noon.
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Wisbech 2-3 Bridge Street	Open Monday to Friday 9am to 4pm, Open Saturday 9am to noon.
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SECTION SIX EQUALITIES MONITORING FORM

We are committed to providing equal opportunities for everyone when providing services and in our role as a major employer. We will make sure that we:

- **treat all people with dignity and respect;**
- **prevent discrimination throughout Fenland Council; and**
- **treat all of our service users fairly.**

We monitor the equality and effectiveness of the way we deliver services, to continually improve our policies and practices. We will treat all information confidentially and use it for monitoring purposes only.

Are you satisfied with the service you have received?

Yes No

If you are not satisfied, please tick the relevant boxes and include any extra information.

- Age
- Disability
- Gender Reassignment
- Pregnancy and Maternity
- Race
- Religion or Belief
- Gender
- Sexual Orientation
- Marriage and Civil Partnerships
- Social and Economic circumstances
- None of the above

Please explain why



Council Tax Benefit is changing from April 2013

The change could affect you.

This leaflet explains the change, asks for your views and tells you where you can get more help.

You can also find out more on-line at
www.fenland.gov.uk/localcounciltaxbenefit

What is Council Tax Benefit?

Council Tax Benefit (also called "CTB" in this document) is a benefit paid to people on low incomes, with little or no savings. It is called a "means tested" benefit. This means in working out how much CTB you get, we have to look at what money you get in (by "testing your means") (from other benefits or paid work) and what savings you have.

CTB is worked out and then paid into your Council Tax account. This means that instead of us giving you it directly, it is offset against what Council Tax you have to pay, reducing the amount you owe us.

Most of the rules for CTB are the same as Housing Benefit We use one application form (on paper and on the internet) for them both together, working them out at the same time (Housing Benefit is to help with your rent; so this is then paid directly to you or your landlord).

Who is responsible for Council Tax Benefit?

The Government's Department for Work and Pensions (also called "DWP" in this document) sets the law for CTB, which tells us how to work it out and how much we pay people. This is the same across the country, so the DWP set the rules and each Council (in Cambridgeshire this means District Councils) follows them in their area.

How much does Council Tax Benefit cost?

At the moment CTB is paid for by the DWP but worked out and paid out by Councils. They get this money back from the Government based on the actual amount paid out. So, if more people get CTB, more is paid out by Councils that the DWP picks up the tab for.

Nationally about £5 billion is paid out each year in CTB. In Fenland, we are paying £8 million in 2012-13 (remember it is not "paid" as such but offset against Council Tax bills).

What's changing?

The Government has said that from April 2013, Councils can make their own rules for CTB, but:-

Pensioners (of state pensionable age) must still be paid the same CTB as now;

Councils will be given 10% less money for CTB.

What this means

The Government will give us less money for CTB. They have said it will be 10% less. But initial information suggests it is more than 10% less. It also doesn't allow for us paying more CTB out if more people claim it. Councils either have to find this money from elsewhere or pay out less CTB by changing the rules. We are proposing to pay out less CTB.

What we are proposing to do

To find the savings we need, we propose to work out what CTB you could get, then take 20% off before paying it out, but this only affects people who are not pensioners.

All other current rules relating to CTB will stay as they are now, in terms of how we work out CTB and how we administer all parts of the scheme.

Why are we proposing such a high cut if we don't have to save that much?

The Government has told us we must protect pensioners by paying them the same CTB as now. This means that we need to find the savings from just working age people. As there are more pensioners on benefit locally than working age, there is more to save from non-pensioners. This means to balance our budget, we need to save 20% in the amount of CTB we pay working age people.

How will affect you?

If you're a pensioner you will see no change. If you're working age, we will work out your CTB and then take 20% off before off-setting this lower amount against your Council Tax Bill. This means you will have more Council Tax to pay, or pay Council Tax for the first time.

The average effect for someone receiving CTB now is that you will have to pay an average of £3.32 per week more Council Tax than you do now, based on current Council Tax and Council Tax Benefit figures.

Some examples

Person 1 – receiving full Council Tax Benefit now

Living in a Band B property in March.
Annual Council Tax Bill before benefit is now £1,224.12
They are getting full Council Tax Benefit so don't have to pay anything.

After the change their bill is still £1,224.12
They get Council Tax Benefit for the full amount less 20%.
Their CTB is £1,224.12 less 20% (£244.82) = £979.30.

At present, they pay no Council Tax.
Under these proposals, they will have to pay Council Tax of £244.82.
They will pay £4.71 a week more than now.

Person 2 – receiving some (but not full) Council Tax Benefit now

Living in a Band B property in March.
Annual Council Tax Bill before benefit is now £1,224.12
Receiving some Council Tax Benefit now.
They get CTB of £750. They now have to pay £1,224.12 - £750 = £474.12

After the change their bill before benefit is still £1,224.12
They get Council Tax Benefit as now less 20%.
Their CTB is £750 less 20% (£150) = £600.

At present, they pay Council tax of £474.12.
Under these proposals they will have to pay Council Tax of £624.12.
They will pay £2.88 a week more than now.

How we will protect the vulnerable

The existing CTB rules allow for certain groups of people to have a higher income before CTB is worked out. These groups are the disabled and families. We will continue to apply these rules as now to protect these vulnerable groups.

What do you think?

We are having a ten week consultation period about these proposed changes from 13 August 2012 to 20 October 2012.

We want you to have your say on the proposals, whether you currently get CTB or not.

Having you say

You can do this on-line at www.fenland.gov.uk by clicking on Local Council Tax Benefit

You can pick up a questionnaire at one of our Fenland @ Your Service Shops (see below).

More information

You can find out more information in these places:-

On-line at www.fenland.gov.uk/localcounciltaxbenefit

Visit one of our Fenland @ Your Service Shops (see below).

Email us at localcounciltaxbenefit@fenland.gov.uk

Phone us on 01354-654321

Meet us

Our team will be at the Fenland @ Your Service Shops between 10am and 12 noon on the days below to answer specific questions about the proposals and how they may affect you personally:-

Wednesday 19 September 2012

March Fenland @ Your Service Shop

Thursday 20 September 2012

Whittlesey Fenland @ Your Service Shop

Friday 21 September 2012

Chatteris Fenland @ Your Service Shop

Monday 17 September 2012

Wisbech Fenland @ Your Service Shop

When our Fenland @ Your Service Shops are open

Chatteris
20 High Street

Open Tuesday, Thursday and Friday 9am to 4pm,
Open Saturday 9am to noon.

March
8 Broad Street

Open Monday, Tuesday, Wednesday and Friday
9am to 4pm, Open Saturday 9am to noon.

Whittlesey
3 Causeway Centre

Open Tuesday, Thursday and Friday 9am to 4pm,
Open Saturday 9am to noon.

Wisbech
2-3 Bridge Street

Open Monday to Friday 9am to 4pm,
Open Saturday 9am to noon.



Local Council Tax Benefit Frequently Asked Questions

Here are answers to questions you may have about Local Council tax Benefit. If you have any that are not answered, please email localcounciltaxbenefit@fenland.gov.uk with your questions and we will both answer them directly and also update this list.

What certain terms in this document mean

CTB	Council Tax Benefit
DWP	Department for Work and Pension
Pensioners	Anyone who is of pensionable age (in terms of state pension)
Working Age	Anyone who is not of pensionable age

What is Council Tax Benefit?

Council Tax Benefit (also called "CTB" in this document) is a benefit paid to people on low incomes, with little or no savings. It is called a "means tested" benefit. This means in working out how much CTB you get, we have to look at what money you get in (by "testing your means") (from other benefits or paid work) and what savings you have.

CTB is worked out and then paid into your Council Tax account. This means that instead of us giving you it directly, it is offset against what Council Tax you have to pay, reducing the amount you owe us.

Most of the rules for CTB are the same as Housing Benefit We use one application form (on paper and on the internet) for them both together, working them out at the same time (Housing Benefit is to help with your rent; so this is then paid directly to you or your landlord).

What's changing

CTB now is the same across England, no matter where you live.

The Government's Department for Work and Pensions (also called "DWP" in this document) sets the law for CTB, which tells us how to work it out and how much we pay people. This is the same across the country, so the DWP set the rules and each Council (in Cambridgeshire this means District Councils) follows them in their area.

At the moment CTB is paid for by the DWP but worked out and paid out by Councils. They get this money back from the Government based on the actual amount paid out. So, if more people get CTB, more is paid out by Councils that the DWP picks up the tab for.

Nationally about £5 billion is paid out each year in CTB. In Fenland, we are paying £8 million in 2012-13 (remember it is not "paid" as such but offset against Council Tax bills).

The Government has said that from April 2013, Councils can make their own rules for CTB, but:-

Pensioners must still be paid the same CTB as now;

Councils will be given 10% less money for CTB.

Why is it changing?

The Government has changing the way CTB is paid for. This affects all Councils.

We could do nothing and you would see no change in CTB. The Government will give us less money for CTB. They have said it will be 10% less. But initial information suggests it is more than 10% less. It also doesn't allow for us paying more CTB out if more people claim it. But this will cost over £1 million in Fenland alone, and this money would have to come from money used to pay for Council services.

We are proposing to cut the overall CTB paid out to balance the books.

How this affects you

This affects you if you get CTB as at 1 April 2013, or apply for it after that.

To find the savings we need, we propose to work out what CTB you could get, then take 20% off before paying it out, but this only affects people who are not pensioners.

All other current rules relating to CTB will stay as they are now, in terms of how we work out CTB and how we administer all parts of the scheme.

The effect of this 20% reduction in CTB paid out is that people will need to pay an average of £3.32 per week more Council Tax next year. This figure has been worked out by taking the current amount of CTB paid out and the split between pensioners and working age customers to get an average figure. The exact amount may be more or less than this for individual people.

