

Resident Impact Assessment

Council Tax Support Scheme

Service Area: Finance & Resources

1. What are the intended outcomes of this policy, function etc?

Council Tax Support reduces the amount of council tax a person has to pay based on an assessment made by the Council. As the Billing Authority, council tax is raised and charged by the Council and the Council Tax Support assessed by the Council can only be applied to council tax bills issued by the Council.

2. Resident Profile

		Borough profile	All Council Tax Support recipients
		Total: 206,285	Total:29,494
Gender	Female	51%	63%
	Male	49%	37%
Age	Under 16	32,825	0
	16-24	29,418	612
	25-44	87,177	9,343
	45-64	38,669	11,566
	65+	18,036	7,973
Disability	Disabled	16%	29%
	Non-disabled	84%	71%
Sexual orientation	LGBT	No data	No data
	Heterosexual/straight	No data	No data
Race	BME	52%	38%
	White	48%	32%
	Not declared		30%
Religion or belief	Christian	40%	13%
	Muslim	10%	5%
	Other	4.5%	2%
	No religion	30%	7%
	Religion not stated	17%	73%

3. Equality impacts

To change the way that Council Tax Support is calculated so that when changes happen to similar benefits nationally we have the option to make changes at the same time to Council Tax Support.

It is possible that national changes could benefit or dis-benefit Council Tax Support recipients. Given that the Council is proposing that national changes would be optional in our local council tax support scheme, we will be able to make an informed choice about the impact of change on each occasion that it happens.

We have modelled the effect of changes to Housing Benefit Regulations that have already taken place in 16/17 which have not yet been incorporated in Islington's current Council Tax Support scheme. This only affects the family premium which has been eliminated from housing benefit for new claims or new births after 1st May 2016. This scheme will cost 0.1% less than the current scheme and is not likely to generate additional cost savings in administration.

On analysis based on Housing Benefit data from September 2016, 744 households receiving Council Tax Support had made a new claim for housing benefit after 1st May 2016. Within this group, 291 households are composed of families with children and would thus be affected by the removal of the family premium. The loss in Council Tax Support following the implementation of these changes would be reflected in a costs reduction of £10,000 per year. This is an average loss of £34.36 per year per affected household or £0.66 per week.

The tables below breakdown the 291 households further:

Ethnicity

Ethnicity	Number of households losing family premium	% new claims on family premium from May 16	% receiving council tax support for all ages
Not declared	96	33.0%	24.4%
White British	61	21.0%	22.6%
Black-Black British: African	38	13.1%	7.8%
Black-Black British: Caribbean	18	6.2%	4.6%
Mixed White & Black Caribbean	17	5.8%	1.5%
Not Known	13	4.5%	10.1%
White: Any other White background	12	4.1%	4.3%
Mixed: Any other Mixed background	6	2.1%	0.9%
White Turkish/Turkish Cypriot	6	2.1%	3.1%

White Irish	5	1.7%	3.0%
Black-Black British Other	4	1.4%	1.0%
Mixed: White & Black African	3	1.0%	0.7%
Asian or Asian British Bangladeshi	2	0.7%	2.0%
Black	2	0.7%	1.2%
European	2	0.7%	4.0%
Mixed Parentage	2	0.7%	2.0%
Asian or Asian British: Indian	1	0.3%	0.5%
Asian or British: Any other background	1	0.3%	1.1%
Chinese	1	0.3%	0.5%
Mixed White & Asian	1	0.3%	0.3%

This identifies that for the family premium alone (£0.66 average loss per week), compared to the full council tax support population (including pensioners) the biggest difference is in the cohort of households defining themselves as 'Black-British: African' and 'Mixed: White and Black Caribbean'.

Household composition

Household type	Number of households losing family premium	% losing family premium	% receiving council tax support
Couple with children	61	21%	8.8%
Lone parent	230	79%	21.7%
Couple without children	0	0%	7.2%
Single	0	0%	62.3%

The removal of the family premium will affect only families with children. From this, 79% will be lone parents

Gender single households & lone parents

Gender	Number of households losing family premium	% losing family premium	% receiving council tax support
Female	221	96.1%	66.3%
Male	9	3.9%	33.7%

Where people have declared their gender, female claimants will be disproportionately affected. There is no detail held on gender re-assignment.

Sexual Orientation

No data held

Religion

No data held

Tenure type

Tenure	Number of households losing family premium	% losing family premium	% receiving council tax support
Council tenant	171	58.8%	54.8%
Private rent	36	12.4%	7.3%
Social rent	79	27.2%	30.4%
Temporary accommodation	5	1.7%	1.0%
Owner-Occupier	0	0%	6.5%

Of all different tenures, private tenants appear to be the only group which would be disproportionately affected compared to the overall population of council tax support recipients.

