



Exeter City Council

Council Tax Support

Equality Impact Assessment

October 2016

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Background

Exeter City Council introduced a local Council Tax Support scheme in April 2013 to replace the national Council Tax Benefit. Since then the scheme has only been updated annually to reflect changes in benefit rates and has not had any significant changes made. The working age scheme for 2017 looks to incorporate eight changes which will help to align areas of the scheme with changes in Housing Benefit and Universal Credit.

In preparing this assessment regard has been had to the policy paper issued by DCLG in 2014, *“Localising Support for Council Tax. Vulnerable people – key local authority duties.”*¹

The proposed changes

1. Removing the Family Premium for all new applicants
2. Reducing Backdating to 1 month
3. Using a minimum income for self-employed earners after 1 year’s self-employment
4. Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Support to 4 weeks
5. Removing the Work Related Activity Component in the calculation of the entitlement for new applicants receiving Employment and Support Allowance
6. Limiting the number of dependent children within the calculation for Council Tax Support to a maximum of 2
7. Removing entitlement to the Severe Disability Premium where another person is paid Universal Credit (Carers Element) for looking after them
8. Removing entitlement to the additional earnings disregard for Universal Credit customers in work

The scheme for pensioners continues to be prescribed nationally with entitlement protected at current levels.

Timescale

The revised scheme comes into force on 1 April 2017. The legislation requires that it is agreed by full Council before 31 January 2017. In practice this means agreement of a final scheme will be needed at the full Council meeting of 13 December 2016. Public consultation on a proposed scheme ran for 10 weeks from 27 June 2016, allowing time for responses to be included in the final report to Council and feedback taken into account in this impact assessment.

Key Issues

A brief summary of main impacts is shown here. Further detail on each of these impacts and the how the changes will operate can be found in the main body of the document.

¹ <https://www.gov.uk/government/collections/localising-council-tax-support>

Change	Brief description	Estimated number of affected cases	Affected groups	Mitigation
1	Family Premium	Up to 700 after a number of years	Children, Women	Protections for passported cases, Exceptional Hardship
2	Backdating	24	None	Exceptional Hardship
3	Self employed	267	Carers, parents of disabled children	Protections for workers, Exceptional Hardship to support other groups unable to work full time
4	Absence from GB	Unknown - very low	Race	Exceptional Hardship
5	ESA element	3	Disability	Not affecting severely disabled, Exceptional Hardship
6	3 or more children	Up to around 250 after several years	Children, Women	Complex series of exemptions needed
7	UC carers	0 currently	Disability	Exceptional Hardship
8	UC earners	0 currently	None	Exceptional Hardship

Financial impact – Exeter City Council & Council Tax preceptors

The grant allocation for Council Tax Support is no longer identified separately; funding is included within the Formula Grant. It is for Billing Authorities to determine their working age schemes and calculate the cost of providing support at the chosen level. In order to make financial savings from the scheme, reductions must be made to the support for working age claimants.

Maintaining support at a higher level means less money is charged to Council Tax payers receiving Council Tax Support. This means less money can be collected to be spent on services by Devon County Council, Exeter City Council, Devon & Cornwall Police and Devon & Somerset Fire & Rescue Service.

Change	Applies to	Maximum estimated savings to scheme	Estimate for year one
1	Family Premium	New CTS claims / first children	£22,392 20%
2	Backdating	New CTS claims with backdating request	£2,072 100%
3	MIF for self-employed	Existing claims	£154,233 100%
4	Absence from GB	New absences from GB	No data
5	ESA WRAC	New ESA awards	£909 50%

6	3 or more children	New 3rd children	£95,734	20%
7	UC(CE) & SDP	New UC(CE) awards	No data	
8	UC earners	New UC in-work awards	No data	

Data used in this report

The figures within this report are based on an extract from the Council Tax Support processing system on 21 September 2016. As caseload figures and expenditure fluctuates throughout the year it is not possible to be certain of the final figures until the end of the financial year.