How the amount of CTB we give you will change

You will get a Council Tax Bill in March 2013 that shows what you will now have to pay, for the year that starts on 1 April 2013. Your first payment will be due in April, normally on the first day of the month. You can pay later in the month if you sign up for Direct Debit, contact us for details.

The exact amount more we are asking you to pay will not be confirmed until we send you this Bill.

We can give you an estimate of the extra you will need to pay. We are writing to everyone affected three times over the next few months (in August, November and January) to let you know what we expect this to be (an estimate only).

Why can't we tell you now about your Bill?

The final Council Tax for next year is not set until 21 February 2013. We then update our computer system, print and send out Bills to all 43,000 households in Fenland. This means you will get a Bill in the post in mid-March.

The figures we are using now are estimates based on how much CTB we pay out now. We have used these to work out the potential effects of the changes.

Why is CTB being cut by 20% but you mention 10% cuts?

The Government has told us we must protect pensioners by paying them the same CTB as now. This means that we need to find the savings from just working age people. As there are more pensioners on benefit locally than working age, there is more to save from non-pensioners. This means to balance our budget, we need to save 20% in the amount of CTB we pay working age people.

Why do we know already how much you may lose if it's not been decided yet?

All of our figures are based on our proposed Local Council Tax Benefit scheme. We drew this up with the reductions mentioned in order to make the savings needed.

We are now asking people what they think. This is both those people who get CTB now but also the wider community, as they will also be affected as the final scheme we set affects the amount of Council tax everyone pays.

The scheme will be formally decided and approved by full Council in December 2012.

I am getting Council Tax Benefit now. What should I do?

Changes to your CTB will be made automatically from 1 April 2013, you don't need to fill in any more forms or apply again.

You should start thinking about how to pay the extra Council Tax we'll be asking you for next year. Remember that there will be something more to pay (or even Council Tax to pay for the first time) unless you are getting CTB now and are a pensioner (if you are a pensioner and not getting CTB now, please apply for it; Council Tax is still due in the meantime).

Why are other Councils making different (or no) changes to CTB?

Each Council has to set its own Local Council Tax Benefit scheme. Some may not change the existing rules but be able to make savings elsewhere in their budgets. Others (like us) will need to reduce CTB to make these savings. The exact reduction is also affected by the number of pensioners and working age people claiming CTB as well as the amount the Government is proposing to cut from funding for each Council (which can be more than the 10% quoted). Also Councils have to plan the likely increase in demand for CTB.



Fenland District Council

Fenland District Council, Fenland Hall, County Road, March, Cambridgeshire. PE15 8NQ
Telephone: 01354 654321 Email: info@fenland.gov.uk Web: www.fenland.gov.uk

Customer Services
Tel 01354 654321
Fax 01354 606907
Email: localcounciltaxbenefit@fenland.gov.uk

September 2012

Dear [personalised],

Proposed changes to your Council Tax Benefit

From next April the amount of Council Tax Benefit we give you may change.

What's changing?

- You could get less Council Tax Benefit next year,
- We estimate your benefit could be [figure] less each week,
- You may have to pay more Council Tax, or start paying it for the first time.

Why is it changing?

- The Government is cutting the money we spend on Council Tax Benefit,
- We will have less money to give out in benefit,
- The change will affect everyone except Pensioners, who the Government says must be protected from these changes,
- Councils have to give out less benefit or cut budgets. We propose to give less benefit.

What's happening now?

- We are asking what people think. The leaflet with this letter tells you more, and how to give your opinion,
- You have until 20 October 2012 to let us know your opinion,
- You can also come and talk to us; see the factsheet with this letter for where and when,
- We will decide in December how much Council Tax Benefit will change by (the total amount we spend on it for everyone),
- We will write to you in January with further information,
- You will get a new Council Tax Bill next March. It could mean you paying some or more Council Tax from next April.

Yours sincerely



Geoff Kent
Head of Customer Services

1. Some questions about the proposals - Please tick one answer for each question below.

	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree	Response Count
Do you understand the Local CTB scheme being proposed?	41.9% (31)	35.1% (26)	10.8% (8)	5.4% (4)	6.8% (5)	74
The proposals mean everyone (except Pensioners) must have to pay some Council Tax. Do you agree with this?	14.1% (10)	11.3% (8)	2.8% (2)	16.9% (12)	54.9% (39)	71
Vulnerable groups (such as the disabled and families with young children) will be helped by getting more benefit than those without a disability or young children. Do you agree with this?	37.8% (28)	21.6% (16)	6.8% (5)	12.2% (9)	21.6% (16)	74
answered question						74
skipped question						0

2. What comments do you have about the Local CTB scheme being proposed?

	Response Count
	62
answered question	62
skipped question	12


3. Are there any other people we should protect from these changes and why?

	Response Count
	53
answered question	53
skipped question	21




4. Will these proposals affect any individuals or groups more than others, and if so how can we deal with this?

	Response Count
	47
answered question	47
skipped question	27

5. Are you responding on behalf of an organisation (eg Housing association)?

		Response Percent	Response Count
Yes		0.0%	0
No		100.0%	72
	answered question		72
	skipped question		2

6. Please tell us a little about yourself (this section is optional):

		Response Percent	Response Count
Name:		97.3%	36
Email Address:		64.9%	24
Phone Number:		62.2%	23
answered question			37
skipped question			37

7. Please tick the boxes that apply to you. This will help us understand about the range of people commenting on our proposals.

	Yes	No	Response Count
Do you pay Council Tax to Fenland District Council?	72.7% (40)	27.3% (15)	55
Do you currently get Council Tax Benefit from Fenland District Council?	69.6% (48)	30.4% (21)	69
Do you currently get Housing benefit from Fenland District Council?	50.8% (33)	49.2% (32)	65
answered question			69
skipped question			5

8. Are you responding as a representative of one of these types of organisations (please tick one box)?

	Response Percent	Response Count
Voluntary organisation	0.0%	0
Housing association	0.0%	0
Landlord	0.0%	0
Other	0.0%	0
answered question		0
skipped question		74

9. Please tell us more about your organisation

	Response Percent	Response Count
Your Name:	0.0%	0
Your Organisation	0.0%	0
Address 1:	0.0%	0
Address 2:	0.0%	0
City/Town:	0.0%	0
County	0.0%	0
Postal Code:	0.0%	0
Email Address:	0.0%	0
Phone Number:	0.0%	0
answered question		0
skipped question		74

**10. Do you feel any of the following have been a factor in the issue you have raised?
(Please tick the relevant boxes and include any extra information if necessary.)**

		Response Percent	Response Count
Age	<input type="checkbox"/>	32.6%	15
Disability	<input type="checkbox"/>	50.0%	23
Gender Reassignment	<input type="checkbox"/>	0.0%	0
Pregnancy and Maternity	<input type="checkbox"/>	0.0%	0
Race	<input type="checkbox"/>	2.2%	1
Religion or Belief	<input type="checkbox"/>	2.2%	1
Gender	<input type="checkbox"/>	2.2%	1
Sexual Orientation	<input type="checkbox"/>	0.0%	0
Marriage and Civil Partnerships	<input type="checkbox"/>	0.0%	0
None of the above	<input type="checkbox"/>	43.5%	20
answered question			46
skipped question			28

11. Please explain why:

	Response Count
	36
answered question	36
skipped question	38



Council Tax Benefit is changing from April 2013

Complete this questionnaire and tell us what you think

Please answer the questions below

SECTION ONE - ABOUT THE PROPOSALS						
Please tick one box for each question for Questions 1 - 3 below		Strongly Agree	Agree	Neither agree or disagree	Disagree	Strongly Disagree
1	Do you understand how we have revised the Local Council Tax benefit scheme proposed?					
2	Do you think it is fair?					
3	Do you agree with our proposal to reduce benefit for everyone (except pensioners) by 8.5%?					
4	What comments do you have about the changes we have made to our proposals?					
5	Please tell us why you think it is fair or unfair?					
6	What can we do to help people faced with increased Council Tax bills as a result of our proposals?					

SECTION TWO - ABOUT YOU (Optional)	
Your Name	
Your Organisation	
Your Address	
Your Email Address	Your Phone Number

SECTION THREE - ABOUT YOU		
Please tick the boxes that apply to you. This will help us understand about the range of people commenting on our proposals	Yes	No
Do you get a Council Tax Bill from Fenland District Council (by this we mean do we send you a Bill each year, even if you have nothing to pay)?		
Do you currently get Council Tax Benefit from Fenland District Council?		

SECTION FOUR - HOW TO RETURN THIS FORM WHEN COMPLETE

Return this questionnaire by post to:-

Please post it to:-Local Council Tax Benefit, Fenland District Council, County Road, March, Cambs, PE15 8NQ.

Returning this questionnaire to a Fenland @ Your Service Shop at:-

Chatteris Open Tuesday, Thursday and Friday 9am to 4pm,
20 High Street Open Saturday 9am to noon.

March Open Monday, Tuesday, Wednesday and Friday 9am to 4pm,
8 Broad Street Open Saturday 9am to noon.

Whittlesey Open Tuesday, Thursday and Friday 9am to 4pm,
3 Causeway Centre Open Saturday 9am to noon.

Wisbech Open Monday to Friday 9am to 4pm,
2-3 Bridge Street Open Saturday 9am to noon.

Complete this questionnaire on-line

Go to www.fenland.gov.uk/localcounciltaxbenefit

Closing Date

This consultation ends on 1 December 2012. The Council plans to make a final decision on its Local Council tax Benefit scheme at its meeting on 20 December 2012.

SECTION FIVE - EQUALITIES MONITORING FORM

We are committed to providing equal opportunities for everyone when providing services and in our role as a major employer. We will make sure that we:

- **treat all people with dignity and respect;**
- **prevent discrimination throughout Fenland Council; and**
- **treat all of our service users fairly.**

We monitor the equality and effectiveness of the way we deliver services, to continually improve our policies and practices. We will treat all information confidentially and use it for monitoring purposes only.