Economic status

Economic status	Number of households losing family premium	% losing family premium	% receiving council tax support
Employed	87	29.9%	14.4%
On out of work benefits	175	60.1%	49.1%
Pension age	3	1.0%	31.2%
Self-employed	26	8.9%	5.3%

Comparison is difficult because all council tax support recipients includes pensioners.

Disability

Disability	Number of households losing family premium	% losing family premium	% receiving council tax support
DLA & ESA	8	2.8%	17.9%
DLA only	5	1.7%	15.6%
ESA only	26	8.9%	14.2%
Not disabled	252	86.6%	52.4%

The majority of households impacted do not comprise any disabled individual. The group of non-disabled households in fact makes up 86.6% of the cohort facing the loss of the family premium, against the 52.4% in the overall CTS recipients' cohort.

To not apply any revisions that would cumulatively reduce a person's Council Tax Support award for working age people by less than £1 per week.

The proposal not to send a new bill during the year if a person's Council Tax Support award reduces cumulatively by less than £1 per week would be beneficial to people who have regular small changes in income. This includes people who are employed allowing us to ignore small increases in pay without regularly having to recalculate the council tax bill.

This will reward working people who receive small pay increases during the year.

The proposal to end the £15 cash back awarded to council tax working age recipients who pay their council tax in full by the end of the year.

This option models a scheme similar to the current one. The only difference is the removal of the £15 cash-back rebate currently in place for all households who pay their full annual liability within the first ten months of the financial year.

The analysis has identified 10,192 households currently benefitting from the £15 cash-back measure who receive Council Tax Support.

A breakdown of this group of households across key demographic and economic indicators follows.

Ethnicity

Ethnicity	Number of households receiving cash-back	% receiving cash-back	% receiving council tax support
White British	2,184	21.4%	22.6%
Not declared	1,928	18.9%	24.4%
Not known	1,125	11.0%	10.1%
Black-Black British: African	956	9.4%	7.8%
White: Any other White background	593	5.8%	4.3%
White: Turkish/Turkish Cypriot	498	4.9%	3.1%
European	430	4.2%	4.0%
Black-Black British: Caribbean	360	3.5%	4.6%
Asian or Asian British: Bangladeshi	256	2.5%	2.0%
Includes Mixed Parentage	256	2.5%	2.0%

White: Irish	202	2.0%	3.0%
Black	164	1.6%	1.2%
Mixed: White and Black Caribbean	152	1.5%	1.5%
Asian or British: Any other background	138	1.4%	1.1%
Black-Black British: Other	111	1.1%	1.0%
Mixed: Any other mixed background	111	1.1%	0.9%
Turkish/Cypriot	97	1.0%	0.6%
Mixed: White & Black African	77	0.8%	0.7%
White: Greek/Greek Cypriot	63	0.6%	1.1%
Caribbean	56	0.6%	0.6%
Chinese	53	0.5%	0.5%
Asian or Asian British: Indian	49	0.5%	0.5%
White: Kurdish	48	0.5%	0.3%
Gaelic	43	0.4%	0.5%
Bangladesh	37	0.4%	0.3%
Mixed: White & Asian	34	0.3%	0.3%
Asian or Asian British: Pakistani	31	0.3%	0.2%
Chinese: Other	31	0.3%	0.2%
Turkish	24	0.2%	0.1%
Other Asian	17	0.2%	0.2%
Greek/Cypriot	15	0.2%	0.2%
Chinese: Vietnamese	14	0.1%	0.1%
Chinese	11	0.1%	0.1%
Indian	10	0.1%	0.1%
Chinese: Filipino	7	0.1%	0.1%
Pakistani	7	0.1%	0.1%
African	3	0.0%	0.0%

The table above shows how the removal of the cash-back rebate does not seem to disproportionately affect any of the most represented ethnic groups within this cohort. Among the most represented groups (100+ households), only households who have defined themselves as 'Black – Black British: African', 'White: Turkish/Turkish Cypriots' and 'White; Any Other Background' appear to be slightly over-represented within the group losing the cash-back rebate, compared to the overall cohort of Council Tax Support recipients.