Not all characteristics are recorded (and therefore available for this analysis) in every individual case; for example a disability characteristic does not always affect the amount of a CTS passported award.

This impact assessment will be reviewed annually when the scheme for the following year is agreed, to ensure that any changes to equality issues within the scheme are addressed effectively. The data used may also change to reflect the caseload fluctuations as stated above.

Financial impact – Claimants

Exeter currently has 4,611² Council Tax Support claimants below the age where the pensioner scheme would apply. Any changes made to the scheme will only affect claimants in the working age group. The only change which will affect existing claimants from 1st April 2017 is change 3 – applying a Minimum Income Floor to self-employed claimants. Current estimates show that 249 claims will see a reduction in CTS averaging £11.88 per week.

Age	Cases	% of CTS caseload	Potentially affected	Not affected
Working age	4611	57.24%	100%	0%
Pensioner age	3444	42.76%	0%	100%
Total	8055	100%	100%	100%

Protection of vulnerable customers

Central Government does not prescribe any specific groups within the working age caseload who must be given particular protection in a local scheme. They do however highlight our existing duties in relation to¹:

- The public sector Equality Duty (The Equality Act 2010)
- The duty to mitigate effects of child poverty (The Child Poverty Act 2010)
- The duty to prevent homelessness (Housing Act 1996 & Homelessness Act 2002)
- The Armed Forces covenant

Additionally Government expect local schemes to support the operation of work incentives in the wider welfare reform agenda.³

² Data as of 21 September 2016

³ *Localising Support for Council Tax. Taking work incentives into account*; DCLG, May 2012

Protections in the previous CTB scheme

Council Tax Benefit existed as a national scheme to provide assistance to low-income taxpayers since the introduction of Council Tax in 1993 until April 2013. It was a mature, robust and complex legislative system with protections for vulnerable groups built in. It has been subject to repeated legal challenge ensuring it generally satisfies equality duties.

The structure of the means test ensured that vulnerable groups were recognised and protected. Specifically, this worked in the following ways:

- Personal allowances were increased for families and all additional children
- Additional premiums for disabled household members and carers
- Income disregards for certain disability benefits, child benefit and child maintenance
- Earned income disregards; higher rates applied for full time work, disabled workers, certain part-time emergency workers and lone parent workers
- Childcare costs disregarded for workers with children
- Local disregard of War Pension income

Preserving the CTB means test in our local CTS scheme since 2013 has maintained the protections and work incentives that have been refined over many years.

Exceptional Hardship policy

Since the introduction of our local Council Tax Support scheme in April 2013 we have operated an Exceptional Hardship policy. This flexible scheme allows us to provide additional support to vulnerable customers who find themselves unable to afford their liability under the rules of the CTS scheme. An award of Exceptional Hardship can reduce a customer's liability to nil. The policy is being revised from April 2017 to ensure it can assist vulnerable customers adversely impacted by changes made to the CTS scheme in this or subsequent years.

It is a sensible approach to use Exceptional Hardship to deal with complex situations and recognise extra need in individual cases. Inserting legally complex exemptions into the main CTS scheme for groups which are hard to define risks not helping the right people.

Modelling options for a local scheme

Where possible, modelling of the existing caseload has been completed to examine the impact of the proposed changes on different groups. However, as many of the proposals relate to new claims made or changes happening after 1st April 2017, there is no reliable way to predict numbers or the characteristics of those who will be affected. In other cases, such as Universal Credit claimants in work, numbers are currently so low that no reasonable projection can be made. Where reasonable projections cannot be made we identify below those within the whole working age claimant population who may be "potentially affected". Actual numbers affected may be far lower, particularly in 2017/18 where changes only apply to new claims or changes.

Caseload data is continually changing so the modelling of different options and their effects will be an ongoing process.

Effect of the proposed scheme changes on particular groups

Family characteristic

Local Authorities are under a duty to reduce and mitigate the effects of child poverty in their area. The proportion of cases where a child is present in the household which could be affected by the changes is higher than within the overall CTS caseload. This is to be expected as generally more children in the CTS caseload are resident in working age households than pensioner households and pensioner households are protected by national rules.

