

## **Equalities Panel Meeting**

19<sup>th</sup> November 2012

### **Preparation of a Local Council Tax Support Scheme**

#### **Purpose of the item**

Alison Cole, Head of the Council's Revenues and Benefits Service will provide an overview of progress to date in developing the Council's proposed Council Tax Support scheme.

Members of the Panel are asked to consider the implications of the proposed Scheme for the key equality target groups and to give a view on how any future scheme is taken forward.

#### **Background**

In November 2011, the Equalities Panel received a presentation from John Frost, the Head of Revenues and Benefits, and Alison Cole, the Benefits Manager at Cambridge City Council on the Government's proposed welfare reforms and the potential impact on residents in Cambridge.

Since then the Government has announced that it is abolishing Council Tax Benefit from 1 April 2013 as part of its wider welfare reforms. It is requiring district councils to produce new schemes of their own to replace Council Tax Benefit by 31 January 2013. These will be known as Council Tax Support schemes.

The Government is reducing the grant paid to Councils for Council Tax Support by at least 10% of the sum currently paid for Council Tax Benefit. This means Cambridge City Council will have a predicted £0.75 million less money available for Council Tax Support for people of working age than it had for Council Tax Benefit.

Cambridge City Council has been working to develop a new scheme for Cambridge. Details of the proposed draft scheme and the key principles underpinning the scheme are set out in the attached papers (entitled 'Draft Council Tax Reduction Scheme' and 'Appendix A – Key principles'.) The priorities have been to distribute the available funds as widely as possible and to ensure those people who are less well off continue to pay the least. It also aims to keep the transition from Council Tax Benefit to Council Tax Support as simple as possible.

Direction about the type of scheme to be developed was provided by the Executive Councillor at the Council's Strategy and Resources Scrutiny Committee in July 2012. The Council subsequently carried out public consultation on the proposed scheme, which closed on 31<sup>st</sup> October 2012.

#### **Who will be affected by the scheme?**

Currently people on low incomes can get help with paying their Council Tax in the form of Council Tax Benefit. This is a national means-tested social security benefit that is administered by local councils. The new Council Tax Support scheme will only

apply to working age households, as low-income pensioners are protected under the national scheme. The government will continue to set entitlements for pensioners and support will be maintained at their existing level under the current council tax benefit scheme.

At previous meetings, the Panel has considered Equality Impact Assessments (EQIAs) carried out in relation to key policies and programmes. Under the Equality Act 2010 the City Council is required to analyse the effects of any major changes in our policies and practice on all eight protected characteristics (race, disability, gender, gender reassignment, age, sexual orientation, religion and belief, pregnancy, and maternity, marriage and civil partnership).

An EQIA was carried out on the Council Tax Support scheme in July 2012. It should be noted that this assessment was carried out before the Council's preferred option for developing a scheme was set out. The EQIA will be revisited following the results of the consultation on the proposed scheme. As part of the EQIA process an assessment was made of the impact of the proposed scheme on vulnerable people. Members of the Panel are asked to consider the contents of the EQIA when discussing the implications of the proposed scheme for key equality groups.

## **Attachments**

1. Equality Impact Assessment: Council Tax Reduction Scheme
2. Appendix A, Key Principles
3. Draft Council Tax Reduction Scheme