Are you satisfied with the service you have received?

Yes

No

If you are not satisfied, please tick the relevant boxes and include any extra information.

- Age
- Disability
- Gender Reassignment
- Pregnancy and Maternity
- Race
- Religion or Belief
- Gender
- Sexual Orientation
- Marriage and Civil Partnerships
- Social and Economic circumstances
- None of the above

Please explain why



Council Tax Benefit is changing from April 2013

The change could affect you. This leaflet explains the change, asks for your views and tells you where you can get more help.

You can also find out more on-line at www.fenland.gov.uk/localcounciltaxbenefit

What is Council Tax Benefit?

Council Tax Benefit (also called "CTB" in this document) is a benefit paid to people on low incomes, with little or no savings. It is called a "means tested" benefit. This means in working out how much CTB you get, we have to look at what money you get in (by "testing your means") (from other benefits or paid work) and what savings you have.

CTB is worked out and then paid into your Council Tax account. This means that instead of us giving you it directly, it is offset against what Council Tax you have to pay, reducing the amount you owe us.

Most of the rules for CTB are the same as Housing Benefit. We use one application form (on paper and on the internet) for them both together, working them out at the same time (Housing Benefit is to help with your rent; so this is then paid directly to you or your landlord).

Who is responsible for Council Tax Benefit?

The Government's Department for Work and Pensions (also called "DWP" in this document) sets the law for CTB, which tells us how to work it out and how much we pay people. This is the same across the country, so the DWP set the rules and each Council (in Cambridgeshire this means District Councils) follows them in their area.

How much does Council Tax Benefit cost?

At the moment CTB is paid for by the DWP but worked out and paid out by Councils. They get this money back from the Government based on the actual amount paid out. So, if more people get CTB, more is paid out by Councils that the DWP picks up the tab for.

Nationally about £5 billion is paid out each year in CTB. In Fenland, we are paying £8 million in 2012-13 (remember it is not "paid" as such but offset against Council Tax bills).

What's changing?

The Government has said that from April 2013, Councils can make their own rules for CTB, but:- Pensioners (of state pensionable age) must still be paid the same CTB as now; Councils will be given 10% less money for CTB.

What this means

The Government will give us less money for CTB. They have said it will be 10% less. But initial information suggests it is more than 10% less. It also doesn't allow for us paying more CTB out if more people claim it. Councils either have to find this money from elsewhere or pay out less CTB by changing the rules. We are proposing to pay out less CTB.

What we are proposing to do

To find the money we need to save, we originally proposed to do this by cutting the CTB we give you by 20%. We have now revised our plan. We propose now to cut the CTB we give you by 8.5%. All other CTB rules will be as now.

All other current rules relating to CTB will stay as they are now, in terms of how we work out CTB and how we administer all parts of the scheme.

How will this affect you?

If you are of state pensionable age, nothing changes. If you are not we will work out your CTB, take 8.5% of it away and then put that against your Council Tax Bill. So you will pay more Council Tax. Over 3,000 people will pay some Council Tax for the first time.

If you get full CTB now (i.e. you pay no Council Tax now), you will have to pay an average of £1.52 a week in Council Tax. If you get some CTB (but not 100%) you will have to pay an average of £0.52 a week more Council Tax. Please remember these are averages so you could pay more or less than this.

Some examples

Person 1 – receiving full Council Tax Benefit now	Person 2 – receiving some (but not full) Council Tax Benefit now
<p>Living in a Band B property in March. Annual Council Tax Bill before benefit is now £1,224.12. They are getting full Council Tax Benefit so don't have to pay anything.</p> <p>After the change their bill is still £1,224.12. They get Council Tax Benefit for the full amount less 8.5%. Their CTB is £1,224.12 less 8.5% (£104.05) = £1120.07.</p> <p>At present, they pay no Council Tax. Under these proposals, they will have to pay Council Tax of £104.05. They will pay £2.00 a week more than now.</p>	<p>Living in a Band B property in March. Annual Council Tax Bill before benefit is now £1,224.12. Receiving some Council Tax Benefit now. They get CTB of £750. They now have to pay $£1,224.12 - £750 = £474.12$.</p> <p>After the change their bill before benefit is still £1,224.12. They get Council Tax Benefit as now less 8.5%. Their CTB is £750 less 8.5% (£63.75) = £686.25.</p> <p>At present, they pay Council tax of £474.12. Under these proposals they will have to pay Council Tax of £537.87. They will pay £1.23 a week more than now.</p>

How we will protect the vulnerable

The cut in CTB paid will now be 8.5% instead of the 20% originally proposed.

What do you think?

Please let us have your views. There is a questionnaire with this factsheet. Please tell us what you think, even if you are not getting CTB now. You can also fill-in the questionnaire on-line at www.fenland.gov.uk/localcounciltaxbenefit

Having you say

You can do this on-line at www.fenland.gov.uk by clicking on Local Council Tax Benefit. You can pick up a questionnaire at one of our Fenland @ Your Service Shops (see below).

More information

You can find out more information in these places:-

On-line at www.fenland.gov.uk/localcounciltaxbenefit

Visit one of our Fenland @ Your Service Shops (see below).

Email us at localcounciltaxbenefit@fenland.gov.uk

Phone us on 01354-654321

When our Fenland @ Your Service Shops are open

Chatteris, 20 High Street	Open Tuesday, Thursday and Friday 9am to 4pm, Open Saturday 9am to noon.
March, 8 Broad Street	Open Monday, Tuesday, Wednesday and Friday 9am to 4pm, Open Saturday 9am to noon.
Whittlesey, 3 Causeway Centre	Open Tuesday, Thursday and Friday 9am to 4pm, Open Saturday 9am to noon.
Wisbech, 2-3 Bridge Street	Open Monday to Friday 9am to 4pm, Open Saturday 9am to noon.

November 2012

Dear [personalised],

IMPORTANT – Changes to your Council Tax

This letter is about how much Council Tax you pay.

Even if you pay no Council Tax now, you will have to pay some next year.

**We first wrote to you about this in September.
Our plans have now changed.
Please read the information with this letter.**

We estimate you will have to pay [weekly figure] a week more next year.

Why are we sending you this letter?

- You now get Council Tax Benefit. This is changing from next April.
- You will get less. This could mean you pay Council Tax for the first time.
- It could mean you pay more Council Tax next year than you do now.
- The Government is cutting the money we spend on Council Tax Benefit.
- We will have less money to give out in benefit.
- The change will affect everyone except Pensioners.
- Councils will cut benefit or cut budgets. We propose to cut benefit.

What is happening next?

- We want to know what you think about our plans.
- You have until 1 December 2012 to tell us what you think. A form is with this letter or you can complete it on-line.
- On 20 December, Councillors will decide how much benefit will be cut by overall for next year.
- We will write to you in January with further information.
- You will get a new Council Tax Bill next March.
- Your first payment will be due next April.

Need Help?

- **Go on-line** www.fenland.gov.uk/localcounciltaxbenefit.
- **Ring us** 01354 654321.
(Monday to Friday 9am to 5pm, Saturday 9am to Noon).
- **Email us** localcounciltaxbenefit@fenland.gov.uk.
- **Write to us** "Local Council Tax Benefit"
at the address at the bottom of this letter.
- **Come and see us** at our Fenland @ Your Service Shops
Chatteris, March, Whittlesey, Wisbech
(Opening times for each shop are on the sheet with this letter).

Yours sincerely



Geoff Kent
Head of Customer Services

Local Council Tax Benefit (CTB) Consultation second phase



1. Some questions about the proposals - Please tick one answer for each question below.

	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree	Response Count
Do you understand how we have revised the Local Council Tax Benefit scheme proposed?	18.4% (16)	31.0% (27)	19.5% (17)	10.3% (9)	20.7% (18)	87
Do you think it is fair?	4.7% (4)	12.8% (11)	11.6% (10)	20.9% (18)	50.0% (43)	86
Do you agree with our proposal to reduce benefit for everyone (except pensioners) by 8.5%?	5.6% (5)	12.4% (11)	3.4% (3)	20.2% (18)	58.4% (52)	89
				answered question		91
				skipped question		0

2. What comments do you have about the changes we have made to our proposals?

	Response Count
	69
answered question	69
skipped question	22










3. Please tell us why you think it is fair or unfair.

	Response Count
	79
answered question	79
skipped question	12

4. What can we do to help people faced with increased Council Tax bills as a result of our proposals?

	Response Count
	75
answered question	75
skipped question	16

5. Please tell us a little about yourself (this section is optional):

		Response Percent	Response Count
Name:		100.0%	63
Organisation (if any)		14.3%	9
Address 1:		95.2%	60
Address 2:		23.8%	15
City/Town:		87.3%	55
County		68.3%	43
Postal Code:		50.8%	32
Email Address:		46.0%	29
Phone Number:		61.9%	39
	answered question		63
	skipped question		28

6. Please tick the boxes that apply to you. This will help us understand about the range of people commenting on our proposals.

	Yes	No	Response Count
Do you get a Council Tax Bill from Fenland District Council (by this we mean do we send you a bill each year, even if you have nothing to pay)?	95.2% (80)	4.8% (4)	84
Do you currently get Council Tax Benefit from Fenland District Council?	93.2% (82)	6.8% (6)	88
		answered question	88
		skipped question	3

7. Do you feel any of the following have been a factor in the issue you have raised? (Please tick the relevant boxes and include any extra information if necessary.)