Family characteristic	All CTS cases		Working age (potentially affected)		Pensioner (not affected)	
	Count	%	Count	%	Count	%
Single	4998	62.05%	2246	48.71%	2752	79.91%
Couple with no children	956	11.87%	286	6.20%	670	19.45%
Lone parent	1454	18.05%	1450	31.45%	4	0.12%
Couple with children	647	8.03%	629	13.64%	18	0.52%
Total	8055	100%	4611	100%	3444	100%

The means test in CTS ensures that households with children keep more income before their awards are affected than a similar household with no children.

Change 1 – Family Premium

Change 1 - Removing the family premium for new applicants	Working age			
	Total	Potentially affected cases	Value / cost to scheme	Potential annual loss per case
Family premium awarded (standard claims)	1029	718	£22,392	£31.87
Passported households with dependant/s	1050	0	£0	£0
Couples with dependant/s	629	275	£8,803	£32.01
Female lone parent	1377	425	£13,044	£30.69
Male lone parent	73	18	£545	£30.28
Household includes carers premium	315	42	£1,351	£25.98
Household includes disability premium, disabled child or Severe Disability Premium	543	101	£3,249	£32.17

Change 1 alters the means test for new claims from households with children or where claimant households with no children have a child join the household. The amount of support they receive will be lower than it would have been before the proposed change. Their support will still be higher than a similar household with no dependent children.

The Family Premium adds £17.45 to the claimant's weekly applicable amount which works out to an extra £3.49 weekly CTS. This is the most a household can lose through this change. Where a claimant's weekly income is less than their applicable amount they will lose less than £3.49 from their CTS award. Where income is more than £17.45 lower, the removal of Family Premium will not affect their CTS award.

Using our existing caseload to estimate likely impact, we expect only 35% of new claims with dependent children will see a lower CTS award as a result of this change. The rest are either in receipt of a passporting benefit or have income below their applicable amount, even after reducing it by this change.

63% of those affected will be lone parents, however 70% of CTS households containing children are lone parents so this group is relatively less affected than couple households. As expanded upon below, nearly 95% of our lone parent claimants are female.

Change 6 – Three or more children

Change 6 – more than two dependent children	Working age			
	Total	Potentially affected cases	Value / cost to scheme	Average annual loss per case
Standard with more than 2 dependent children	263	230	£95,734	£416.23
Passported (so not affected)	270	0	£0	£0
Standard with carers premium	38	29	£10,609	£365.83
Standard with disability premium, disabled child or Severe Disability Premium	52	39	£10,729	£275.10

Change 6 alters the means test for households who have a third or subsequent child from 1st April 2017. The amount of income they can keep before it reduces their CTS award will no longer increase beyond the rate for two children. Claimants in receipt of a passported benefit will not be affected by this change.

The child addition adds £66.90 (2016 figures) to the claimant's weekly applicable amount which can work out to an extra £13.38 weekly CTS. This is the most a household can lose through this change. Where a claimant's weekly income is less than their applicable amount they will lose less than £13.38 from their CTS award. Where income is more than £66.90 lower, the removal of Family Premium will not affect their CTS award.

Existing CTS cases with three or more children have been used to estimate the likely impact of this change. These claims will not be affected unless they have a further child after 1st April 2017.

This data shows that 43% of households with three or more children would be affected by the change. The rest are either in receipt of a passported benefit or have income more than £66.90 below their applicable amount. Households which have carers or disability premiums awarded are less likely than the overall population to be financially affected by the change.

Additional exemptions from this change are proposed in line with the policy for Housing Benefit. This should result in the actual numbers affected being lower than the estimates here.

