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Date: Monday, 03 December 2012

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Dear Member

COUNCIL - THURSDAY, 6 DECEMBER 2012

I am now able to enclose, for consideration at the Thursday, 6 December 2012 meeting of the Council, the following reports that were unavailable when the agenda was printed.

Agenda No	Item	Page
16.	Corporate Plan 2012 - 2015	(Pages 275 - 295)
18.	Torquay Inner Harbour Pontoon Berthing Project	(Pages 296 - 315)
19.	Allocations Policy and Local Tenancy Strategy	(Page 316)
23.	#Localised Council Tax Support Scheme	(Pages 317 - 420)

Yours sincerely

June Gurry
Clerk

Agenda Item 16



Meeting: Council

Date: 6 December 2012

Wards Affected: All Wards in Torbay

Report Title: Corporate Plan 2012 - 2015

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1. Purpose

- 1.1 To agree a plan that clearly identifies the priorities the Council intends to deliver from now to 2015.

2. Proposed Decision

- 2.1 That the Council be recommended to:
 - (i) Approve the content and format and of the Corporate Plan 2012 – 2015 as set out in Appendix 1 to this report; and
 - (ii) Authorise the Mayor and Chief Operating Officer to agree the final version of the Corporate Plan should it be appropriate to make any minor amendments to the current version.

3. Action Needed

- 3.1 That the Plan be published on the Council's intranet and be forwarded electronically to key partners.
- 3.2 All policies/strategies/work programmes supporting the Corporate Plan will require equality analyses.

4. Summary

- 4.1 Setting out our priorities will enable the Council to track progress against its priorities and enable Torbay's community to see how successful the Council has been in the delivery of its commitments.

- 4.2 This plan needs to be considered against the backdrop of a reduction in funding from Central Government and limited opportunities for raising income through increases in charges. The plan will enable the Council to focus on its published priorities and as part of its review of services determine where reductions can be considered.
- 4.3 Publication of the Corporate Plan is required under the Council's Constitution as a key decision.

Supporting Information

5. Position

- 5.1 The Corporate Plan is a key element of the Councils Policy Framework .
- 5.2 It was previously a statutory requirement that councils produce a business plan bringing together their Medium Term Financial Strategy, service plans, objectives and performance outturns and targets. This requirement has been removed. However, the Council remains committed to robust business planning, openness and accountability to stakeholders and has, therefore, determined to set out its vision and approach in the Corporate Plan.
- 5.3 The new format Corporate Plan will be the Council's sole strategic plan, capturing and expressing in simple terms the Council's direction and intentions for the years 2012 - 2015, and is attached to this report as Appendix 1.
- 5.4 The plan identifies three principles around which decisions can be made and outlines nine clear priorities to ensure that services are targeted in securing a health, prosperous and happy bay;

(i) Investing in the future

- Develop a successful economy and improve job prospects
- Ensuring that every child has access to a good school, and targeting support to ensure all young people reach their potential
- Investing to improve quality of life and reduce long term costs to the community

(ii) Protecting the Vulnerable

- Investing in early intervention and prevention to reduce the number of children and families experiencing complex problems
- Continue to protect the most vulnerable people from avoidable harm or abuse
- Through adult social care, offering greater personalisation for service users and supporting residents to live healthy and independent lives

(iii) Spending less money to greater effect

- Targeting resources on our priorities

- Increasing efficiencies
- Making tough choices through disinvestment in low priority areas

At a strategic level the plan identifies how this will be achieved and our measures for success. Detailed performance measure will be developed by Executive Heads.

6. Possibilities and Options

- 6.1 Whilst there is no statutory requirement to produce a Corporate Plan, best practice suggests it is beneficial to produce such a document to communicate to key stakeholders (the community, partners, employees) our key priorities and activities in the short to medium-term.
- 6.2 In addition to publishing the plan on the Councils internet site, a glossy printed version of the plan could be considered.

7. Preferred Solution/Option

- 7.1 Given financial constraints a glossy printed version of the plan cannot be justified.

8. Consultation

- 8.1 No specific consultation has been undertaken in the development of this plan, however results of consultation previously undertaken have been taken into account;
- Improving the economy and job prospects have been a consistent priority for Torbay's residents. The plan seeks to achieve this and to help all members of our community to benefit from economic success.
 - Enabling people to live to live healthy and independent lives is well supported by Torbay's residents as have other actions to help vulnerable people
 - The plan seeks to address issues identified in the Joint Strategic Needs Assessment and through inspection reports including safeguarding inspections
 - The Overview and Scrutiny Board will be considering the plan at its adjourned meeting on 30 November. Their views will be reported following the meeting

9. Risks

- 9.1 Failure to set priorities for the coming years would be a significant risk, as it would leave the Council without clear direction of what it is trying to achieve and where to concentrate resources approved through the parallel budget setting process. The Council would also be unable to communicate its priorities to the community and key partners and stakeholders.
- 9.2 A further risk is that the priorities and supporting actions will not be delivered. Ensuring that the Corporate Plan and its activities are monitored through the Council's performance management arrangements will mitigate this.

Appendices

Appendix 1 Corporate Plan 2012 - 2015

Torbay Council Corporate Plan 2012 – 15

Working together for a Prosperous, Healthy and Happy Bay

Introduction

The Corporate plan sets out the main strategic challenges facing the Council and our plans for addressing them. In a difficult economic climate, there are difficult decisions to make, by 2015 we will have 28 to 35% less funding from central government, but at the same time we have increasing demand for some of our core services. As a council we are setting clear priorities for the future and we are determined to prioritise our spending where it has the greatest impact. So far we have sought to protect funding to the front line with approximately £3 million of our saving for 2012/13 coming from efficiency savings.

Against this background the Council continues to deliver good services to residents, completing a new library and information centre in Paignton and the Paignton Geoplay Park, a 25% increase in recycling, rebuilding Torquay Community College and Kings Ash Primary School, the completion of the Parkfield facility for young people, Cockington Court Seachange Studios and the Brixham Fish Quay.

We will continue to support the most vulnerable, for example providing better support for families with complex needs.

By supporting inward investment, we have secured government funding for the building of the South Devon Link and to ensure that Torbay continues to prosper we will focus on developing skills and employment programmes for young people, support enterprise and provide opportunities for residents to acquire skills.

We will set clear priorities and ensure that services are targeted in securing a health, prosperous and happy bay, through:

- **Investing in the future**
 - Develop a successful economy and improve job prospects
 - Ensuring that every child has access to a good school, and targeting support to ensure young all people reach their potential
 - Investing to improve quality of life and reduce long term costs to the community
- **Protecting the Vulnerable**
 - Investing in early intervention and prevention to reduce the number of children and families experiencing complex problems
 - Continue to protect the most vulnerable people from avoidable harm or abuse
 - Through adult social care, offering greater personalisation for service users and supporting residents to live healthy and independent lives
- **Spending less money to greater effect**
 - Targeting resources on our priorities
 - Increasing efficiencies
 - Making tough choices through disinvestment in low priority areas

As we look forward to 2013 and beyond, with further reductions in funding and the need to make larger cuts, the opportunities to make budget reductions across the board diminishes. The council will need to make choices about what to fund and what not to fund. Other options and completely new ways of working will need to be considered as changes in operational productivity or efficiency alone, are unlikely to provide the level of savings required. To meet the challenges ahead we will need to make difficult choices about what to invest in and what to cut in order to achieve the radical efficiencies required.

Financial Assumptions

Local government has experienced a disproportionate share of the spending cuts in comparison with other public sector organisations. The cuts to local government funding will carry on as the government continues with its deficit reduction plan. This current financial year (2012/13) is the second year of a four year settlement¹ from central government, as part of this settlement process local government only received a two year allocation which ends this year.

Significant changes in government policy such as benefit reform, business rates, the localism act and the ongoing pressures placed on us due to an ageing population will put additional strain on council finances. In addition the Treasury have made it clear that following the 2012 budget, significant reductions in public sector spending will also occur in 2015 to 2017. All of which add to the complexity of our financial planning.

The Council continues to plan on the basis that the reductions in local government funding will be permanent.

Involving the public

We recognise that some of the choices will result in closing down or reducing services that we currently provide, but it also provides an opportunity to redefine what and how services are provided. To do this we need to ensure that the public generally and users of specific services are informed and involved in re-shaping services. In order to support this we will:

- Make more information available about the services we currently provide, including our arms length organisations, contracted services, and the financial support we give to organisations in the Bay.
- Ensure that service users are consulted at the stage when proposals for services are being developed.
- Ensure that members of the public and service users have sufficient time to consider proposals for changes in services and they can feedback their views in a number of ways.
- Encourage and support members of the public to engage with the political decision making process.