		Response Percent	Response Count
Age	<input type="checkbox"/>	20.0%	6
Disability	<input checked="" type="checkbox"/>	60.0%	18
Gender Reassignment	<input type="checkbox"/>	0.0%	0
Pregnancy and Maternity	<input type="checkbox"/>	3.3%	1
Race	<input type="checkbox"/>	6.7%	2
Religion or Belief	<input type="checkbox"/>	3.3%	1
Gender	<input type="checkbox"/>	0.0%	0
Sexual Orientation	<input type="checkbox"/>	0.0%	0
Marriage and Civil Partnerships	<input type="checkbox"/>	3.3%	1
None of the above	<input checked="" type="checkbox"/>	26.7%	8
		answered question	30
		skipped question	61

8. Please explain why:

	Response Count
	29
answered question	29
skipped question	62

Customer Services

Tel 01354 654321

Fax 01354 606907

Email: localcounciltaxbenefit@fenland.gov.uk

Name
Address1
Address2
Address3
Address4
PostCode

27 November 2012

Dear Name,

Changes to your Council Tax from April 2013

This letter is being sent to you regarding:-

Account Reference: 123456789

Property: PropertyAddress

Exemption Class or Long Term Empty Class: ExemptionOrEmptyClassType

From April 2013 the way Local Government is funded is changing; with the localisation of Council Tax and other changes to funding mechanisms as a result of the Local Government Finance Act 2012.

This Act also gives Councils flexibility to vary some Council Tax exemptions and discounts in order to help meet the budgetary challenges that their Medium Term Financial Strategies pose.

In July 2012 the Council's Cabinet considered how to bridge the funding gap created by the above changes. Amongst other things, it is proposing to fill this gap by changing the amount charged in respect of some types of unoccupied properties.

The Council will make a final decision on 20 December 2012 and this may affect the Council tax you pay from 1 April 2013.

The change may affect you as you are currently either paying no Council Tax at all, or a reduced amount.

This is how the change may affect you:-

Changes to Council Tax discounts and exemptions		
Circumstance	Current position	Proposed from April 2013
Empty properties: (Exempt A & Exempt C)	Class A exemption: Unoccupied, undergoing or in need of major repairs No Council Tax to pay for up to one year.	Full Council Tax will be payable.
	Class C exemption: Empty and unfurnished No Council Tax to pay for up to six months.	
Holiday Homes : (Empty Class A) / Second homes : (Empty Class B)	Discount: 10% for properties that are second homes (no time limit)	Full Council Tax will be payable.
Long-term empty properties (Long Term Empty Class C)	Full Council Tax payable.	Full Council tax payable. Where a property is empty for two years or more, a 50% premium will apply so in affect the Council Tax is 150% of the normal amount.

We would like your views on these proposals. You can get more information and leave your comments on-line at www.fenland.gov.uk/localcounciltaxbenefit.

You can also contact us by email at localcounciltaxbenefit@fenland.gov.uk .
The deadline for comments is 5pm on 7 December 2012.

After Members of the Council decide on these proposals on 20 December 2012, we will update you. This could mean that the exemption or discount detailed above will cease from 1 April 2013. In this case, we will send you a bill next March, which will show the new amount due and when it should be paid. This change will apply even if you have been sent a confirmation recently that suggests you will be exempt for up to one year from now.

If you have any questions please contact us.

Yours sincerely



Geoff Kent
Head of Customer Services

ANNEX L

LIST OF COUNCIL TAX EXEMPTIONS

This document shows current exemptions from Council Tax and they will change from April 2013 as a result of the Local Government Finance Act 2012 giving Councils to vary some (but not all) exemptions and replace them with discounts.

Exemptions currently specified by Government that can be changed by Councils from 1/4/13			
<u>Exemption Class</u>	<u>Description</u>	<u>Current</u>	<u>After 1/4/13</u>
A	Unoccupied and unfurnished Undergoing or needing major repair or structural alteration	Up to 12 months	This exemption will no longer exist. Councils will have the power to set a discount between 0% and 100% for one year.
C	Unoccupied and unfurnished	Up to 6 months	This exemption will no longer exist. Councils can set a discount between 0% and 100% for to up one year including varying period and discount level.
Exemptions that cannot be changed now or after 1/4/13			
<u>Exemption Class</u>	<u>Description</u>	<u>Current</u>	<u>After 1/4/13</u>
B	Unoccupied Owned by a charity	Up to 6 months	Up to 6 months
D	Unoccupied Where owner or tenant in prison	No limit	No limit
E	Unoccupied Occupier in residential nursing home, care home or hospital	No limit	No limit
F	Unoccupied Occupier died	Up to 6 months after probate granted	Up to 6 months after probate granted
G	Unoccupied Occupation prohibited by law	No limit	No limit

Exemptions that cannot be changed now or after 1/4/13 (Continued)			
<u>Exemption Class</u>	<u>Description</u>	<u>Current</u>	<u>After 1/4/13</u>
H	Unoccupied Waiting to be occupied by Minister of Religion	No limit	No limit
I	Unoccupied Owner or tenant receiving care elsewhere	No limit	No limit
J	Unoccupied Owner or tenant providing care elsewhere to another person	No limit	No limit
K	Unoccupied Last occupied by a full-time student	No limit	No limit
L	Unoccupied Repossessed and mortgagee in possession	No limit	No limit
M	Occupied Student Hall of Residence	No limit	No limit
N	Occupied All occupants are full-time students	No limit	No limit
O	Occupied or Unoccupied Armed forces accommodation	No limit	No limit
P	Occupied Accommodation for visiting forces	No limit	No limit
Q	Unoccupied Liable person is trustee for a bankrupt person	No limit	No limit
R	Unoccupied Caravan pitch or boat mooring	No limit	No limit
S	Occupied All occupants are under 18	No limit	No limit
T	Unoccupied Granny annexe	No limit	No limit
U	Occupied All occupants severely mentally impaired	No limit	No limit
V	Diplomat's dwelling	No limit	No limit
W	Occupied Granny annexe	No limit	No limit

Certain prescribed classes of dwellings		
These are properties where different rules have been in place since 2004 (used in Fenland since 2005 as shown), and where changes apply from 2013		
Description	Current	After 1/4/13
<p>Class A: Holiday Homes Furnished properties that are not a sole or main residence, and where occupation is restricted by planning conditions preventing occupation for more than 28 days continuously each year.</p>	10% discount	10% discount
<p>Class B: Second Homes Furnished properties that are not a sole or main residence, and where occupation is not restricted by planning conditions preventing occupation for more than 28 days continuously each year.</p>	10% discount	0% discount
<p>Class C: Unoccupied and substantially unfurnished properties. Often referred to as "Long-term empty".</p>	0% discount after any relevant exemption ends	0% discount After 2 years an additional 50% premium will be charged. In effect this replaces Class C exemption.
<p>Class D: Properties that are unoccupied, substantially unfurnished if that property requires or is undergoing major or structural repair work, and for six months from the date the major work finishes.</p>	Did not apply. New class from 1/4/13.	0% discount This designation applies for a maximum of 12 months (after which a Class C dwelling designation will apply). In effect this replaces Class A exemption.
<p>Class E: Properties that are empty as they are the sole or main residence of a qualifying person in relation to another property provided as armed forces accommodation, which is job-related (i.e. service personnel posted away from home).</p>	Did not apply. New class from 1/4/13.	100% discount

Certain prescribed classes of dwellings

These are properties where different rules have been in place since 2004 (used in Fenland since 2005 as shown), and where changes apply from 2013

Description	Current	After 1/4/13
Class F: Unoccupied annexe to a property	Did not apply. New class from 1/4/13.	100% discount

Assessing Equality – The Equality Act 2010

ANNEX M – EQUALITIES IMPACT ASSESSMENT FOR COUNCIL TAX SUPPORT SCHEME

INTRODUCTION

The Equality Act 2010 reminded all public authorities of their duty to have ‘due regard’ to the need to:

- **Eliminate unlawful discrimination**, harassment, victimisation and any other conduct prohibited by the Act:
- **Advance equality of opportunity** between people who share a protected characteristic and people who do not share it; and
- **Foster good relations** between people who share a protected characteristic and people who do not share it.

The protected groups (previously known as equality strands) are as follows:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Gender
- Sexual orientation
- Marriage and civil partnerships (eliminate unlawful discrimination only)

Other legislation and practice has determined that we extend this to cover:

- Human Rights
- Socio Economic factors

The duty reminds us of the need to analyse the effect of existing and new policies and practices on equality.

The equality analysis should be proportionate and relevant – not just a tick box exercise. In some cases the written record will be a quick set of bullet points or notes under each heading. Others will need a more detailed explanation.

However, legal case law makes it clear that we must carry out the analysis **before making the relevant policy decision**.

A meaningful equality analysis will help the Council make the best decisions or formulate a policy which best meets our customers needs.

Once a Customer Impact Assessment (replacing our existing Equality Impact Assessment) has been completed there is no need to automatically carry out a new assessment each year. A review assessment has been put in place, and can be completed if there has been no change to the original policy, the way it's implemented and its customer impact.

Assessing Equality – The Equality Act 2010

A SIMPLE GUIDE TO ASSESSING EQUALITY

What is Customer Impact Assessment (CIA)?

- CIA is the act of systematically assessing the likely (or actual) effects of policies or services on people based on the following:
 - Age
 - Disability
 - Gender reassignment
 - Pregnancy and maternity
 - Race
 - Religion or belief
 - Gender
 - Sexual orientation
 - Marriage and civil partnerships
 - Human Rights
 - Socio Economic factors

This means considering the above, as set out in the table below, in relation to a policy, practice or service, before a decision is made.

	Eliminating unlawful discrimination, harassment and victimisation	Advancing equality of opportunity between different groups	Fostering good relations between different groups
Disability			
Age			
Pregnancy and maternity			
Race			
Religion or belief			
Sex/ Gender			
Gender reassignment			
Sexual orientation			
Human Rights			
Socio Economic Factors			
Marriage and civil partnerships			

Assessing Equality – The Equality Act 2010

- You are looking for opportunities to promote equality, and good relations between all groups as well as removing or mitigating negative or adverse impacts.
- Remember it might not be possible to remove all barriers to service or your policy or practice may have a negative impact on certain groups ... please note anything of this nature

Why is it important?