Single parent households

Single parent household	All CTS cases		Working age (potentially affected)		Pensioner (not affected)	
	Count	% of CTS claimants	Count	% of total working age claimants	Count	% of total pension age claimants
Female	1381	17.14%	1377	94.97%	4	100.00%
Male	73	0.91%	73	5.03%	0	0.00%
Total	1454	18.05%	1450		4	

The proportion of lone parent working age households in the working age group, who may be affected by one or more of changes 1 to 8, is higher than the overall caseload of lone parent cases. This is because the majority of lone parent claimants are working age. Female lone parents account for nearly 95% of our lone parent claimants and 96% of those with more than two children. This group is highlighted in The Fawcett Society briefing paper as being “a group more likely to live below the poverty line”.⁴

It is likely that this group is further disadvantaged in the employment market because of their caring responsibilities dictating the hours & type of work they can reasonably undertake. It will therefore be important to take account of the added difficulties this group may face increasing their income when considering Exceptional Hardship claims.

Single person households

Single person household	All CTS cases		Working age (potentially affected)		Pensioner (not affected)	
	Count	% of CTS claimants	Count	% of total working age claimants	Count	% of total pension age claimants
Female	2969	36.86%	1040	46.30%	1929	70.09%
Male	2029	25.19%	1206	53.70%	823	29.91%
Total	4998	62.05%	2246		2752	

Single person households may also face a greater challenge increasing their income or managing additional expenditure than households with more members who can contribute. The proportion of single person households who may potentially be affected by the changes is lower than in the overall CTS population. Changes 1 and 6 only apply to families. Changes 2, 4, 5 and 7 will affect only very small numbers of claims.

⁴ <http://fawcettsociety.org.uk/documents/The%20Impact%20of%20Austerity%20on%20Women%20-%2019th%20March%202012.pdf>

Summary table – family characteristics

Age	Neutral impact - it will not affect	Negative impact - it could disadvantage	Reason
Older people (born before 6 July 1953)	✓		Older people cannot be affected by the proposed changes to the local CTS scheme. Their rules continue to be set by Central Government.
Younger people (born from 6 July 1953)		✓	Any of the current 4,611 working age claim households will potentially be asked to pay more towards their Council Tax if their circumstances meet the criteria or change in the future.
Under 18s	✓		Will not be liable for Council Tax and therefore unaffected.
Single people under 25	✓		The changes proposed do not distinguish on claimant age within the working age claimant group.
Dependent children in household		✓	The means test allows additional amounts for each child in the household. Change 1 will reduce the amount allowed for families in all new claims and change 6 will limit the amount allowed to the level for two children.

Gender

Gender	All CTS cases		Working age (affected)		Pensioner (not affected)	
	Count	%	Count	%	Count	%
Male	2102	26.10%	1279	27.74%	823	23.90%
Female	4350	54.00%	2417	52.42%	1933	56.13%
Couples	1603	19.90%	915	19.84%	688	19.98%
Total	8055	100%	4611		3444	

No gender group is targeted by the changes proposed for the scheme. However, as there are relatively more of them in the caseload, a larger number of single females in Exeter is likely to be affected by the proposed changes to the Council Tax Support scheme.

Independent research also highlights the effect that the wider welfare reform changes will have on women:

“The Fawcett Society is extremely concerned about the impact of austerity on women’s equality in the UK. Our analysis - and the conclusions of independent research bodies and academics - has highlighted that the

cumulative effect of fiscal measures taken to reduce net public spending will have a disproportionate effect on women, making many women poorer and less financially autonomous. The knock-on effects of this will be to turn back time on a range of indicators of women's rights and equality.

The Fawcett Society has highlighted that women face a triple jeopardy: women are being hit in three key ways a result of the deficit-reduction measures:

1. Women are being hit hardest by cuts to public sector jobs, wages and pensions.
2. Women are being hit hardest as the services and benefits they use more are cut.
3. Women will be left 'filling the gaps' as state services are withdrawn.”⁵

The report shows the current position of economic indicators highlighting that equality for women still falls below equivalent measures for men in areas such as full time pay, low paid work, ethnicity & poverty, personal pensions, lone parents and childcare.