¹ Comprehensive Spending Review CSR10

Investing in the future

Develop a successful economy and improve job prospects

We will achieve this through

- Jobs-led regeneration
- Increasing inward investment
- Promoting Torbay as a top tourist destination within the UK
- Protecting and making the most of our environmental and cultural assets
- Making it easier to get to and travel around the Bay

Measures for success

- Completion of Torre Abbey Phase Two
- Keeping our key public spaces clean
- Outline business cases prepared for further investment in innovation centres.
- Completion of a feasibility study for a third harbour
- An adopted Local Plan by September 2013
- Adopted Neighbourhood Plans for Torquay, Paignton and Brixham by September 2013
- Completion of highways capital projects – including South Devon Link road by the end of 2015
- Increased investment from businesses, government and EU
- An increase in new business start ups that continue to thrive
- Increasing business in our three towns
- Maximise opportunities for job creation including through joint planning with neighbouring authorities, and investing in a “Jobs Fund”

Ensuring that every child has access to a good school and targeting support to ensure all young people reach their potential

We will achieve this through

- Supporting early years settings and schools to improve standards
- Provide support to children and young people who at risk of underachievement
- Supporting schools to become academies where they choose to do so
- Supporting businesses to take on and develop apprenticeship schemes

Measures for success

- Improvements in the attainment of children and young people at Key Stage 2 and GCSE
- Improvement in the attainment of vulnerable children and young people
- After statutory school age, young people are either in further education, training or employment

Investing to improve quality of life and reduce long term costs to the community

We will achieve this through

- Continuing to create a safe environment for all residents and visitors
- Continue to work with our partner agencies to improve the health and wellbeing of our communities
- Improving health and wellbeing through sport and outdoor activity
- Improve opportunities for people with dependency issues and maintain timely and effective access to services

Measures for success

- Increasing numbers of people taking part in physical activity, including walking and cycling
- Sports clubs and voluntary organisations are able to manage their own facilities and access external funding

We will also play our part in working with other agencies to;

- Keep levels of crime low
- Enable people to feel safe in their homes and in public places
- Ensure fatalities and serious injuries from road traffic accidents remain low
- Increase in healthy life expectancy, particularly in our most deprived wards
- Reduce smoking during pregnancy
- Provide drug users with access effective treatment
- Reduce alcohol related admissions to hospital
- Reduce levels of obesity

Protecting the Vulnerable

Investing in early intervention and prevention to reduce the number of children and families experiencing complex problems

We will achieve this through

- Supporting families with young children through universal services such as children's centres
- Continue to work with our partner agencies to support families in need
- Development of an Intensive Family Support Service (IFSS) to support families with complex needs
- Provide targeted support to families through the Family Intervention Project (FIP)
- Implementation of Community Budgets to support families with complex needs
- Supporting people to improve their skills and confidence to gain employment

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Measures of success

- Improved school attendance
- Successful delivery of payments by results for families with complex needs

We will also play our part in working with other agencies to;

- Reduce the teenage conception rate
- Keep levels of crime and anti-social behaviour low
- Reduce the number of people claiming out of work benefit payments
- Deliver reductions in the cost of families with complex problems to the public purse

Protect the most vulnerable people from avoidable harm or abuse

We will achieve this through

- Improving our support for vulnerable children
- Improving our assessment processes for children at risk
- Ensuring staff are clear about what to do when faced with an incident of abuse or where they suspect that a vulnerable adult is being abused or neglected
- Implementing evidence based programmes that have been proved to work in tackling the causes of social problems rather than simply dealing with their consequences
- Working effectively with key partners in information sharing and delivery

Measures for success

- Improving the timeliness of initial and core assessments for children and young people referred to children's services
- Reduce the number of children and young people who are subject to a child protection plan or become looked after
- Increase in the timeliness of placements for children in care who were placed for adoption
- Reducing the numbers of children subject to a child protection plan for a second or subsequent time

In adult social care, offering greater personalisation for service users and supporting residents to live healthy and independent lives

We will achieve this through

- ‘Self Directed Support’ enabling individuals who are assessed as having social care support needs to have a clear, up front allocation of money that they can use to design and purchase the support they need
- Support people to retain their independence, allowing them to live in their own homes for longer.
- Through short term intervention, help people recover the skills and confidence they need to stay in their home longer

Measures for success

- A reduction in the number of people placed in residential and nursing homes
- People feel involved in the delivery of their own care
- An improvement in the quality of people’s lives
- Carers feel they are supported

Spending less money to greater effect

Targeting resources on our priorities

We will achieve this through

- Generating income to support the delivery of priority services
- Carrying out an urgent review of grant and loans to businesses and voluntary sector organisations
- Ensuring that funding is subject to service level agreements supporting the delivery of council priorities
- Ensuring that sustainable business plans are developed for Torbay Coast and Countryside Trust and the Riviera International Conference Centre

Measures for success

- Achieving reductions in expenditure and continuing to provide services in our priority areas

Increasing efficiencies

We will achieve this through

- Reviewing contractual arrangements to ensure that they are being delivered effectively in our priority areas as well as providing value for money
- Reviewing our own operating structure to reduce back office costs, avoid duplication and increase efficiencies
- Promoting and encouraging greater use of online access to council services by the community
- Effective use of the council's assets
- Where assets are no longer required by the council alternative uses are found through sale or lease

Measures for success

- Reducing the number of offices that the council operate from
- Income from council assets is maximised
- Savings are generated from all our services, including those that are contracted out
- Increase in the number of online transactions

Making tough choices through disinvestment in low priority areas

We will achieve this through

- Ensuring that our priority areas are supported by evidence from the Joint Strategic Needs Assessment (JSNA)
- Reviewing all of our services to ensure they are focusing on the council's priorities
- Continuous review of services and business plans
- Where a service or parts of a service do not support delivery of our priorities, engagement with the community will take place with a view to making changes to service delivery, or to stop that activity

Measures for success

- An up to date Joint Strategic Needs Assessment (JSNA) published annually
- Initial service reviews are completed for all services across the council by July 2012 and reviewed annually
- Members of the community, including service users are involved in re-shaping and delivery of services

Glossary

- **Children's Centres** – Support families with children up to the age of five. They offer services and advice on parenting, health, family matters, learning and training and childcare
- **CSR** - Comprehensive spending review
- **Family Intervention Project** – **The Family Intervention Project provides targeted support to those families that cause a disproportionate amount of issues** (such as anti-social behaviour) in their neighbourhoods
- **Intensive Family Support** – Time limited support to protect children and to maintain and strengthen family bonds, to stabilize a crisis situation, to increase the family's skills and competences, to facilitate the family's use of a variety of formal and informal helping resources
- **Joint Strategic needs assessment (JSNA)** – The JSNA analyses and identifies the health needs of the population to inform and guide the setting of priorities within Torbay.
- **Vulnerable Adult** - a person who: “may be in need of services by reason of mental or other disability, age or illness: and who may not be able to take care of him or herself, or is unable to protect him or herself against significant harm or exploitation.” Service users outside of this definition may also be vulnerable to abuse due to low self-esteem, social exclusion, drug or alcohol misuse, offending history, homelessness, domestic violence, ethnicity, immigration status, gender or sexuality.
- **Vulnerable Child** - To relate to the needs of a diverse range of children: any child in need (including disabled or very sick children), children on the periphery of care, in care, or who have left care, including support to parents who may need help for their mental health, substance misuse, learning disability, poverty or other problems that may affect a child's opportunities and wellbeing.

Overview
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Confidence in your Council



Corporate Plan

Report of the Overview and Scrutiny Board

At its adjourned meeting on 30 November 2012, the Overview and Scrutiny Board considered the draft Corporate Plan which identified the priorities the Council intended to deliver from now until 2015.

The Board was asked to provide its comments on the Plan prior to its consideration at the meeting of the Council scheduled to take place on 6 December 2012.

Members of the Board expressed their view that the Plan lacked dynamism and detail, in particular that it did not include any targets or any references to partnership working or contract monitoring. It was felt that the Plan should include radical, lateral thinking and should address the Council's aspirations for children's services, housing and adult social care.



Meeting: Council

Date: 6th December 2012

Wards Affected: Wellswood, Tormohun and Ellacombe Wards

Report Title: Torquay Inner Harbour Pontoon Berthing Project

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Supporting Officer Contact Details: Kevin Mowat, Executive Head of Tor Bay Harbour Authority, (01803) 292429, Kevin.Mowat@torbay.gov.uk

1. Purpose

- 1.1 This report provides details of the “Torquay Inner Harbour Pontoon Berthing Project”, which was approved by the Council’s Harbour Committee on 11th June 2012. The project proposes to replace the existing chain moorings with new pontoon moorings in Torquay’s inner harbour. It is the aim of this report to provide the Council with sufficient information to enable them to reach a decision regarding this project.
- 1.2 The Harbour Authority’s existing inner harbour customers at Torquay will benefit from greatly improved mooring facilities. New customers waiting for pontoon berths will ensure that the inner harbour occupancy level is increased significantly. Even more people within Torbay and beyond will have the opportunity and be encouraged to use the Torquay harbour.