- Assessing equality issues helps us understand the needs of our customers, ensures our decisions meet those needs, and are also cost effective, and demonstratable.
- As a public authority we also have a **legal** duty to show “*due regard*” for equality in decision making and the way services are provided
- To be able us to show “*due regard*”, we need to show that consideration of [possible impact to the groups mentioned have taken place **prior** to a decision being made; that equality issues were considered, and that this consideration was rigorous, open minded, and involved thinking about the three arms of the Equality Act as part of this process, and that potential adverse impacts were either removed or reduced, and that all our decisions can be defended if challenged.
- Documenting our equality analysis enables the Council show it has had “*due regard*” for equality if decisions are challenged. If “*due regard*” for equality can not be shown, decisions may be overturned at judicial review. This could result in lost time, money and negative publicity.
- The sooner equality is considered in a process; the more efficiently that process can be carried out.

Assessing Equality – The Equality Act 2010

How can equality be assessed?

1. Gather information This can be consulting with relevant groups, using a previous EqIA as a starting point, consultations carried out by other services, details of the service 'hard to reach groups', customer satisfaction surveys, MOASIC data, consider relevance to equality



2. Assess impact Could different groups be affected differently? Is this difference positive or negative? Consider the three arms of the Equality Act in relation to all the protected groups as per the table. NOTE: The quality of the assessment will depend on the quality of the information gathered



3. Take action This could be to reduce negative or increase positive impact. Produce an action plan where appropriate; make actions SMART. Unlawful discrimination **MUST** be actioned immediately



4. Summarise your findings on the EqIA form. Where it is clear from initial information gathering that a policy will not have any effect on equality, this may simply be a sentence recording this; the greater the relevance to equality, the greater the level of detail required. Publish your findings



5. Monitor the on-going effects of the policy on equality. This is usually in the form of the annual review carried out in October of each year, to fit in with the service planning cycle. The Equality Act is a **continuing** duty!

Assessing Equality – The Equality Act 2010

Customer Impact Review

Name and brief description of policy being analysed

Briefly summarise the policy including any key information such as aims, context etc; note timescales and milestones for new policies; use plain language – NO JARGON; refer to other documents if required

BACKGROUND

In its 2010 Spending Review the Coalition Government announced that it would localise support for Council tax from April 2013, and at the same time reduce expenditure by 10%. The Government published a “Statement of Intent” in May 2012; see <http://www.communities.gov.uk/documents/localgovernment/pdf/2146581.pdf> that explains the basis and rationale for this change.

In 2011 the Welfare Reform Bill was published (since passed into law) allowing for the current Council Tax Benefit (CTB) scheme to be abolished from 2013.

At present, CTB is governed by legislation set by the Department for Work and Pensions (DWP). District and Unitary Councils administer it alongside Housing Benefit (HB) with some single application and administrative process. CTB when granted, it is offset against peoples’ liability for Council Tax, reducing the amount they pay.

CTB is currently paid out by Councils, with the cost of it being reimbursed to them by the DWP. This system allows for fluctuations in demand, so if Councils give more CTB out, the DWP will reimburse the higher costs.

From April 2013, this system is changing. CTB is being “localised”. This means that there will no longer be a nationally governed CTB scheme. Councils will set their own schemes. CTB is being replaced by “Council Tax Support” or “CTS”. This is part of the Coalition’s wider policy of localisation, giving Councils increased financial autonomy and a greater stake in the economic future of their local area.

Pensioners will be protected under these new arrangements. CTS for them will continue to be subject to national controls. They will not have their CTS reduced by these changes.

The Coalition is also committed to ensuring that the most vulnerable in society are supported and it has advised Councils to take the needs of these groups into consideration when devising local schemes for CTS.

At the same time as this shift to local control and accountability, the amount of funding for CTS is being changed. It is moving from the current demand-led arrangements to a fixed budget allocation each year from April 2013.

Assessing Equality – The Equality Act 2010

The headline reduction in funding is 10%. Recent advice from the Department for Communities and Local Government (CLG) has included a formula that explains how this reduction will apply in practice. It suggests that the reduction will be closer to 12% for Fenland.

As demand for CTB (to be CTS) is increasing year-on-year, we need to make budgetary provision for this over and above the funding that we will receive.

We currently award about £8.127 million in CTB (2012-13 figures). Taking into account the expected funding reduction and allowance for growth, we originally expected that the funding shortfall will be £1.4 million in 2013-14.

In order to meet this shortfall we need to consider ways to reduce the cost of providing CTS. This will potentially mean a reduction in the amount we pay out to residents of working age, who are not classed as vulnerable.

The CTS scheme proposed at Cabinet on 26 July 2012 proposed a scheme that would not impact adversely on the Council's finances, in that the reduction in funding would be handled by reducing the amount of CTS paid out so as to avoid the Council needing to cut expenditure across all services. Major precepting authorities were consulted and expressed opinions that they should not be burdened with any additional costs, meaning that the costs of not making reductions in CTS would not be covered by these precepting authorities.

In October, the Government announced transitional funding to help Councils reduce the effects of CTS. This additional funding, together with additional revenue that can be generated from removing certain Council Tax discounts in respect of unoccupied and second homes (as allowed in the Local Government Finance Act 2012, effective from April 2013) allows the Council to reduce the scale of the proposed reduction in CTS to working age people. Following the funding announcement, the funding shortfall reduced to £1.2 million and the Council still needs to fill this funding gap with a combination of reductions to CTS paid and raiding revenue from changes to Council Tax discounts and exemptions.

Assessing Equality – The Equality Act 2010

APPROACH

CLG guidance suggests that Councils must consult with communities before making a final decision as to the shape of a Local CTB scheme and that this should be for a twelve week period. However it does say that Councils should make their own decisions as to the nature and length of their consultation.

We first consulted for ten weeks. Government guidance as set out in the Code of Practice for Consultation published in 2008 (see <http://www.bis.gov.uk/files/file47158.pdf>) that recommend twelve weeks but acknowledge that where timescales are tight this period can be shortened, as detailed below.

Following the announcement of transitional funding in October, our proposals were revised to make the reduction in CTS lower as a result. We consulted for a further four weeks, ending on 1 December 2012. Tight timescales required to analyse the results and then incorporate them into a report to a meeting of Council on 20 December 2012 limited the length of consultation possible.

SURVEY FORM

This is at the heart of the consultation. The form is best completed after information about the proposals has been read (this is available as detailed in “Consultation Methodology” below). The form asks for comments on the proposals and ideas for alternatives. It also asks if those completing it feel that they have been disadvantaged for being members of the protected groups highlighted in this template. It also allows us to understand if it is being completed by those receiving benefit, other interested residents or organisations that have an interest in the changes and how it affects the community.

The form was available to complete online, print off and complete, or as hard-copy. Hard-copy forms could be returned by post or handed in at our Fenland @ Your Service Shops.

Assessing Equality – The Equality Act 2010

CONSULTATION METHODOLOGY

The community was consulted in a number of ways:-

1. Online – detailed information and online survey form at www.fenland.gov.uk/localcouniltaxbenefit
2. Shops – copies of all information available as hard-copy at our four Fenland @ Your Service Shops
3. Post – all customers likely to be directly affected being written to in September and November.
4. Face to Face – drop in sessions at each of our four Fenland @ Your Service Shops
5. Press – a series of press releases and articles in the leading local free newspaper is publicising the proposals
6. Customer groups – contacting organisations who may have an interest to give information and seek feedback
7. Members – giving briefing packs to all Fenland Councillors to aid them giving advice to and receiving feedback from residents
8. Extra help – customers can contact us in the normal way by phone, email, face to face and in writing with queries about the proposals

These approaches are explained in more detail below.

Online

Information about the proposal is prominently displayed on the front page of our website www.fenland.gov.uk

This links to further pages that explain the changes, the rationale for them, how people may be affected, how to give feedback (online, by printing off a form and returning it or explaining where to get a hard-copy form). It also advises where to go for help and advice about the changes.

Shops

We have four Fenland @ Your Service Shops. They are located in the four market towns in the District. They are all open at least three weekdays (9am to 4pm) and all are open on Saturdays (9am to noon). They are all easily and clearly accessible on main shopping streets in Town Centres.

All have posters drawing attention to the proposals. All the information shown online is available at the shops as hard-copy leaflets. All staff at our shops are able to explain the proposals to customers and offer benefits advice.

Assessing Equality – The Equality Act 2010

Post

From the start of the consultation period to the introduction of the final scheme, we are writing to customers who we believe to be directly affected (this is worked out using modelling software that models the proposed changes across all benefits cases and identifies the likely change in benefits as a result for each customer). Before any customer may need to increase their Council Tax payments as a result of the final scheme that is introduced, we are contacting them as follows:-

- Early September 2012: Letter explaining the proposals, how to comment and estimated weekly increase in Council Tax,
- November 2012: A further letter explaining the revised proposals and their effects, together with a survey form,
- January 2013: Letter explaining final scheme, estimated effects, what to expect from us and how to get help,
- March 2013: 2013-14 Council Tax bills sent with new amounts to pay.
- April 2013: New amounts start being payable.

Face to Face

As well as having information and advice available at our four Fenland @ Your Service shops, we are held a drop-in session at each of them for two hours in September 2012. At these sessions we will have specialist benefits staff who can explain the changes in greater detail, give personal illustrations of the effects for customers receiving benefit now and also able to offer wider benefits checks to ensure that customers are claiming all benefits that they are entitled to. All feedback will be recorded and customers helped to complete survey forms.

Press

We are issuing regular press releases highlighting the changes and proposed scheme. These are being carried in the two local papers in Fenland. These are the Cambs Times /Wisbech Standard (one paper across the District with some pages adapted for more local coverage hence two separate titles) and the Fenland Citizen. As well as in print, both papers are carrying the same articles on their websites. We also have a weekly page in the Cambs Times /Wisbech Standard called "The Fenlander" that we are able to use to promote Council services, this is being regularly used to promote the changes and their potential effects.