Household composition

Household type	Number of households receiving cash-back	% receiving cash-back	% receiving council tax support
Couple with children	1,369	13.4%	8.8%
Couple without children	423	4.2%	7.2%
Lone parent	2,939	28.8%	21.7%
Single	5,461	53.6%	62.3%

Couples with children and lone parents will be disproportionately affected by the removal of the cash-back rebate when compared against the full population of council tax recipients. However this difference is not surprising as the full population includes pensioners.

Sexual Orientation

No data held

Religion

No data held

Gender single households

Gender	Number of households receiving cash-back	% receiving cash-back	% receiving council tax support
Female	5,685	67.7%	66.3%
Male	2,715	32.4%	33.7%

Among households composed by single adults, the gender distribution within the cashback cohort and within the wider Council Tax Support recipients' cohort is largely unvaried; albeit that more than twice as many females benefit from this award. There is no detail held on gender re-assignment.

Tenure type

Tenure	Number of households receiving cash-back	% receiving cash-back	% receiving council tax support
Council tenant	5,690	55.8%	54.8%
Owner-Occupier	402	3.9%	6.5%
Private Rent	905	8.9%	7.3%
Social Rent	3,149	30.9%	30.4%
Temporary accommodation	46	0.5%	1.0%

By tenure, no specific group appears to be disproportionately affected by the removal of the cash-back .

Economic status

Economic Status	Number of households receiving cash-back	% receiving cash-back	% receiving council tax support
Employed	1,891	18.6%	14.4%
On out of work benefits	7,497	73.6%	49.1%
Self-employed	804	7.9%	5.3%
Pension age	0	0.0%	31.2%

The comparison against the full council tax recipients is difficult due to the number that are of pension age. Nevertheless this shows that people on out of work benefits are significantly more impacted by this change.

Disability

Disability	Number of households receiving cash-back	% receiving cash-back	% receiving council tax support
DLA & ESA	2,905	28.5%	17.9%
DLA only	507	5.0%	15.6%
ESA only	2,023	19.9%	14.2%
Not disabled	4,757	46.7%	52.0%

Disabled people would not be disproportionately impacted when compared to the full population of council tax recipients.

4. Safeguarding and Human Rights impacts

Safeguarding risks and Human Rights breaches

There are no identified safeguarding risks for children or vulnerable adults or potential human rights breaches

5. Action

Action	Responsible person or team	Deadline
<p>The impact on specific groups identified to be disproportionately affected by the removal of the family premium or any future changes to benefits nationally and the cash back will be mitigated by us:</p> <p>Continuing to hold the cap on benefit at 8.5%. Without this subsidy the cap could rise to 20%.</p> <p>Continuing to help to finance the costs of limiting the reduction in benefit to 8.5% as a result of adopting the other changes to the Local Government Finance Act on exemptions and discounts by charging fully for class A and C exemptions, second homes and charging a premium on homes left empty.</p> <p>Making extra provision as follows:</p> <ul style="list-style-type: none"> • Retaining all disability premiums so that the level of allowable income before tapers are introduced is higher than for the average working age person. • Continuing to disregard as income certain disability benefits such as Disability Living Allowance (DLA) and War Disablement Allowance. • Ensuring that no non-dependant deductions apply if a person is in receipt of DLA (care component) therefore allowing him/her to qualify for a disability premium. • Retaining applicable amounts that recognise that families with children need a higher level of income to support their household. • Continuing to disregard Child Benefit as income in the calculation of benefit entitlement for passported cases – this means that there is an allowance for each child • Continuing to apply a premium for disabled children. <p>Continuing to encourage people moving into employment by offering a 4 week guaranteed payment of existing benefit level to those attaining work.</p> <p>Adding a proposal to disregard any revisions that would reduce a person's Council Tax Support award for working age people by less than £1 per week cumulatively will potentially benefit all cases with a particular impact expected on working people who</p>	<p>Processing Services</p>	<p>1/4/2017</p>

<p>receive small pay increases during the year.</p> <p>Continuing to support the most vulnerable residents by way of a council tax welfare fund. This is part of the council's Resident Support Scheme to support cases of exceptional hardship resulting from additional council tax charges.</p> <p>Continuing to adopt a non-standard council tax recovery process for affected council tax support recipients where appropriate. This includes the policy not to use bailiffs for live council tax support cases.</p>		
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This Resident Impact Assessment has been completed in accordance with the guidance and using appropriate evidence.

<p>Staff member completing this form:</p> <p>____Robbie Rainbird____</p>  <p>Signed: _____</p> <p>Date: 07/12/2016</p>	<p>Head of Service or higher:</p>  <p>Signed: _____</p> <p>Date: 07/12/2016</p>
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