2. Proposed Decision

- 2.1 **That the Harbour Committee’s recommendation to replace the existing chain trot moorings in Torquay’s inner harbour be approved.**
- 2.2 **That the Torquay Inner Harbour Pontoon Berthing Project be added to the Council’s Capital Plan and the use of prudential borrowing of approximately £800,000 be approved to enable the scheme to proceed.**
- 2.3 **That, the Executive Head of Tor Bay Harbour Authority, in consultation with the Chairman of the Harbour Committee and the Mayor, be authorised to use his delegated powers to proceed with the Torquay Inner Harbour Pontoon Berthing Project and that the Torbay Development Agency be asked to provide the necessary project management services.**

3. Summary

- 3.1 To seek the Council's, approval for the Harbour Committee's recommendation to develop pontoon moorings, in Torquay's inner harbour, to replace the existing chain moorings.
 - 3.2 To create improved moorings for local people and those within the sub-region, whilst continuing the development of a sustainable harbour that will meet the needs of the community.
 - 3.3 To raise the overall amenity of the inner harbour at Torquay and improve the quality of the area for the users of the harbour, whether they are boat owners, businesses in the area or others within the community.
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Supporting Information

4. Position

- 4.1 The idea of putting pontoon berths in Torquay's inner harbour has been in circulation for many years but it wasn't until May 2003 when the half-tide cill became operational that the opportunity was properly unlocked. Water is now retained at half-tide and this change to the harbour infrastructure has been shown to be reliable over a number of years.
- 4.2 The success of the Town Dock, which opened in April 2008 in the outer harbour, has shown that there is a clear demand for pontoon berthing. This facility enjoys healthy waiting lists and the occupancy rate has effectively been 100% from the first day.
- 4.3 On the 22nd June 2009 the Harbour Committee considered Report 150/2009 which provided an overview of a project that would replace the existing chain moorings with pontoon berths in Torquay's inner harbour. In minute 106/2009 the Harbour Committee noted the report and agreed that a 'Key Decision' entry should be submitted for inclusion in the Council's Forward Plan. A Forward Plan entry (Ref. 25/2009) was subsequently made but the entry was later withdrawn because the project was not seen as being sufficiently imminent to warrant inclusion. More recently a new Forward Plan entry has been made.
- 4.4 The relentless high demand for Town Dock berths, ongoing support from harbour users and the news regarding the South Devon link road, which will open up a wider catchment area, have all combined to encourage the Harbour Authority to seek a decision now, to move this project forward.

- 4.5 The drawing in Appendix 1 shows a proposed layout that will deliver 173 berths to replace 173 moorings. It is expected that access to the pontoons will be via a bridge located close to an overflow taxi rank (actually located on the harbour estate) on Victoria Parade. As the capacity of the harbour will not change there should not be any concerns regarding additional vehicular traffic or the need for increased car parking capacity. The area adjacent to the access bridge can serve as a drop off and pick up location during daylight hours and could well continue with its taxi use at night. This would not be dissimilar to its current use.
- 4.6 The Council has a lease with Marina Developments Ltd (MDL) in connection with Torquay Marina and ancillary buildings which contains various obligations for consultation with MDL should the Council wish to construct a new 'marina' within an area extending to one nautical mile from the extremity of Princess Pier. The definition of the word 'marina' is defined in the lease as "any system of berthing vessels giving pedestrian access from the berth to the shore, but shall not include the provision of berthing for visiting vessels exhibitions and landing".
- 4.7 When considering the development of the Town Dock the Council initially considered these obligations to be binding and consequently entered into lengthy, subject to contract, negotiations with MDL in relation to the construction of the Town Dock in the outer harbour at Torquay. However, the Council found it necessary to obtain Counsel's opinion on the relevant provisions and Counsel found them to be for the most part unenforceable due to the wording being unenforceable in law. Also, the relevant lease provisions fell foul of the Council's public law duties and accordingly the Council believe they are free to deal with their harbour duties and powers without being fettered by the pre-existing MDL lease provisions.
- 4.8 Consequently the opinion of Counsel was set out to MDL and their solicitors but they have neither confirmed acceptance of, nor denied, its validity. However, in the spirit of a good landlord and tenant relationship the Executive Head of Tor Bay Harbour Authority, the Harbour Committee Chairman and the Mayor have met with MDL to discuss the Council's intention to upgrade the inner harbour chain moorings to pontoon berths.
- 4.9 Given the current state of the economy and so as to provide plenty of time for procurement, this design and build project, if agreed, will not commence until the winter of 2013/14.
- 4.10 The Torbay Development Agency's capital projects team will be asked to assist the Executive Head of Tor Bay Harbour Authority to procure the Torquay Inner Harbour Pontoon Berthing Project scheme using experienced piling contractors and pontoon manufacturers, under the guidance of a suitable Project Board team. A design and build contract will be used based on a very clear brief (Appendix 2 shows a draft outline of the Project Brief). If the Council supports the Torquay Inner Harbour Pontoon Berthing Project scheme, as recommended by the Harbour Committee, then it is expected that the development will be open for use by April 2014. A

Harbour Revision Order already exists which gives statutory approval to this scheme and planning consent is not therefore required.

- 4.11 The cost of the proposed Torquay Inner Harbour Pontoon Berthing Project scheme has been identified as approximately £800,000. This figure has been determined from information provided by Solent Marine who were involved in the construction of the Town Dock. As Solent Marine is a leading marina contractor this development cost is considered by Executive Head of Tor Bay Harbour Authority to be suitably accurate. Similarly the revenue operating costs have been taken from the Harbour Authority's experience of managing the Town Dock over the last five years.
- 4.12 At an estimated cost of £800,000 this project cannot be funded directly from the harbour reserve fund, although it could be part funded from the reserve fund. Therefore, other than allowing a third party to own and operate the facility the Torquay Inner Harbour Pontoon Berthing Project can only be funded by way of prudential borrowing. Given the way that prudential borrowing works the harbour account would be required to budget to repay the cost of the principal and interest over a period no longer than the life of the asset. Based on the expected cost of £800,000 and an asset life of 20 years, this would cost the harbour account £61,821 per annum. If the asset life is assumed to be 25 years then the cost to the harbour account would reduce to £54,285 per annum.
- 4.13 A new Torquay Inner Harbour Pontoon Berthing Project would naturally attract a revised level of charging to reflect the obvious improvement in the quality of mooring provision and to generate sufficient income to pay for borrowing. As part of a consultation exercise a new combined charge (including harbour dues & mooring fees) has been suggested at £129.95 per metre (plus VAT) per annum, being half way between the existing chain mooring rate (including harbour dues & mooring fees) of £91.07 per metre (plus VAT) per annum and the current Town Dock rate. This figure was then used to provide a detailed analysis of costs and incomes associated with the Torquay Inner Harbour Pontoon Berthing Project scheme, using the Town Dock assessment of running costs and an assessment of income at different occupancy rates. The analysis is attached to this report as Appendix 3.
- 4.14 The assessment that is Appendix 3 utilises the known maintenance costs of the Town Dock less the saving on existing maintenance regimes, Harbour Authority income estimates (based on £129.95 per metre) including a 3-year phased uplift of existing mooring holders to the new Torquay Inner Harbour Pontoon Berthing rate and a 20-year/25-year repayment period under prudential borrowing rules for a £800,000 investment. The table indicates that net operating income is sufficient to meet annual principal and interest repayments. At the end of a 20-year term, it is estimated that a net income surplus of £569,562 could be generated for investment in harbour infrastructure and services plus possible early repayment of some of the loan principal. A 25-year term could deliver a surplus of £700,565.

- 4.15 A range of sensitivity analyses have also been undertaken to assess the impact of changes to some of the variables i.e. income and expenditure. Thus an inflation rate of 2.5 % per annum has been added to the operating expenditure heads. A 70% occupancy rate has been used in the 25 year plan and an occupancy rate of 80% has been used in the 20 year plan. Furthermore it has been assumed that prices will increase on average by 2.5% per annum. Income forecasts for both the 20 year and 25 year plans have assumed that existing customers remain on the current rate of harbour charges but if a 3-year staged increase is approved then a further minimum income of £6,700 can be achieved in years one, two and three. Obviously an increase in the construction costs will incur an annual increase in principal and interest repayments and similarly any increase in annual operating costs will incur annual increases in expenditure. However, given that the predicted surplus and the potential additional income from existing customers can both be used to support additional borrowing and if necessary the harbour reserve fund could be used to reduce the initial or subsequent level of borrowing; the scheme is considered to be financially viable.
- 4.16 The Torquay Inner Harbour Pontoon Berthing Project will improve access to moorings for harbour customers and the community. There are no obvious negative impacts in respect of environmental sustainability or crime and disorder.

5. Possibilities and Options

- 5.1 To continue with the existing provision of chain moorings, without providing improved mooring opportunities for local people. This option would still require some considerable capital investment because new ground chains would be required throughout the inner harbour and it would mean that the unsightly tender racks would remain on the top of the old inner harbour slipway. Furthermore the Harbour Authority would need to enter into a costly contract for mooring maintenance using professional diving services.
- 5.2 To allow MDL, or another operator, to develop, own and manage a pontoon berthing facility in Torquay's inner harbour. Based on the existing rental terms for Torquay Marina this option does not improve the income received from the existing inner harbour moorings (assuming occupancy rates returned to previous levels). This option would not sit well with the harbour user group or the Harbour Liaison Forum who have always promoted a Council run facility.

6. Preferred Solution/Option

- 6.1 That the proposal to replace the existing chain trot moorings in Torquay's inner harbour is approved and that the new facility is owned and managed by Tor Bay Harbour Authority on behalf of Torbay Council.