Customer Groups

We contacted Housing Associations, the Citizens' Advice Bureau and voluntary groups in Fenland to give them further information about the proposals and invited them to discuss how they can work with us.

Members

Cabinet considered the first report on the proposals in July. In addition all 39 current Members have been given full briefing packs that include a copy of the report that went to Cabinet, explanatory leaflet about the proposals, sample questionnaire and FAQ document. They have also been given contact details for the Officer leading the project. Further updates have followed.

Assessing Equality – The Equality Act 2010

Extra help

The proposals have a number of ways that concerned customers or any interested party can contact us for further information about the proposals. These are:-

- Email: We have a dedicated email address localcounciltaxbenefit@fenland.gov.uk for information,
- Letter: We can be contacted by post,
- Phone: We can be contacted on our normal number 01354-654321 where we can give advice and information,
- Face to Face: Customers can drop into one of our Fenland @ Your Service Shops for advice and information,
- On-line: Our website has prominently displayed information about the proposals and how to comment on them.

ANALYSING THE CONSULTATION FEEDBACK AND EFFECTS

We have analysed the feedback from both phases of our consultation and this has been incorporated into a report that has gone to Council for its meeting on 20 December 2012 where the Council's Council Tax Support Scheme will be determined.

Information used for customer analysis

Note relevant consultation; who took part and key findings; refer to, or attach other documents if needed; include dates where possible

There have been two phases of consultation:-
Ten weeks in August and September 2012
Four weeks in November 2012.

Examples of the survey forms, other documents given to customers and reports summarising the consultation responses as well as highlighting the types of issues raised; are all included in the report "Council Tax Support" and its annexes, which was considered by a meeting of Council on 20 December 2012. Further information about this is available at www.fenland.gov.uk

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Race	No	No	Yes	<p>Race is not a factor within the statutory CTS means test nor is it a factor singled out in the proposed scheme.</p> <p>Figures from the ONS as at mid-2009 show that the Fenland population is composed:- White – 94% Mixed – 1% Asian – 2% Black – 2% Chinese /Other – 1%</p> <p>Information about race is not collected during the assessment of CTS and it does not affect its assessment.</p>	No	<p>No mitigation is needed.</p> <p>The overall reduction in CTS proposed for all people regardless of their race.</p>

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Sex	No	No	Yes	<p>According to the ONSD, women on average earn 19.5% overall than men taking both full-time and part-time hourly rates into account, using 2011 figures see:- http://www.ons.gov.uk/ons/dcp171766_252474.pdf</p> <p>This means that if in work, they will often be paid less than men.</p> <p>Woman are often less able to work as a result of childcare responsibilities, although men are the primary carer in some cases.</p>	No	<p>No mitigation is needed.</p> <p>The overall reduction in CTS is proposed for all people regardless of their sex.</p> <p>There are no proposals to change applicable amounts and premiums for families with children and the current disregard for child care costs will not change.</p>

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Gender reassignment	No	No	Yes	None although there could be mental health issues during the gender reassignment process that mean that customers may be able to claim other disability related benefits that could boost their income at that time. It is also possible that they may not be able to work and therefore would be entitled to out of work benefits.	No	<p>No mitigation is needed.</p> <p>The overall reduction in CTS is proposed for all people regardless of their gender.</p>

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Disability	No	No	Yes	<p>These proposals will affect all working age customers who are disabled.</p> <p>1022 households (22% of working age) have a disabled member.</p>	No	<p>Consultation documents provide for disabled customers to identify themselves as a protected group and raise concerns that are disability related.</p> <p>Over 50 local voluntary groups have been consulted about the proposals and invited to both comment as well as talk to the Council face to face.</p> <p>We are offering meetings with local voluntary groups so that this group is properly represented.</p> <p>The questionnaire has information that will allow us to analyse results against each protected group.</p> <p>We will use our</p>

Assessing Equality – The Equality Act 2010

						<p>Discretionary Housing Policy as a fund to offer additional Local CTS where there is an exceptional need.</p> <p>The current and proposed schemes build in additional premiums for those households with a disabled member which means that more of their income is not counted when we work out CTS. Our proposed scheme if not changing this.</p> <p>The additional Govt funding announced in October allows us to reduce the impact on all groups within the community, however funding is seriously restrained and we have reduced the cut in CTS as much as possible to fill the funding gap.</p>
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Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Age	No	No	Yes	<p>These changes will affect all Working Age customers equally by the application of the 8.5% reduction in CTS paid after calculation.</p> <p>Customers of pensionable age (this is defined by legislation, and will change over time as the state retirement age changes upwards) will not be affected by these changes as the Government has specified that they must be protected.</p> <p>All information being published about the changes make reference to the changes only affecting working age customers.</p> <p>With a 10% funding cut and protection of pensioners, this means that a potential cut to working age customers would have been 20% but the additional Govt funding has allowed us to limit this reduction to 8.5%.</p>	No	<p>Three information letters are being sent to all working age customers detailing the changes, their effects and how to get advice about them. They will also include an explanatory leaflet. Letters will be written in plain language and make it clear how to get help and advice.</p> <p>Households with children and young adults at school will continue to be supported by Child Benefit and Child Maintenance being ignored in calculation of CTS.</p>

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Sexual orientation	No	No	Yes	<p>These changes will affect all Working Age customers equally by the application of the 8.5% reduction in CTS paid after calculation.</p> <p>Customers of pensionable age (this is defined by legislation, and will change over time as the state retirement age changes upwards) will not be affected by these changes as the Government has specified that they must be protected.</p> <p>All information being published about the changes make reference to the changes only affecting working age customers.</p>	No	None needed.

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Religion or belief	No	No	Yes	<p>The proposals will not adversely affect this group in addition to the base proposals. These changes will affect all Working Age customers equally by applying the 8.5% reduction in CTS paid after calculation.</p> <p>Customers of pensionable age (this is defined by legislation, and will change over time as the state retirement age changes upwards) will not be affected by these changes as the Govt has specified that they must be protected.</p> <p>All information being published about the changes make reference to the changes only affecting working age customers.</p>	No	Our shops are all open at least three days 9am to 4pm during the week as well as 9am to noon on Saturday. Our website is available 24/7 to give help and advice to customers.

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Pregnancy & maternity	No	No	Yes	<p>The proposals will not adversely affect this group in addition to the base proposals. These changes will affect all Working Age customers equally by applying the 8.5% reduction in CTS paid after calculation.</p> <p>Customers of pensionable age (this is defined by legislation, and will change over time as the state retirement age changes upwards) will not be affected by these changes as the Govt has specified that they must be protected.</p> <p>All information being published about the changes make reference to the changes only affecting working age customers.</p>	No	Applicable amounts and premiums for this group will be unchanged as will current levels of disregard for families with children.

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Marriage & civil partnership	No	No	Yes	<p>The proposals will not adversely affect this group in addition to the base proposals. These changes will affect all Working Age customers equally by applying the 8.5% reduction in CTS paid after calculation.</p> <p>Customers of pensionable age (this is defined by legislation, and will change over time as the state retirement age changes upwards) will not be affected by these changes as the Govt has specified that they must be protected.</p> <p>All information being published about the changes make reference to the changes only affecting working age customers.</p>	No	None needed.

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Human Rights	No	No	No	<p>These changes do not affect the Human Rights of customers any more than current CTS rules do.</p> <p>All relevant legislation has been produced by the Government including its own Equalities Impact Assessment process.</p> <p>The Council's scheme adopts the Government's default scheme with the addition of a reduction in working age CTS in order to balance its budget as a result of a reduction in funding.</p>	No	None required.

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Socio Economic	No	No	Yes	<p>These proposals affect the poorest members of the community as they are those in most need of benefits to help maintain their income at basic levels.</p> <p>Reducing CTS will mean that they will have to use part of their limited income to pay towards Council Tax.</p>	No	<p>The reductions are applied consistently to all Working Age customers.</p> <p>We will look at how we can offer longer and more convenient payment arrangements for those affected by these changes, whilst recognising that other groups not receiving CTS also may struggle to pay their Council Tax.</p> <p>We will help customers on a case by case basis and actively encourage them to come for help. We will work with the CAB, Housing Associations and voluntary groups to support people identified as needing help.</p>

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Multiple/ Cross Cutting	No	No	Yes	As mentioned in this document.	No	This Equalities Impact Assessment considers the effects on all community groups that may be vulnerable with regards to equalities legislation.

Assessing Equality – The Equality Act 2010

<p>Outcome(s) of customer analysis</p> <p>a) Will the policy/ procedure impact on the whole population of Fenland and/ or identified groups within the population; negative impact for several groups</p> <p>Adverse impact but continue</p>					
<p>Arrangements for future monitoring: Note when analysis will be reviewed; include any equality indicators and performance against those indicators</p> <p>This assessment will be reviewed once the changes to Council Tax have been implemented in April 2013, during the first year of operation of the new arrangements.</p>					
<p>Details of any data/ Research used (both FDC & Partners):</p>					
<p>Completed by:</p> <p>Name: Geoff Kent</p> <p>Position: Head of Customer Services</p>					
<p>Approved by (manager signature):</p> <p>Rob Bridge</p>				<p>Date published: This should be the date the analysis was published on the website This assessment will be published as part of papers for the meeting of Council on 20/12/12.</p>	
<p>Details of any Committee approved by (if applicable):</p>				<p>Date endorsed by Members if applicable:</p>	

Assessing Equality – The Equality Act 2010

ANNEX N – EQUALITIES IMPACT ASSESSMENT FOR COUNCIL TAX DISCOUNT AND EXEMPTION CHANGES FROM APRIL 2013

INTRODUCTION

The Equality Act 2010 reminded all public authorities of their duty to have ‘due regard’ to the need to:

- **Eliminate unlawful discrimination**, harassment, victimisation and any other conduct prohibited by the Act:
- **Advance equality of opportunity** between people who share a protected characteristic and people who do not share it; and
- **Foster good relations** between people who share a protected characteristic and people who do not share it.