Tenure type

Tenure type	All CTS cases		Working age (potentially affected)		Pensioner (not affected)	
	Count	%	Count	%	Count	%
Social Rented	5071	62.95%	3329	72.20%	1742	50.58%
Private Rented	1381	17.14%	963	20.88%	418	12.14%
Owner Occupier	1603	19.90%	319	6.92%	1284	37.28%
Total	8055	100%	4611		3444	

Tenants in both the private and social sectors may have also seen reductions in the amount of Housing Benefit available to them as a result of other welfare reforms. This includes the social sector size restriction, household benefit cap (reducing further from November 2016), freezes to Local Housing Allowance (LHA) rates and upcoming restriction of new social tenancies to the LHA rate. These households could therefore face multiple pressures on their budgets. 93% of those potentially affected by the changes will also have a rent liability. This compares to 80% of the total CTS caseload as proportionally more pensioner CTS claimants own their home.

Disabilities and carers

Disabled child

Compared to the overall caseload of potentially affected working age claimants, single females account for the highest proportion of lone parents with a disabled child. This reflects the fact that the majority of lone parents are female. Parents of disabled children could find their opportunities for increasing income more limited than other groups.

⁵ <http://fawcettsociety.org.uk/documents/The%20Impact%20of%20Austerity%20on%20Women%20-%2019th%20March%202012.pdf>

Disabled child	All CTS cases		Working age (potentially affected)		Pensioner (not affected)	
	Count	% of CTS claimants	Count	% of total with disabled child	Count	% of total with disabled child
Couple	109	1.35%	106	41.73%	3	75.00%
Female	141	1.75%	140	55.12%	1	25.00%
Male	8	0.10%	8	3.15%	0	0.00%
Total	258	3.20%	254		4	

Change 3 – Minimum Income Floor for self-employed

Change 3 - Minimum Income Floor (MIF) for self-employed claimants	Working age			
	Total	Count (Affected)	Value / cost to scheme	Potential annual loss per case
Affected by MIF	267	249	£154,233	£619.41
Dependent children	193	178	£110,805	£622.50
Carers premium	22	21	£13,965	£665.00
Disability premium, disabled child or Severe Disability Premium	42	38	£27,584	£725.89

Change 3 assumes a notional income for self-employed claimants after one year of trading. The policy would mirror that already in place in Universal Credit where affected customers are treated as having an income equal to 35 hours work at the National Living Wage (National Minimum Wage for under 25s). The modelling above shows the impact this change would have on existing self-employed cases once the one year trading point was reached. Experience where this policy has been adopted elsewhere in the country indicates that affected self-employed claimants are generally well able to cope with the extra expense.

It is possible that parents of disabled children may find the extra flexibility afforded by running their own business preferable to taking up employment. Similarly those with caring responsibilities or a disability may find it difficult to achieve a minimum income from self-employment. It is important that these limitations are recognised. This may be best achieved by an award through the Exceptional Hardship scheme.

Disability Premium

Disability premium – only applicable to working age	Working age (potentially affected)		
	Count	% of working age CTS claimants	% of total with disability premium
Couple	383	8.31%	22.77%
Female	725	15.72%	43.10%
Male	574	12.45%	34.13%
Total	1682	36.48%	100.00%

Change 5 – WRAC for new ESA claims

Change 5 - WRAC for new ESA claims	Working age – standard cases		
	Total	Count (Affected)	Value / cost to scheme
Standard ESA claims with WRAC	3	3	£909
Dependent children	0	0	£0
Carers premium	0	0	£0
Disability premium, disabled child or SDP	0	0	£0

Change 5 operates to keep CTS awards at the same level as they would have been prior to the change to Employment and Support Allowance (ESA) rules from April 2017. ESA awards for these claimants will reduce by £29.05 per week. Without this change these claimants will see an increase to their CTS awards when the reduction in their ESA is implemented. It is likely that this group could face particular difficulties increasing their income to cope with the loss of the ESA income, as described by Disability Alliance:

“Disabled people being supported by ESA receive a higher rate than those on JSA because they face additional barriers as a result of their illness or disability, and typically take longer to move into work.”⁶

Therefore, whilst not actually reducing the amount of CTS awarded to this group, they may find it more difficult to pay even the same amount of Council Tax when their overall income reduces. Numbers likely to be affected by this change are very low. It will be appropriate to identify any cases where hardship has been caused by the reduction in ESA income and consider awards of Exceptional Hardship to assist.