7. Consultation

7.1 On the 2nd June 2009 the Executive Head of Tor Bay Harbour Authority advised the Torquay & Paignton Harbour Liaison Forum that in line with the Tor Bay Harbour and Maritime Strategy he was considering further improvements to harbour facilities and infrastructure. The Forum was asked for their views on the idea of replacing the Torquay inner harbour chain moorings with pontoon berths. An indicative drawing of the pontoon layout (similar to Appendix 1) was circulated for discussion. After a brief debate the Forum broadly supported the idea but several people recognised that the pricing structure would need careful consideration.

7.2 In 2009 as part of the Harbour Authority's Annual Users Survey customers were asked the following questions :-

- (i) Do you think Tor Bay Harbour should provide further pontoon moorings for use by annual berth holders ?
- (ii) Where would you like to see further pontoon berthing ?
- (iii) Which market sector should the Harbour Authority target for its pontoon berthing ?

In response to these questions 86.6% said yes to Question (i), 80% of Torquay respondents said 'Torquay inner harbour' and 54% said the market sector should be 'Town Dock' style i.e. limited water/electricity, basic security, local priority and pricing similar to the Town Dock. The 2012 Annual Users Survey response to the market sector Question gave 86% in support of a 'Town Dock' style facility with limited water/electricity, basic security and local priority.

7.3 On the 29th May 2012 the Torquay & Paignton Harbour Liaison Forum were provided with a sketch (similar to Appendix 1) of the proposed Torquay Inner Harbour Pontoon Berthing scheme and the Executive Head of Tor Bay Harbour Authority gave an overview of the project. Consequently the Liaison Forum provided unanimous support for the moorings upgrade.

7.4 This season the Harbour Authority conducted a survey of existing Town Dock customers, those on the Town Dock waiting list and existing Inner Harbour customers. The main results are set out below :-

13 Town Dock customers would consider a new inner harbour berth

8 Town Dock waiting list customers would consider a new inner harbour berth while they waited for a Town Dock berth

80% of Inner Harbour customers who responded would welcome a new pontoon style berth

7.5 On 23rd July 2012 the Mayor, the Harbour Committee Chairman and the Executive Head of Tor Bay Harbour Authority met with Marina Developments Ltd. Feedback from the Managing Director of MDL indicated that they were concerned that they

might be damaged or disadvantaged by the Council's proposals. Subsequently the Executive Head of Tor Bay Harbour Authority provided MDL with some reassurance regarding the scale of the project and the target market.

7.6 Relevant Council officers and a number of taxi drivers have been approached regarding the Victoria Parade location for the embarkation bridge. No concerns were forthcoming.

8. Risks

8.1 There is a risk that the harbour account may not be able to meet the cost of the prudential borrowing. However, a financial sensitivity analyses has been undertaken, drawn from Appendix 3 and this is detailed in paragraph 4.15.

8.2 There is a risk that the inner harbour half-tide cill could fail and boats moored on the new pontoons would subsequently sustain damage if the water level fell too low. To mitigate against this risk the inner harbour half-tide cill is the subject of a clear planned maintenance regime which includes regular underwater inspections. Furthermore, harbour staff are trained to operate emergency procedures, with an alternative power pack in the event of a power failure.

8.3 As detailed in 4.6 and 4.7 above, there is a risk that MDL might see this project as a 'marina' and use the terms of their lease to challenge the Council's right to replace the existing inner harbour chain moorings with new pontoon berths.

8.4 There is a residue risk that Torquay harbour may be unable to grow its reputation for high quality maritime facilities if the Torquay Inner Harbour Pontoon Berthing Project is not developed.

8.5 An environmental risk always exists if any boat discharges pollution into the harbour but in this location, behind a half-tide cill, the problem would be more apparent and could be more damaging. Even though the proposed pontoon berthing project will not increase the mooring capacity in this area of the harbour the occupancy rate is expected to rise considerably. Also, the improved facilities will encourage greater use of craft by their owners and consequently the possibility of people staying on their boats overnight. This environmental risk will be mitigated by educating customers and backing this up with the threat of bye-law enforcement. Furthermore, it might be possible to provide some quayside toilets adjacent to the access bridge on Victoria Parade or on pontoons within the structure itself.

Appendices

Appendix 1 Torquay Inner Harbour - Proposed Pontoon Layout

Appendix 2 Torquay Inner Harbour Pontoon Berthing Project Brief

Additional Information

The following documents/files were used to compile this report:

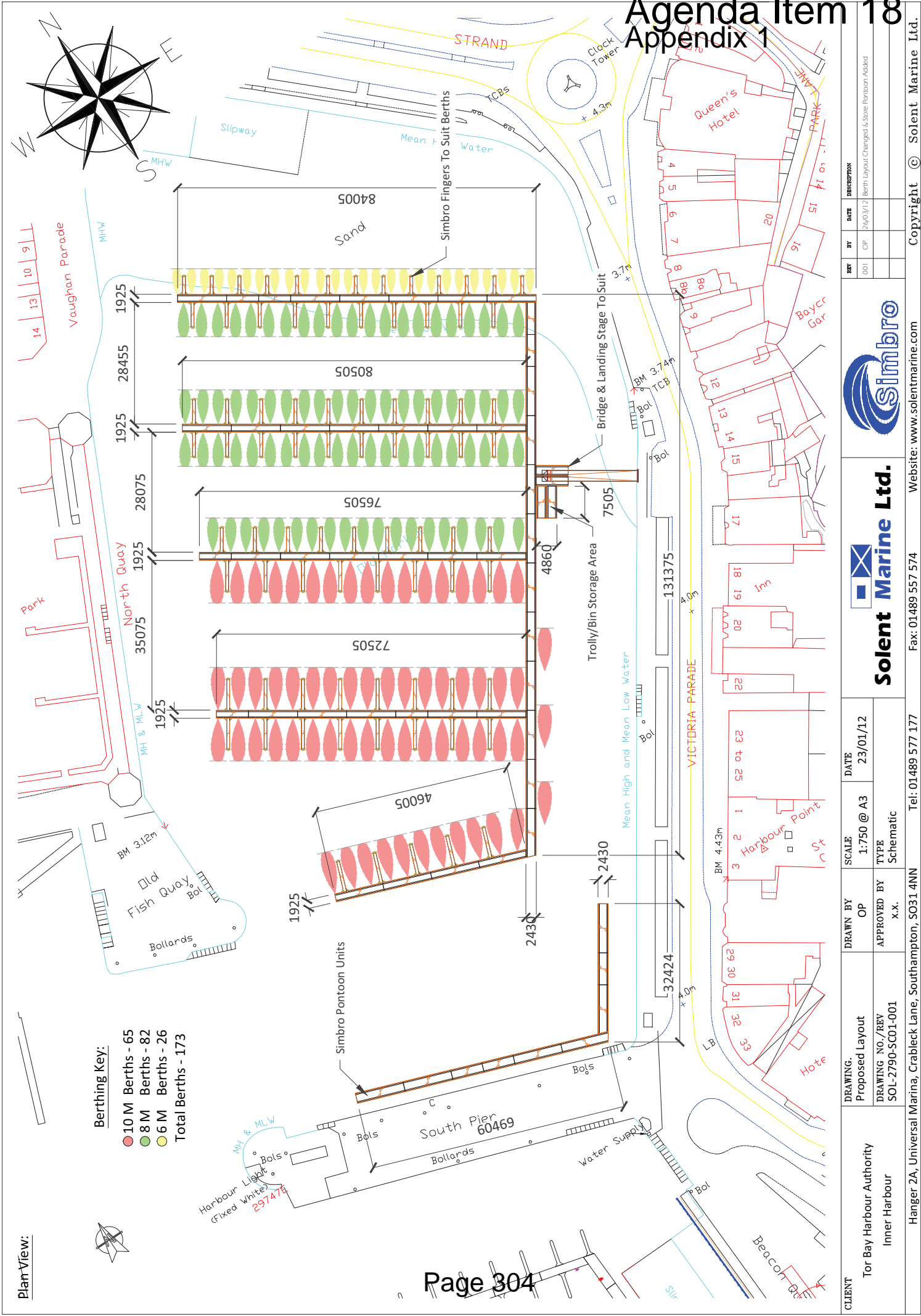
Torquay Inner Harbour Pontoon Berthing Project – Harbour Committee Report 11/6/12

Torquay Harbour Town Dock Report - Report 172/2006

Torquay Inner Harbour Pontoon Berthing Project – June 2009

Torquay Inner Harbour Pontoon Berthing Project – Forward Plan entry Ref. 25/2009 &
I009414

Lease Agreement for Torquay Marina (5th October 1987)



REV	BY	DATE	DESCRIPTION
001	OP	26/03/12	Berth Layout Changed & Store Pontoon Added

CLIENT Tor Bay Harbour Authority Inner Harbour	DRAWING: Proposed Layout	SCALE 1:750 @ A3	DATE 23/01/12
	DRAWING NO./REV SOL-2790-SC01-001	DRAWN BY OP	APPROVED BY x.x.