The protected groups (previously known as equality strands) are as follows:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Gender
- Sexual orientation
- Marriage and civil partnerships (eliminate unlawful discrimination only)

Other legislation and practice has determined that we extend this to cover:

- Human Rights
- Socio Economic factors

The duty reminds us of the need to analyse the effect of existing and new policies and practices on equality.

The equality analysis should be proportionate and relevant – not just a tick box exercise. In some cases the written record will be a quick set of bullet points or notes under each heading. Others will need a more detailed explanation.

However, legal case law makes it clear that we must carry out the analysis **before making the relevant policy decision**.

A meaningful equality analysis will help the Council make the best decisions or formulate a policy which best meets our customers needs.

Once a Customer Impact Assessment (replacing our existing Equality Impact Assessment) has been completed there is no need to automatically carry out a new assessment each year. A review assessment has been put in place, and can be completed if there has been no change to the original policy, the way it's implemented and its customer impact.

Assessing Equality – The Equality Act 2010

A SIMPLE GUIDE TO ASSESSING EQUALITY

What is Customer Impact Assessment (CIA)?

- CIA is the act of systematically assessing the likely (or actual) effects of policies or services on people based on the following:
 - Age
 - Disability
 - Gender reassignment
 - Pregnancy and maternity
 - Race
 - Religion or belief
 - Gender
 - Sexual orientation
 - Marriage and civil partnerships
 - Human Rights
 - Socio Economic factors

This means considering the above, as set out in the table below, in relation to a policy, practice or service, before a decision is made.

	Eliminating unlawful discrimination, harassment and victimisation	Advancing equality of opportunity between different groups	Fostering good relations between different groups
Disability			
Age			
Pregnancy and maternity			
Race			
Religion or belief			
Sex/ Gender			
Gender reassignment			
Sexual orientation			
Human Rights			
Socio Economic Factors			
Marriage and civil partnerships			

Assessing Equality – The Equality Act 2010

- You are looking for opportunities to promote equality, and good relations between all groups as well as removing or mitigating negative or adverse impacts.
- Remember it might not be possible to remove all barriers to service or your policy or practice may have a negative impact on certain groups ... please note anything of this nature

Why is it important?

- Assessing equality issues helps us understand the needs of our customers, ensures our decisions meet those needs, and are also cost effective, and demonstratable.
- As a public authority we also have a **legal** duty to show “*due regard*” for equality in decision making and the way services are provided
- To be able us to show “*due regard*”, we need to show that consideration of [possible impact to the groups mentioned have taken place **prior** to a decision being made; that equality issues were considered, and that this consideration was rigorous, open minded, and involved thinking about the three arms of the Equality Act as part of this process, and that potential adverse impacts were either removed or reduced, and that all our decisions can be defended if challenged.
- Documenting our equality analysis enables the Council show it has had “*due regard*” for equality if decisions are challenged. If “*due regard*” for equality can not be shown, decisions may be overturned at judicial review. This could result in lost time, money and negative publicity.
- The sooner equality is considered in a process; the more efficiently that process can be carried out.

Assessing Equality – The Equality Act 2010

How can equality be assessed?

1. Gather information This can be consulting with relevant groups, using a previous EqIA as a starting point, consultations carried out by other services, details of the service 'hard to reach groups', customer satisfaction surveys, MOASIC data, consider relevance to equality



2. Assess impact Could different groups be affected differently? Is this difference positive or negative? Consider the three arms of the Equality Act in relation to all the protected groups as per the table. NOTE: The quality of the assessment will depend on the quality of the information gathered



3. Take action This could be to reduce negative or increase positive impact. Produce an action plan where appropriate; make actions SMART. Unlawful discrimination **MUST** be actioned immediately



4. Summarise your findings on the EqIA form. Where it is clear from initial information gathering that a policy will not have any effect on equality, this may simply be a sentence recording this; the greater the relevance to equality, the greater the level of detail required. Publish your findings



5. Monitor the on-going effects of the policy on equality. This is usually in the form of the annual review carried out in October of each year, to fit in with the service planning cycle. The Equality Act is a **continuing** duty!

Assessing Equality – The Equality Act 2010

Customer Impact Review

Name and brief description of policy being analysed

Briefly summarise the policy including any key information such as aims, context etc; note timescales and milestones for new policies; use plain language – NO JARGON; refer to other documents if required

BACKGROUND

This Equalities Impact Assessment is in respect of changes that the Council intends to make to certain Council Tax discounts and exemptions from 1 April 2013. These changes have been permitted in the Local Government Finance Act 2012.

The changes are required in order to close the funding gap created for the Council as a result of the introduction of Council Tax Support from the same date. For more information on the funding issues, please see the report to Council entitled “Council Tax Support” that the Council will consider at its meeting on 20 December 2012.

APPROACH

Unlike for proposals to change CTB where the Government has imposed a legal duty for Councils to consult on their proposals, no such requirement has been placed upon them for these changes relating to unoccupied and second homes.

However the Council has consulted on these proposed changes.

CONSULTATION METHODOLOGY

This number of people are affected, they are those receiving discounts and exemptions as at the end of November 2012:-

1. Class A exemption (51)
2. Class C exemption (375)
3. Second Homes discount (81)
4. Long-term empty discount (448)

Consultation was carried out in these ways:-

1. Online – detailed information and online comment form at www.fenland.gov.uk/localcouniltaxbenefit
2. Post – all customers likely to be directly affected were written to with information and details about how to comment
3. Press – press releases and articles in the leading local free newspaper is publicising the proposals

Assessing Equality – The Equality Act 2010

These approaches are explained in more detail below.

Online

Information about the proposal was prominently displayed on the front page of our website www.fenland.gov.uk

This links to further pages that explain the changes, the rationale for them, how people may be affected and how to give feedback online were published.

Post

We wrote to all people who currently receive a discount or exemption affected by these changes. In addition we also wrote to 39 Letting Agents, Managing Agents and Estate Agents known to provide services in Fenland (some of which are located outside of the district). We explained the changes, their rationale and directed them towards an on-line comment form.

Press

We issued press releases highlighting the proposed changes. These are being carried in the two local papers in Fenland. These are the Cambs Times /Wisbech Standard (one paper across the District with some pages adapted for more local coverage hence two separate titles) and the Fenland Citizen. We also have a weekly page in the Cambs Times /Wisbech Standard called “The Fenlander” that we are able to use to promote Council services, this was also used.

ANALYSING THE CONSULTATION FEEDBACK AND EFFECTS

The feedback from the on-line comment form, together with two letters from affected parties has been incorporated into the report to Council for its meeting on 20 December 2012 where the decision to change the Council’s policy will be made.

Information used for customer analysis

Note relevant consultation; who took part and key findings; refer to, or attach other documents if needed; include dates where possible

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Race Sex Gender reassignment Sexual orientation Religion or belief Pregnancy & maternity Marriage & civil partnership Human Rights	No	Yes	No	None	No	No mitigation is needed.
Disability Age	No	No	Yes	<p>There may be situations where a disabled person is unable to live in a property as it requires adaptations and may be empty and subject to Council Tax whilst these adaptations are made.</p> <p>In some other cases where a property is left empty as the occupant has gone into care elsewhere, these will continue to be exempt as now.</p>	<p>Yes</p> <p>No</p>	<p>These represent a very small number of cases and the Council will work with anyone affected to look at spreading payments.</p> <p>No action needed.</p>

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Impact	Is action possible or required?	Mitigation
Socio Economic Multiple/ Cross Cutting	No	No	Yes	<p>These changes will affect people with unoccupied property and second homes, creating an additional Council Tax liability.</p> <p>However in increasing the above liability this will help the Council reduce the effects of the funding changes in respect of Council Tax Support to a much larger group in the community which represents the most vulnerable and poorest part of the community.</p>	No	In order for the Council to balance its budget and provide the minimum possible reduction in Council Tax Support, it is not possible to provide mitigating funds to those people with this type of property.
<p>Outcome(s) of customer analysis</p> <p>a) Will the policy/ procedure impact on the whole population of Fenland and/ or identified groups within the population; negative impact for several groups</p> <p>Adverse impact but continue</p>						
<p>Arrangements for future monitoring:</p> <p>Note when analysis will be reviewed; include any equality indicators and performance against those indicators</p> <p>This assessment will be reviewed once the changes to Council Tax have been implemented in April 2013, during the first year of operation of the new arrangements.</p>						

Assessing Equality – The Equality Act 2010

Details of any data/ Research used (both FDC & Partners):

Part of the Council Tax Support Scheme implementation.

Completed by:

Name: Geoff Kent

Position: Head of Customer Services

Approved by (manager signature):

Rob Bridge

Date published: This should be the date the analysis was published on the website

This assessment will be published as part of papers for the meeting of Council on 20/12/12.

Details of any Committee approved by (if applicable):

Date endorsed by Members if applicable:



Council Tax Support Scheme

Effective 1 April 2013

Determined by Council at its meeting on 20 December 2012

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Glossary of Terms

Definition of Pensionable Age

When we talk about pensionable age customers we mean someone who:

- Has reached the qualifying age for state pension credit, and
- They, or any partner, do not receive Income Support, Income Based Job Seekers Allowance or Income Related Employment Support Allowance.

Definition of Working Age

When we talk about working age customers we mean someone who:

- Has not yet reached the qualifying age for state pension credit, or
- Has reached the qualifying age for state pension credit but they, or any partner, receive Income Support, Income Based Job Seekers Allowance or Income Related Employment Support Allowance.

Definition of 'partner'

When we talk about a customer's partner we mean a person they are married to or a person they live with as if they were married to them, or a civil partner or a person they live with as if they were civil partners.