Severe Disability Premium

Severe disability premium	All CTB cases		Working age (affected)		Pensioner (not affected)	
	Count	% of CTB claimants	Count	% of total with SDP	Count	% of total with SDP
Couple	60	0.74%	25	3.16%	35	5.56%
Female	795	9.87%	382	48.23%	413	65.66%
Male	566	7.03%	385	48.61%	181	28.78%
Total	1421	17.64%	792		629	

Change 7 – SDP for Universal Credit carers

Change 7 alters the means test for customers where another person receives the Universal Credit (Carers Element) for looking after them. This ensures consistent treatment between recipients of Carers Allowance and the benefit that replaces it; UC(CE). There should be no relative disadvantage to these customers because those affected would not have received a Severe Disability Premium under the previous rules before Universal Credit was introduced. There are currently no cases in our caseload that will be affected by this change. This will change as the rollout of

⁶ www.disabilityrightsuk.org/our-submission-parliamentary-review-proposed-%C2%A330-week-cut-esa
Version 2.4 26/10/2016 10:47:56

Universal Credit continues and awards of Carers Allowance are increasingly made through Universal Credit.

The data we hold does not allow us to identify the nature of individual disabilities and how this may impact their ability to manage a shortfall. It is likely that those in receipt of a qualifying benefit for the severe disability premium will face more challenges increasing their income than those entitled to the disability premium alone.

People in receipt of the ESA support component have been assessed to have the highest level of disability and support need. This group are not required to take up any work or work related activity. They could therefore face more difficulty increasing their income to meet any shortfall.

Carers

Carers	All CTB cases		Working age (affected)		Pensioner (not affected)	
	Count	% of CTB claimants	Count	% of total carers	Count	% of total carers
Couple	423	5.25%	265	53.54%	158	82.72%
Female	229	2.84%	202	40.81%	27	14.14%
Male	34	0.42%	28	5.66%	6	3.14%
Total	686	8.52%	495		191	

Summary table - disabilities

	Neutral impact - it will not affect	Negative impact - it could affect	Reason
Physical		✓	Ability to travel to make payments. Potentially less able to use online or telephone methods for payment and advice. Potential inability to increase <i>income</i> .
Sensory		✓	Ability to access the initial information advising of the change. Potential difficulties accessing Council in person or by online / telephony routes for payments and advice. Potential inability to increase income.
Learning		✓	Ability to access and understand initial information advising of the change. Potential difficulties accessing Council in person or by online / telephony routes for payments and advice. Potential inability to increase income.

Mental health		✓	Ability to access and understand initial information advising of the change. Potential difficulties accessing Council in person or by online / telephony routes for payments and advice. Potential inability to increase income.
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Work status

Work status	All CTB cases		Working age (potentially affected)		Pensioner (not affected)	
	Count	%	Count	%	Count	%
Working	1165	14.46%	1118	24.25%	47	1.36%
Not working	6890	85.54%	3493	75.75%	3397	98.64%
Total	8055	100%	4611		3444	

Local schemes are expected not to discourage claimants from taking up employment or increasing hours of work. A higher proportion of households potentially affected are in work compared to the overall CTS population. This is to be expected if, almost inevitably, most working households are in the working age population rather than the pension age population (who are protected by national rules).

Change 8 – Additional earnings disregard in Universal Credit

Change 8 removes the additional earnings disregard from customers who are working while in receipt of Universal Credit. The disregard is currently £17.10 and can be worth up to £3.42 CTS weekly. There are currently 53 Universal Credit customers in receipt of CTS. None of these receive the additional earnings disregard so impact is difficult to estimate. Once a customer is earning sufficient to not be entitled to Universal Credit, the additional disregard can be applied as currently.