Solent Marine Ltd.		Simbro	
Website: www.solentmarine.com		Copyright © Solent Marine Ltd.	
Tel: 01489 577 177		Fax: 01489 557 574	
Client: Hanger 2A, Universal Marina, Crableck Lane, Southampton, SO31 4NN			

Tor Bay Harbour Authority

TORQUAY INNER HARBOUR PONTOON BERTHING PROJECT BRIEF

1. The project is intended to replace 173 trot moorings with a piled system of pontoon berths, linked to the shore with an access bridge.
2. The main purpose of providing the berthing will be for use by local resident boats and customers in the wider South Devon sub region.
3. A site plan of the available harbour area is attached.
4. The project should be able to accommodate 173 craft ranging in size from 6metres to 10metres in length.
5. The craft on existing chain moorings range in length from 4.87metres to 9.14metres.
6. The use of finger pontoons should be utilised.
7. Power and water services are not required to individual berths but can be made available to each arm of finger pontoons.
8. Adequate pontoon lighting and navigation lights should be installed.
9. The project is aimed at local boat owners that desire an affordable berth. A comprehensive service normally associated with a Marina will not be required. i.e. 24-hour staff cover, power and water supply easily accessible to each berth, the provision of a laundrette and similar ancillary facilities.
10. Pontoon decking should be based on the need for durability rather than comfort, the use of concrete should be considered if it provides sufficient advantages. An indication of the likely maintenance cycle and associated costs should be given for any recommended system.
11. Borehole ground investigations have previously been carried out and the results of these investigations are available on request.
12. A full bathymetric survey of the harbour is also available on request. Dredging is not considered necessary given the size of the target craft.

13. Safe fairways must exist around the pontoons to allow access to the half-tide cill.
14. Consideration should be given to a floating pump-out station and/or a limited number of floating toilet facilities.
15. An access bridge for pedestrians and trolleys, with a security gate, should be located off Victoria Parade. The bridge landing pontoon should be large enough to accommodate trolley storage and waste bins.
16. The existing chain moorings system will need to be removed and the contractor will need to work around a number of moored craft.
17. The project must follow the Code of Practice for the Design, Construction and Operation of Coastal and Inland Marinas and Yacht Harbours produced by the British Marine Industries Federation.

June 2012

Agenda Item 18 Appendix 3

DETAILED ANALYSIS OF COSTS AND INCOMES ASSOCIATED WITH TORQUAY INNER HARBOUR PONTOON SCHEME

Note	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	TOTALS		
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
Annual Operating Costs:																												
Repairs & Maintenance																												
Annual	2,000	2,100	2,200	2,300	2,400	2,500	2,600	2,700	2,800	2,900	3,000	3,100	3,200	3,300	3,400	3,500	3,600	3,700	3,800	3,900	4,000	4,100	4,200	4,300	4,400	4,400	80,000	
Every 3rd Year						2,500			2,800			3,100			3,400			3,700			4,000			4,300			24,000	
Every 5th Year						2,500			3,800			5,100			6,400			7,700			9,000			10,300			25,300	
1a. Every 10th Year but set aside to fund						3,120	3,120	3,120	3,120	3,120	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	40,000	
Rates	4,539	4,700	4,800	4,900	5,000	5,100	5,200	5,300	5,400	5,500	5,600	5,700	5,800	5,900	6,000	6,100	6,200	6,300	6,400	6,500	6,600	6,700	6,800	6,900	7,000	8,000	180,000	
1. Other Operating costs	4,750	4,900	5,000	5,100	5,200	5,300	5,400	5,500	5,600	5,700	5,800	5,900	6,000	6,100	6,200	6,300	6,400	6,500	6,600	6,700	6,800	6,900	7,000	7,100	7,200	8,400	180,000	
2. Other Operating costs	14,409	14,820	15,120	15,420	15,720	16,020	16,320	16,620	16,920	17,220	17,520	17,820	18,120	18,420	18,720	19,020	19,320	19,620	19,920	20,220	20,520	20,820	21,120	21,420	21,720	22,020	544,400	
3. Annual Income:																												
Moorings Fees	(121,041)	(124,067)	(127,200)	(130,400)	(133,700)	(137,000)	(140,400)	(143,900)	(147,500)	(151,200)	(155,000)	(158,900)	(162,900)	(167,000)	(171,200)	(175,500)	(179,900)	(184,400)	(189,000)	(193,700)	(198,500)	(203,500)	(208,600)	(213,800)	(219,100)	(219,100)	15,000	
Net Annual Operating Surplus:	(108,632)	(109,247)	(112,080)	(114,980)	(117,980)	(121,480)	(124,080)	(127,280)	(130,980)	(135,100)	(139,600)	(144,500)	(149,900)	(155,800)	(162,200)	(169,000)	(176,200)	(183,800)	(191,800)	(200,200)	(209,000)	(218,200)	(227,800)	(237,800)	(248,100)	(258,600)	624,935	
Principal repayment on Loan of £800k	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	1,380,000	
Net annual (Surplus)/Deficit	(54,347)	(54,962)	(57,795)	(60,695)	(63,695)	(66,195)	(69,795)	(72,995)	(76,695)	(80,815)	(85,315)	(90,215)	(95,615)	(101,515)	(107,915)	(114,715)	(121,915)	(129,515)	(137,515)	(145,915)	(154,715)	(163,915)	(173,515)	(183,515)	(193,815)	(204,315)	1,380,000	
Cumulative (Surplus)/Deficit	(54,347)	(109,309)	(167,104)	(227,799)	(291,494)	(359,279)	(431,064)	(506,849)	(586,634)	(670,419)	(763,204)	(865,089)	(976,074)	(1,095,259)	(1,222,744)	(1,359,529)	(1,505,714)	(1,661,299)	(1,827,284)	(2,003,669)	(2,190,454)	(2,387,639)	(2,595,224)	(2,813,209)	(3,041,594)	(3,280,279)	1,380,000	
Less: existing mooring mtee. costs	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	32,500	
5. Less: loss of existing trot mooring inc.	47,229	48,400	49,600	50,800	52,100	53,400	54,700	56,100	57,500	58,900	60,400	61,900	63,400	64,900	66,400	67,900	69,400	70,900	72,400	73,900	75,400	76,900	78,400	79,900	81,400	82,900	84,400	2,000
Net annual (Surplus)/Deficit	(6,419)	(7,892)	(9,595)	(11,595)	(13,895)	(16,495)	(19,395)	(22,495)	(26,195)	(30,515)	(35,415)	(40,815)	(46,715)	(53,115)	(60,015)	(67,415)	(75,315)	(83,715)	(92,615)	(102,015)	(111,915)	(122,315)	(133,215)	(144,615)	(156,515)	(168,915)	(181,815)	1,380,000
Cumulative (Surplus)/Deficit	(6,419)	(14,311)	(23,906)	(35,401)	(48,896)	(64,391)	(81,886)	(101,381)	(122,876)	(146,371)	(171,866)	(199,361)	(228,856)	(260,351)	(293,846)	(329,341)	(366,836)	(406,331)	(447,826)	(491,321)	(536,816)	(594,311)	(653,806)	(715,301)	(779,796)	(847,291)	(917,786)	1,380,000

Notes:

- Inflation of 2.5% per annum added to operating expenditure heads.
- Although these costs are incurred every 10 years, the assessment assumes an annual set aside to meet this expenditure by year 10, thus smoothing the cost.
- Costs Training, Cleaning, Electricity, Consumables, P & S and Communication.
- Assumes 70% capacity year 1 and that charges are increased in line with inflation each year (2.5% in this assessment).
- Based on equal annual repayments of principal and interest over 25 years.
- Excludes income & expenditure of current trot moorings that will be forgone.