Applicable Amounts

When we talk about 'applicable amount' we mean a weekly figure that is used to calculate the basic living needs of a customer based on their household size and accounting for any disabilities or special circumstances. The elements and amounts of the applicable amount are decided by the Government and are made up of:

- personal allowances (for the claimant, partner and any children)
- premiums (based on certain qualifying conditions)

The applicable amount is used in a means tested calculation and compared to a customer's assessed income figure in order to work out how much benefit they may be entitled to.

1. Introduction

1.1 From 1 April 2013, the Government is abolishing the national Council Tax Benefit scheme and requires each council to introduce their own local Council Tax Reduction Scheme to replace it. The amount of money the Government will give councils to fund a local scheme will be at least 10% less than the grant given for Council Tax Benefit. This means Fenland District Council will have less money to help low income households with their Council Tax.

1.2 Although the council is required to design a local scheme the Government has placed a number of restrictions on what we can do. The council also has to consider how a local scheme would impact on the most vulnerable in society and should specifically consider its statutory duties under the following regulations:

- The Equality Act 2010
- The Child Poverty Act 2010
- The Housing Act 1996
- The Armed Forces Covenant 2011

1.3 We have spent considerable time looking at various options and the effects each one would have on residents in Fenland. We believe we have identified a scheme that fairly distributes the funds available whilst protecting the most vulnerable members of our society. We have consulted on our draft proposals, have analysed the responses received and have now produced our Council Tax Support Scheme. We need to have an agreed scheme in place by 31st January 2013.

1.4 People of pensionable age will be protected from the effects of the local scheme and will have any reduction in their Council Tax assessed only in accordance with the 'Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012'. They should therefore receive the same amount of reduction as they would have done under Council Tax Benefit had it still existed from 1 April 2013. However, working age households will not be protected as these will be assessed under the local scheme rules and will therefore always need to pay something towards their Council Tax.

1.5 Fenland District Council's scheme is based on the following principles:

- Everyone of working age should pay something towards their Council Tax
- The scheme should provide protection for the most vulnerable in society
- The scheme should incentivise and support people moving into work, and help those in low paid work.

2. The legal basis for this scheme

2.1 This scheme is in accordance with this legislation:

- Local Government Finance Act 2012
- Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012

2.2 The legislation states that Councils must create a Council Tax Reduction Scheme for their area to take effect from 1 April 2013. Fenland District Council's Council Tax Reduction Scheme is known as its 'Council Tax Support' scheme. Any reductions in Council Tax that are granted as a result of it will be called "Council Tax Support" and be shown on literature such as Council Tax Bills in this way.

3. Validity of this scheme

This scheme will apply to the financial year 1 April 2013 to 31 March 2014 inclusive.

4. Outline of this Scheme

4.1 Those people entitled to a reduction in their Council Tax under Fenland District Council's Council Tax Support scheme will be as follows:

4.2 People of Pensionable Age

The Government has committed to protecting pensioners from the impact of the replacement of Council Tax Benefit by Council Tax Support. Therefore, support for people of pensionable age will be provided through a means tested reduction which will be the same as what they would have been entitled to under the previous Council Tax Benefit system (assuming no other changes in their circumstances). The details for this scheme are set out in the 'Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012'.

4.3 Pensioners who are currently claiming Council Tax Benefit will be automatically transferred to the new local Council Tax Support scheme and will not need to make a new application.

4.4 People of Working Age

Support for people of working age will apply the rules as set out in the 'Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012' except for the provisions mentioned in this document.

4.5 Working age customers who are currently claiming Council Tax Benefit will be automatically re-assessed under the new local Council Tax Support scheme rules and will not need to make a new application.

4.6 The amount of help working age people will be entitled to will be means tested in a similar way to Council Tax Benefit in that a customer's income will be compared against an 'applicable amount'.

4.7 Fenland District Council's Council Tax Support scheme is based around the three principles as set out in paragraph 1.5 and contains the following features:

4.8 Reductions applied to the amount of Council Tax Support awarded

All working age customers will have their entitlement to Council Tax Support calculated on the applicable Council Tax charge. This award will then be reduced by 8.5% and applied to their Council Tax account. The actual amount someone has to pay will depend on the makeup of their household, their income and savings and any

other discounts that may apply but this means that these customers will have to pay at least 8.5% of their gross Council Tax bill.

4.9 **Applicable amounts**

We will use the Applicable amounts as detailed in the 'Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012' and any subsequent Government Regulations that expressly alter the amounts in the above-mentioned regulations.

4.10 **Incentivising work**

Council Tax Benefit allowed for customers to continue getting help at the level they did for four weeks after they got a full-time job, worked more hours or earned more money for at least five weeks after one of these changes. We will still make this extended payment for four weeks. It will be known as an "extended reduction".

4.11 **War Pensions**

Under Council Tax Benefit rules, the first £10 of war pension income received each week was not included in the assessment of the customer's income. However, Fenland District Council has always disregarded the remainder of war pension income under its discretionary powers. We will continue to disregard all war pensions in the assessment of a customer's income for Council Tax Support.

4.12 **Universal Credit**

From October 2013 the Government plans to begin a phased process of merging payments of Income Support, Income Related Job Seekers Allowance, Income Based Employment Support Allowance, Child Tax Credit, Working Tax Credit and Housing Benefit into a single payment called 'Universal Credit'. The exact details of how Universal Credit will operate are still emerging. We will treat Universal Credit with regards to our Council Tax Support Scheme in accordance with the 'Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012' and any subsequent Government Regulations that expressly alter provision for the treatment of Universal Credit in the above-mentioned regulations. Note that if a customer applies for Universal Credit they will need to apply for Council Tax Support separately.

5. Vulnerable groups

- 5.1 One of the key principles of Fenland District Council's local Council Tax Support scheme is to provide support for the most vulnerable members of our society.

The Council believes that, by basing its scheme for local support on the 'Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012', provision is already made for the most vulnerable customers. This is because the figure used to calculate the basic living needs of a customer (the 'applicable amount') includes extra amounts to cater for disabilities, children or other special circumstances as well as disregarding certain types of income.

6. Who can apply

- 6.1 Eligibility for Council Tax Support is set out in the 'Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012' which follows the same rules as set out in previous regulations for Council Tax Benefit. Claimants must be at least 18 years old, liable to pay Council Tax and the property must be their main or sole residence. Current arrangements allowing a person to act on behalf of another (for example, where a person has been granted power of attorney) will continue.
- 6.2 Those not eligible to claim will include those not liable to pay Council Tax, customers with savings of £16,000 or more, most students and persons from abroad who have no recourse to public funds.

7. How to make a claim and supporting evidence

- 7.1 Applications for Council Tax Support should be made by an electronic form which will be available from the council's website or via public access computers at the Council's Fenland @ Your Service Shops in Chatteris, March, Whittlesey and Wisbech. A paper application form will also be available for those customers who do not have access to complete the electronic version. The application form will also collect information regarding housing costs for those wishing to apply for Housing Benefit.
- 7.2 Some customers may complete an application form for Housing Benefit via Job Centre Plus and the Pension Service and these will also be acceptable to claim Council Tax Support.

- 7.3 Customers applying for Council Tax Support will be required to verify their identity, national insurance number, income, and capital. The Council may be able to use other sources to confirm some details but customers will be required to provide documentation to support their application. The Council may ask for further information to support an application as required.

8. Date of claim

- 8.1 The start date of Council Tax Support for people of working age is set out in the 'Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012' which follow the same rules as set out in the current regulations for Council Tax Benefit. In general, this means entitlement to Council Tax Support will be assessed from the Monday following the date a customer first contacts the Council to make an application, providing a form is received at Fenland District Council's offices within one calendar month of the date the Council were first contacted.
- 8.2 The scheme allows customers to apply for backdated awards of benefit up to 6 months in the past if they can prove 'good cause' as to why they had not made an application for benefit earlier as detailed in the 'Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012'.
- 8.3 The date of claim for pension age customers will be assessed under the national rules as set out in the 'Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012'.

9. Notification of entitlement

- 9.1 All customers will be notified of the outcome of their application. The notification will also explain their appeal rights if they are unhappy with the decision.
- 9.2 Where a customer is entitled to Council Tax Support a new bill showing the amount of the reduction awarded and the revised amount to pay will be issued. The reduction awarded will be shown as "COUNCIL TAX SUPPORT" on bills and other documents advising customers of their award of Council Tax Support.

10. Change of Circumstances

- 10.1 Once an application for Council Tax Support has been made customers will have a duty to notify Fenland District Council of changes in their circumstances. The rules for when changes of circumstances will take effect will be set out in the 'Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012'.
- 10.2 Changes of circumstances should be notified as soon as possible in order to prevent overpayments and ensure the correct amount of Council Tax Support is being paid.

11. Overpayments

- 11.1 Council Tax Support will be paid in the form of a reduction against the Council Tax account and calculated up to the end of March in each financial year. However, where a customer's circumstances change in the year, or the customer notifies the Council of a change which occurred in the past, an overpayment of Council Tax Support may be created.
- 11.2 Where overpayments do occur these will be posted to the Council Tax account and a new bill will be issued. Overpayments will always be recoverable from the customer.

12. Appeals

- 12.1 Customers will have the right to appeal against decisions made and must do so in writing within one month of notification.
- 12.2 The Council will review the original decision and notify the customer of the outcome. If the customer is still not satisfied with the outcome, or does not receive a reply within two months a further appeal may be made. This further appeal is to an independent body called the 'Valuation Tribunal'.

13. Claim Reviews

- 13.1 From time to time the Council may check the details of a claim for Council Tax Support to see if any of the details held on our records have changed. If we need to do this we may send a form or visit the customer in their home. The Council will review claims to ensure the correct Council Tax Support is being awarded and to protect public funds against fraud and error.

14. Fraud

- 14.1 A customer who makes a false claim for Council Tax Support or fails to tell us about changes in their circumstances when they occur, will not only have to repay any Council Tax Support incorrectly claimed but may also be liable to prosecution or a fine.

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