The additional hours disregard is linked to the number of hours a customer works and was tied to the equivalent addition in Working Tax Credit. The disregard / addition does not form part of Universal Credit calculation. When the assessment of earned income is undertaken by the local authority, the number of hours worked is available and relevant to the calculation of Housing Benefit or CTS. For Universal Credit cases the assessment of earnings is undertaken by DWP staff. The basis of this calculation is not always identifiable and is generally based on a past period. Obtaining reliable information on the number of hours worked for the relevant period is not often possible and applying these from a monthly award of Universal Credit to a weekly calculation of CTS results in inconsistent treatment of income and disregards.

Although there is the potential for this change to weaken work incentives, it is considered likely to have a minimal impact against the incentives to increase earning under Universal Credit.

Other protected characteristics

There is no data held by ECC Benefits Service for race, sexual orientation, religion or belief. It is possible that Change 6 – three or more children, could have a disproportionate impact on ethnic and religious groups where large families are more prevalent than the general population. Alison Thewliss MP addressed this point in a

debate on the introduction of this policy to Child Tax Credit on 12 October 2016⁷. Her quoted figures show 30% of UK families contain three or more children. This rises to 52% of Jewish families and 60% of Muslim families. As we do not hold data on these characteristics it is impossible to say whether this difference would be reflected in our caseload.

Change 2 - Backdating

Change 2 looks to reduce the maximum period a claim can be backdated from six months to one month. In 2015/16 this would have affected 24 claims. Backdating is allowed for a number of reasons and can apply to claimants in any of the groups discussed in this impact assessment. The change is intended to align rules with Housing Benefit rather than to make expenditure savings. With such low numbers affected it will be possible to manage any difficult cases through the Exceptional Hardship policy.

Change 4 – Absence outside GB

Change 4 limits the period a claimant can be away from their home to four weeks where this absence is outside Great Britain. No data is recorded on length of absences or destination so it is impossible to predict how many people this will affect. It is likely that the effects of this change will be felt more by non UK nationals and those with family outside the country (and therefore a greater need to travel abroad) than those with no links outside the country. It follows that there may therefore be a higher than average impact on minority ethnic groups. No data is held on these characteristics and therefore the scale of this anticipated impact cannot be confirmed. Aligning rules with those already in place in Housing Benefit will copy across the easements for the deaths of close relatives. The change is likely to affect very few people overall and again, difficult cases can be well managed through Exceptional Hardship awards.

Consultation

Major preceptors have been consulted throughout the process of developing a draft scheme. The legislation also requires us to consult the public on a draft scheme before it can be adopted. Exeter City Council's consultation period ran from 27th June to 4th September 2016. During the 10 week consultation period the following activity was undertaken:

- Personalised letters were sent to 1,214 ECC CTS customers in the groups which may be affected by the proposed changes, either immediately or in the future.
- Information on the consultation process, the draft scheme and links to the online survey were put on the ECC website, both on the consultation pages and the benefits pages.
- Leaflets promoting the consultation were sent to 5,000 ECC Council Tax payers with their bills.
- Leaflets were sent with around 1,000 recovery documents.
- Personalised letters were sent to 13 advice and support agencies operating in Exeter.
- Information on the consultation was sent to ECC staff working with customers who may be affected.

⁷ <https://hansard.parliament.uk/Commons/2016-10-12/debates/FCE9BF08-5EBB-4B4E-B9A8-00516EEFB3D2/ChildTaxCredits>

- The consultation was promoted through social media including to our community contacts to get the message out to as many hard to reach groups as possible.

Respondents highlighted the following points for consideration:

- Adverse impact on children of changes 1 and 6
- Potential disadvantage for carers and parents of change 3
- Change 5 would be removing support from disabled households who are less able to support themselves

Relevant feedback from the consultation responses has been considered in the preparation of this document.