DETAILED ANALYSIS OF COSTS AND INCOMES ASSOCIATED WITH TORQUAY INNER HARBOUR PONTOON SCHEME

Note	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	TOTALS
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
1. Annual Operating Costs:	2,000	2,100	2,200	2,300	2,400	2,500	2,600	2,700	2,800	2,900	3,000	3,100	3,200	3,300	3,400	3,500	3,600	3,700	3,800	3,900	59,000
1. Repairs & Maintenance						2,500	2,600	2,700	2,800	2,900	3,000	3,100	3,200	3,300	3,400	3,500	3,600	3,700	3,800	3,900	15,500
1. Annual						2,500	2,600	2,700	2,800	2,900	3,000	3,100	3,200	3,300	3,400	3,500	3,600	3,700	3,800	3,900	8,500
1a. Every 3rd Year									3,800									4,700			8,500
1. Every 9th Year									3,800									4,700			8,500
1. Every 10th Year but set aside to fund.									3,800									4,700			8,500
1. Rates	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	72,080
1. Other Operating costs	4,539	4,700	4,800	4,900	5,000	5,100	5,200	5,300	5,400	5,500	5,600	5,700	5,800	5,900	6,000	6,200	6,400	6,600	6,800	7,000	112,439
2.	4,570	4,700	4,800	4,900	5,000	5,100	5,200	5,300	5,400	5,500	5,600	5,700	5,800	5,900	6,000	6,200	6,400	6,600	6,800	7,000	112,470
	14,229	14,820	14,920	15,220	15,620	18,320	16,120	16,420	23,320	17,900	18,200	21,800	18,800	19,100	22,800	19,900	20,400	29,300	21,400	21,900	379,989
3. Annual income:	(131,950)	(135,200)	(138,600)	(142,100)	(145,700)	(149,300)	(153,000)	(156,800)	(160,700)	(164,700)	(168,800)	(173,000)	(177,300)	(181,700)	(186,200)	(190,900)	(195,700)	(200,600)	(205,600)	(210,700)	(3,368,650)
Mooring Fees	(117,721)	(120,590)	(123,680)	(126,880)	(130,180)	(133,680)	(136,880)	(140,380)	(137,380)	(146,800)	(160,800)	(151,400)	(158,500)	(162,800)	(163,400)	(171,000)	(175,300)	(171,300)	(184,200)	(188,800)	(2,988,661)
4. Principal repayment on Loan of £800k.	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	62,321	62,821	63,321	63,821	64,321	64,821	1,246,920
Net annual (Surplus)/Deficit	(55,900)	(68,769)	(61,859)	(65,059)	(68,359)	(69,159)	(75,059)	(78,559)	(75,559)	(84,979)	(88,779)	(89,579)	(96,679)	(100,779)	(101,079)	(108,179)	(111,979)	(107,479)	(119,879)	(123,979)	(1,741,641)
Cumulative (Surplus)/Deficit	(55,900)	(114,669)	(176,518)	(241,577)	(309,936)	(379,095)	(454,154)	(532,713)	(608,272)	(688,251)	(782,030)	(871,609)	(968,288)	(1,069,067)	(1,170,146)	(1,278,325)	(1,390,304)	(1,497,783)	(1,617,662)	(1,741,641)	
Less: existing mooring mtc. costs	(1,300)	(1,300)	(1,360)	(1,390)	(1,420)	(1,460)	(1,500)	(1,540)	(1,580)	(1,620)	(1,660)	(1,700)	(1,740)	(1,780)	(1,820)	(1,870)	(1,920)	(1,970)	(2,020)	(2,070)	(33,050)
5. Less: loss or existing trot mooring inc.	47,229	46,400	49,600	50,800	52,100	53,400	54,700	56,100	57,500	58,900	60,400	61,900	63,400	65,000	66,600	68,300	70,000	71,800	73,600	75,400	1,205,129
Net annual (Surplus)/Deficit	(9,971)	(11,689)	(13,619)	(16,649)	(17,679)	(17,219)	(21,859)	(23,999)	(19,639)	(27,699)	(30,039)	(29,379)	(35,019)	(37,559)	(36,299)	(41,749)	(43,899)	(37,649)	(48,299)	(50,649)	(569,562)
Cumulative (Surplus)/Deficit	(9,971)	(21,660)	(35,279)	(50,928)	(68,607)	(85,826)	(107,685)	(131,684)	(151,323)	(179,022)	(209,061)	(238,440)	(273,459)	(311,018)	(347,317)	(389,066)	(432,965)	(470,614)	(518,913)	(569,562)	

Notes:

1. Addition of 2.5% per annum added to operating expenditure heads.
- 1a. Although these costs are incurred every 10 years, the assessment assumes an annual set aside to meet this expenditure by year 10, thus smoothing the cost.
2. Cost of Training, Cleaning, Electricity, Consumables, P & S and Communication.
3. Assumes 80% capacity year 1 and that charges are increased in line with inflation each year (2.6% in this assessment).
4. Based on equal annual repayments of principal and interest over 20 years.
5. Existing income & expenditure of current trot moorings that will be forgone.

Equality Impact Assessment (EIA):

Name of Report/Proposal/Strategy:	Torquay Inner Harbour Pontoon Berthing Project
Name (Key Officer/Author):	Kevin Mowat Tor Bay Harbour Authority
Position:	Executive Head of Tor Bay Harbour Authority 01803 292429
Date:	15 th November 2012 Kevin.Mowat@torbay.gov.uk

Since the Equality Act 2010 came into force the council has continued to be committed to ensuring we provide services that meet the diverse needs of our community as well as ensure we are an organisation that is sensitive to the needs of individuals within our workforce. This Equality Impact Assessment (EIA) has been developed as a tool to enable business units to fully consider the impact of proposed decisions on the community.

This EIA will evidence that you have fully considered the impact of your proposal / strategy and carried out appropriate consultation with key stakeholders. The EIA will allow Councillors and Senior Officers to make informed decisions as part of the council's decision-making process.

Relevance Test – ‘A Proportionate Approach’

Not all of the proposals or strategies we put forward will be ‘relevant’ in terms of the actual or potential impact on the community in relation to equality and vulnerable groups. For instance, a report on changing a supplier of copier paper may not require an EIA to be completed whereas a report outlining a proposal for a new community swimming pool or a report proposing a closure of a service would.

Therefore before completing the EIA please answer the following questions. If you answer ‘yes’ to any of the questions below you must complete a full EIA.

1)	Does this report relate to a key decision?	Y
2)	Will the decision have an impact (i.e. a positive or negative effect/change) on any of the following: <ul style="list-style-type: none"> • The Community (including specific impacts upon the vulnerable or equality groups) • Our Partners • The Council (including our structure, ‘knock-on’ effects for other business units, our reputation, finances, legal obligations or service provision) 	Y Y Y

Section 1: Purpose of the proposal/strategy/decision

No	Question	Details
1.	Clearly set out the purpose of the proposal	<p>The inner harbour mooring facilities comprise of 173 'trot' or fore and aft style moorings. This traditional type of mooring vessels in close proximity to each other is no longer compatible with modern boat configurations. The moorings are arranged by a series of chains which attach to the seabed. The entire system is nearing its effective life end unless substantial repair & maintenance works are put into place. This provides the opportunity to upgrade and improve this area of the harbour closest to the town centre, bringing it into line and standard with the outer harbour facilities.</p> <p>The proposal is to withdraw all trot mooring facilities and replace with modern 'fit for purpose' pontoon berths to cater for the same size and number of vessels in the inner harbour. This provides a safer and more secure berth for vessels, is favoured by marine insurance companies, a preferred option for the existing mooring holders, providing a lower level of perceived risk in terms of damage to vessels and theft/vandalism of property and a much improved vista.</p>
2.	Who is intended to benefit / who will be affected?	<p>This proposal will directly affect and benefit the existing mooring holders, customers of the Harbour Authority, people on the moorings waiting list for an inner harbour berth and interested parties wishing to secure an affordable berth within Torquay Harbour subject to appropriate catchment area restrictions – preference is to be made to local residents wherever possible.</p> <p>Marina Developments Ltd (Torquay Marina) may be affected although the proposed project is targeting a different market. The capacity in the inner harbour will not be increased and will cater for all existing mooring holders in the first instance.</p> <p>No other stakeholders will be affected significantly.</p>

No	Question	Details
3.	What is the intended outcome?	<p>Improved modern pontoon berthing facilities</p> <p>Safer berthing with easier access, especially those with health & mobility issues</p> <p>Lower perceived risk – damage to boats – sinking boats – theft</p> <p>Better maintained craft due to improved access</p> <p>Huge increase in customer safety with walk on access to boats as opposed to use of individual tenders</p> <p>Removal of unsightly tender racks on the inner harbour slipway</p> <p>Increased mooring occupancy and increased income</p> <p>Bigger demand for more desirable facilities and a positive reputational impact</p>

Section 2: Equalities, Consultation and Engagement

Torbay Council has a moral obligation as well as a duty under the Equality Act 2010 to eliminate discrimination, promote good relations and advance equality of opportunity between people who share a protected characteristic and people who do not.

The **Equalities, Consultation and Engagement** section ensures that, as a council, we take into account the Public Sector Equality Duty at an early stage and provide evidence to ensure that we fully consider the impact of our decisions / proposals on the Torbay community.

Evidence, Consultation and Engagement

No	Question	Details
4.	Have you considered the available evidence?	Tor Bay Harbour Annual User Surveys between 2009 and 2012 show clear evidence of demand for such facilities.
5.	How have you consulted on the proposal?	Consultation on this proposal has been through the Torquay Harbour Users Association, the Torquay & Paignton Harbour Liaison Forum and the Council's Harbour Committee for a number of years now. It has also been the subject of specific questions within the Harbour Authority's Annual User Surveys.
6. Page 312	Outline the key findings	This project has enjoyed nearly 100% support from those consulted and it is clear recommendation from the Council's Harbour Committee. In 2009 86.6% of Harbour Users agreed that Tor Bay Harbour should provide further pontoon moorings for use by annual berth holders and 80% of Torquay respondents said these should be in Torquay inner harbour. The 2012 Annual Users Survey response to a market sector question gave 86% in support of a 'Town Dock' style facility in Torquay inner harbour.
7.	What amendments may be required as a result of the consultation?	No amendments are currently required as a result of consultation although final detailed design of the scheme can still be influenced by relevant stakeholders.

Positive and Negative Equality Impacts

No	Question	Details		
		Positive Impact	Negative Impact	Neutral Impact
8.	Identify the potential positive and negative impacts on specific groups	It is not enough to state that a proposal will affect everyone equally. There should be more in-depth consideration of available evidence to see if particular groups are more likely to be affected than others – use the table below. You should also consider workforce issues. If you consider there to be no positive or negative impacts use the 'neutral' column to explain why.		
	All groups in society generally	-	-	Y
	Older or younger people	Y	-	
	People with caring responsibilities	-	-	Y
	People with a disability	Y – if berth holder	-	Y
	Women or men	-	-	Y
	People who are black or from a minority ethnic background (BME)	(please note Gypsies / Roma are within this community) -	-	Y
	Religion or belief (including lack of belief)	-	-	Y
	People who are lesbian, gay or bisexual	-	-	Y
	People who are transgendered	-	-	Y
	People who are in a marriage or civil partnership	-	-	Y
	Women who are pregnant / on maternity leave	-	-	Y

9.	Is there scope for your proposal to eliminate discrimination, promote equality of opportunity and / or foster good relations?	This proposal has a neutral impact on the council's general duty to eliminate discrimination, promote equality of opportunity and / or foster good relations.
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Section 3: Steps required to manage the potential impacts identified

No	Action	Details
10.	Summarise any positive impacts and how they will be realised most effectively?	Ease of access to vessel moorings. This impact will be realised by the introduction of a pontoon system with a bridge ramp access to the shore. Benefits will be measured through the Harbour Users Annual Survey and the expected increase in mooring occupancy levels.
11.	Summarise any negative impacts and how these will be managed?	This EIA has not identified any potential for adverse impact in relation to equalities and all opportunities to promote equality have been taken.

Section 4: Course of Action

No	Action	Details
12.	State a course of action [please refer to action after section 5]	Outcome 1: No major change required - EIA has not identified any potential for adverse impact in relation to equalities and all opportunities to promote equality have been taken.

Section 5: Monitoring and Action Plan

		Details
No	Action	
13.	Outline plans to monitor the actual impact of your proposals	As the EIA has not identified any potential for adverse impact in relation to equalities, no specific monitoring requirements have been identified. The Harbour Authority will continue to conduct its Annual Harbour Users Survey.

Please use the action plan below to summarise all of the key actions, responsible officers and timescales as a result of this impact assessment

Action plan

Please detail below any actions you need to take:

No.	Action	Reason for action / contingency	Resources	Responsibility	Deadline date
1	Conduct an Annual Harbour Users Survey	To monitor any unforeseen impact in relation to equalities.	Tor Bay Harbour Authority business unit	Kevin Mowat	September 2015
2					
3					
4					
5					

Overview & Scrutiny

Confidence in your Council



Allocations Policy and Local Tenancy Strategy

Report of the Overview and Scrutiny Board

At its meeting held on 21 November 2012, the Overview and Scrutiny Board were presented with a report which provided information on a review of how the Council made social housing allocations, managed its waiting lists and made use of tenancies for social housing as a result of new powers available under the Localism Act 2011.

The Localism Act had created a statutory requirement for all local authorities to develop a Tenancy Strategy which must include the high level objectives that registered providers in the area are able to “have regard to” when considering their own tenancy policies. The Tenancy Strategy should be developed alongside the authority’s Allocation Scheme.

In considering the officer recommendations to the Council that:

- (i) the Council continue with the Devon Home Choice partnership agreement and allocations policy and review the future policy approach when the next review of Devon Home Choice is completed; and
- (ii) the Local Tenancy Strategy (appended to the report) be published in January 2013 and local registered housing providers be encouraged to have due regard to Torbay’s Local Tenancy Strategy

the Overview and Scrutiny Board made the following points:

- **There was a view expressed that the use of Flexible Tenancies should be limited in order to foster better balanced housing estates.**
- **The impact of housing benefit reforms on social landlord tenants would need to be reviewed in order to understand the level of demand for homes with specific numbers of bedrooms.**
- **The Council should look to achieve more, within the Tenancy Strategy, than the statutory minimum in relation to the Military Covenant.**



Agenda Item 23



Meeting: Council

Date: 6 December 2012

Wards Affected: All Wards

Report Title: Proposed Council Tax Support Scheme 2013/14

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1. Purpose of Report

1.1 The Local Government Finance Bill sets out measures that will require all Council Tax billing authorities to devise a local Council Tax Support Scheme to replace the current national Council Tax Benefit Scheme.

1.2 This report sets out the Council's proposed responses to the measures set out in the Bill and provides appropriate delegations that will allow implementation of proposals in accordance with the required timescales.

2. Proposed Council Tax Support Scheme

2.1 The proposed local scheme and its financial impacts have been calculated by changing specific variables that are used in the existing Council Tax Benefit Regulations 2006. As defined by the Department for Communities and Local Government (DCLG), all pensioners will be protected under the national framework.

2.2 Protection for vulnerable working age groups will be in line with the current Council Tax Benefit (CTB) legislation. In view of this a Vulnerable Policy has been developed, which is set out at Appendix C.

2.3 In order to mitigate the impact of the scheme on vulnerable groups it is proposed that an Exceptional Hardship Fund will be available to allow the Council to support the most vulnerable households on a case by case basis. Details of this fund are set out at Appendix A. Discretionary reductions are allowed under section 13A (1) (c) of the Local Government Finance Act.

2.4 The proposed changes are:

1. Council Tax Support is assessed on 75% of a household's Council Tax liability.

The Council currently assists households on the lowest incomes to pay up to 100% of their Council Tax. Under this proposal all working age households currently receiving Council Tax Benefit would have to pay an extra 25% of their Council Tax bill.

2. There will be no entitlement to Council Tax Support where the applicant has savings over £6,000.

In the current scheme working age households who have savings of £16,000 or more are not entitled to Council Tax Benefit. Under this proposal this will be reduced to £6,000 and households that have above this amount will not be entitled to Council Tax Support.

3. Second Adult Rebate will be removed.

The current scheme enables single people who are not entitled to Council Tax Benefit in their own right, because their income or savings are too high to claim a discount of up to 25% of their bill if they have another adult living with them on a low income. Under this proposal all working age people currently claiming Second Adult Rebate will not be entitled to Council Tax Support.

2.5 The implementation of the proposed new scheme of Local Council Tax Support, based on reduced levels of funding will affect all working age claimants. In designing the scheme the Council has performed an Equalities Impact Assessment and has had regard to:

- Detailed analysis of the Council's caseload data.
- Extensive consultation exercises performed with the public and other stakeholders, including the voluntary sector and representative groups.
- Consultation with major preceptors - Devon County Council, Police and Fire authorities.

2.6 The Equality Impact Assessment has highlighted a disproportionate impact on households where a Band D restriction combined with the 75% limitation applies.

2.7 As a result it is recommended that this proposal is delayed for the first year of the scheme and subject to a further review during 2013/14.

2.8 For further details of the impact assessment please refer to Appendix F, the Equality Impact Assessment report.

3. Action Needed

- 3.1 To agree a local scheme to calculate Council Tax Support from 1 April 2013 and the introduction of a discretionary fund that will allow the Council to mitigate the impact of the proposed scheme on the most vulnerable residents.

Proposed Decision

It is recommended that:

- (i) The proposed local Council Tax Support scheme as set out in Section 2 above be approved.
- (ii) The proposed Vulnerable policy, as set out at Appendix C, be approved.
- (iii) The proposed Exceptional Hardship Fund policy, as set out at Appendix A, be noted.
- (vi) That delegated authority be granted to the Executive Head of Finance, in consultation with the Executive Lead for Finance and Audit, to make any further adjustments (including those required by any changes to the regulations as approved by parliament) to implement the proposed Council Tax Support scheme, the proposed Exceptional Hardship Policy and Fund and the proposed Vulnerable policy.

4. Summary

4.1 The recently enacted (1 November 2012) Local Government Finance Act requires that all local authorities must approve their Local Scheme for Council Tax Support by 31 January 2013 prior to the Schemes inception on 1 April 2013.

4.2 In practice, local authorities need to have schemes designed, with supporting customer communication plan, business processes and information technology in place, ready for the 2013/14 Council Tax billing which occurs in early March 2013. It is therefore necessary that proposals for the new scheme arising from this report are approved at this meeting.

5. Introduction

5.1 The changes to Council Tax Benefit are part of a wider series of changes and reforms within the government's welfare reform agenda. This has a theme of consolidation and centralisation of rules based benefits and support, whilst discretionary benefits are localised or outsourced (with reduced budgets calculated from baseline spend at an agreed point in time).

5.2 As part of this agenda, the following changes will impact on the Council in terms of ownership and administration:

- Between 2013 and 2017, Housing Benefit (currently administered by the Council) will be phased out and help with housing costs will form part of a Universal Credit benefit that will be administered by the Department of Work and Pensions (DWP)
- On 1 April 2013, the national Council Tax Benefit scheme will be abolished and will be replaced with locally determined Council Tax Support schemes with funding of approximately 90% of current spend, (but detailed calculations are yet to be confirmed)
- From 2013, the Council's Discretionary Housing Payment (DHP) budget will only be available to support individuals with shortfalls in Housing Benefit. Therefore, if additional financial support is required to assist households suffering severe financial hardship and unable to pay their Council Tax a discretionary scheme will need to be introduced as a local arrangement

5.3 The Government has stated that it has two underlying principles behind the localisation of Council Tax Benefits in England:

1. Localised schemes should provide support for the most vulnerable, including vulnerable pensioners;
2. Localised schemes should assist with lifting the poorest off benefits and supporting them into work.

5.4 The government's ambition to put this legislation into effect is included in the Local Government Finance Act 2012.

Current Council Tax Benefit Scheme

5.5 The current Council Tax Benefit scheme has been in place since the introduction of Council Tax in 1993. It is a national scheme administered by local authorities but prescribed in extensive detail by the DWP.

5.6 Claimants who receive the DWP means-tested benefits (income-based Jobseekers' Allowance, Income Support, income-related Employment & Support Allowance and Pension Credit that includes the Guarantee Credit) are entitled to maximum help with their Council Tax without further means testing; they are "passport" to full benefit (subject to any contribution needed from other people in their household). Others can receive help on the basis of a complex means test, assessed by the Council that provides a level of help proportionate to the claimant's circumstances and income. Council Tax Benefit pays the full liability for Council Tax for the poorest claimants.

5.7 The DWP fully fund local authorities with Council Tax Benefit expenditure; local authorities therefore do not carry the risk of changing caseloads or changes in the level of deprivation.

5.8 The number of people claiming Council Tax Benefit in October 2012 was just over 18,000, of which around 9,800 are working age and around 8,200 are pensioners. According to the 2011 Census there are 59,000 households in Torbay, which means nearly 1 in 4 households are financially supported by the current scheme.

5.9 In 2011/12 Torbay Council paid around £15.7m Council Tax Benefit.

Designing the Council Tax Support Scheme

5.10 The key issues and constraints facing local authorities in designing their local Council Tax Support schemes were and continue to be:

- At the time of designing, costing and consulting on a local scheme the detailed supporting legislation had yet to be agreed, however it is likely that any changes will be made
- The funding to be provided for the new provision will be cut by an envisaged 10%, although full details of this are not yet available
- Council Tax collection from those households that receive partial Council Tax Benefit is already more difficult than from those with incomes above the benefit threshold; the changes will mean that Council Tax collection will be even more challenging
- The risk of changing caseloads is transferred to local authorities; unlike now, funding will be determined in advance, not based on actual spend.
- The new scheme will need to be up and running, with existing cases assessed by early March 2013 so that claimants receive rebated bills where appropriate; the timescale for designing, consulting on and implementing a new scheme is therefore extremely challenging.
- If the Council doesn't introduce a local scheme by the due date then a default scheme developed by the DCLG will apply; as this will mirror the current DWP scheme in all material effects, it will lead to costs similar to those currently incurred and lead to a budget shortfall for the Council and the major preceptors – the Police and Fire Authorities

Financial Implications of the Council Tax Support Scheme

5.11 It should be noted that the Council and the major preceptors will bear the final cost of proposed scheme. Any attempt to best estimate the cost of the scheme and the accuracy of the estimates is limited by:

- *Activity levels* - the cost of the scheme will depend on the number of claims received which is dependant on the local economy
- *Impact on collection rates* – just over 70% of working age households currently claiming CTB will have to pay Council Tax for the first time. Any variation from the estimate will fall as a surplus or deficit on the collection fund, which will impact on the Council and major preceptors in the following year.

5.12 The features of the proposed local Council Tax Support Scheme are designed to offset reductions in government funding for Council Tax Support and create a financially sustainable arrangement for both Torbay Council and the major preceptors.

5.13 Firm details of grant funding are unlikely to be available prior to December 2012 when the Council's financial settlement will be published. The analysis below is therefore necessarily based on estimated amounts.

Torbay's Estimated Scheme Funding

Council Tax Benefit 2011/12 Expenditure (Torbay's Share)	£13.3m
Less Scheme Funding (to be confirmed December 2012)	£11.7 m
Funding Shortfall	£1.6m
Proposed Scheme Reduction	£1.9m
Allowance for Exceptional Hardship Fund	£80k
Loss in Collection	£220k
Net Reduction	£1.6m

6. Options

6.1 The Council has two principal options in designing a new Council Tax Support Scheme:

- I. Create a scheme that replicates existing arrangements as far as possible (known as the 'default' scheme since such a scheme will be imposed on Councils that fail to implement a local scheme)
- II. Introduce a 'new' scheme.

6.2 In considering options the Council needs to be mindful of key constraints:

- Government funding for the local schemes will be reduced compared to the existing national funding for Council Tax support; details are not yet available but in broad terms it is expected that the Council's grant funding for council tax support will only cover only 90% of the costs of the existing scheme based on current claimant numbers.
- It is a requirement that pensioners will be protected under the new scheme where the level of support will be no less than the amount of Council Benefit currently paid.
- The Council has a duty to consider the impact of the local scheme on vulnerable groups.

6.3 On 16 October 2012, the Parliamentary Under Secretary of State for Communities and Local Government, Brandon Lewis announced that a new £100 million transition grant would be available to "encourage best practise" in the design of local schemes.

6.4 This was followed up on 19 October 2012 with a document, Localising Support for Council Tax, Transitional Grant Scheme, that set out the following criteria that would need to be met for a grant to be paid in addition to a statement of the amount that would be available.

1. *Those who would be on 100% support under current Council Tax benefit arrangements pay between zero and no more than 8.5% of their council tax liability;*
2. *The Income Taper rate does not increase above 25%; and*
3. *There is no sharp reduction in support for those entering work – for claimants currently entitled to less than 100% support, the taper will be applied to an amount at least equal to their maximum eligible award.*

6.5 The grant is for one year only and there is no indication or expectation that further payments will be made in future years.

6.6 This option was considered, however due to the terms and conditions of the grant it would not be financially viable.

6.7 This report proposes that the Council will introduce a 'new' local scheme on the grounds of financial sustainability, a desire to support the government policy of incentivising work rather than benefits and having regard to the outcome of extensive consultations with the public and major preceptors (for whom the financial sustainability of local schemes is a major issue).

Devon Wide Scheme

6.4 Devon's Revenue and Benefit managers have been working together to design a Devon wide framework for the local schemes across the county. The over arching principle is to develop a cost neutral scheme, however due to different demographics of individual billing authorities there will be local variations within framework.

6.5 The major preceptors, Devon County Council, Police and Fire authorities have been fully engaged throughout this process. They have also indicated that provided schemes are cost neutral they would not object to the scheme details.

6.6 A detailed analysis of over 35 different financial models of reducing support were evaluated, based upon the principles of fairness, ease of understanding and ease of administration, taking into account the demographic profile of current Council Tax Benefit claimants.

6.7 For the majority of Devon authorities the core scheme will consist of a maximum eligibility cap, set individually by each authority, ranging from 75% to 80% of the Council Tax liability, rather than the current 100% - Torbay's will be based on 75% when calculating Council Tax Support.

6.8 Devon's recommended schemes are set out at Appendix D.

Protecting the Vulnerable

6.9 In order to mitigate the impact of the scheme on other vulnerable groups an Exceptional Hardship Fund will be available that will allow the Council to support the most vulnerable residents on a case by case basis. A copy of the policy is set out in Appendix A and the fund in Appendix B.

Impact on Council Services

6.10 Introduction of the local scheme is likely to create additional demands on the Council's services, particularly in dealing with customer queries, debt collection and recovery. Much of the additional activity can be attributed to the features of the local scheme designed to deliver a financially sustainable arrangement.

7. Preferred Option

7.1 The Council has throughout its consideration of its options looked at the equalities impacts of any proposals that could be put forward. The Council's scheme is designed to minimise as much as possible the impact on particular groups. Likewise, regard has been made to wider decisions across the authority that may also impact on similar groups of service users for example, to assess any cumulative impact which should be taken into account in reaching the decision.

7.2 In light of the consultation responses and the impact assessment the proposed scheme has been designed to be financially sustainable and compliant with Government guidelines.

7.3 The proposed scheme will generate the required reductions based on current Council Tax Benefit data of approximately £2.2million for the whole scheme.

7.4 The Council's Vulnerable Policy and the Exceptional Hardship Fund are mitigating features of the new scheme to manage potential negative impacts on vulnerable groups. Detailed proposals in respect of the Hardship fund and Vulnerable Policy are appended.

8. Consultation

8.1 All Devon authorities consulted with public and key stakeholders on the proposed on the scheme between 6 August and 30 September 2012, as part of a coordinated county-wide approach.

8.2 The consultation approach aimed to ensure all residents in Torbay, including voluntary and representative groups, had the opportunity to have their say about the draft scheme proposals.

8.3 The consultation approach was as follows:

- The main public consultation was a web-based approach, initiated by a letter sent to all working age households, advising them of the proposed changes and the consultation. The letter explained that there would be an on-line survey and that paper questionnaires were also available, if required from Council reception areas
- The public consultation was supplemented with a stakeholder event specifically for representative groups and voluntary sector organisations
- The Council's Viewpoint panel members were contacted to make them aware of the consultation and were invited to take part
- Leaflets and posters were sent out to a number of different agencies, such as Westcountry Housing, Sanctuary Housing and the Citizen's Advice Bureau
- The major preceptors, Police and Fire authorities as well as Devon County Council, have been fully engaged through the workshops developing the county wide scheme.

8.4 For further details of the consultation please refer to Appendix E, the Consultation Feedback report.

9. Risks

In general, considerable uncertainty remains around important matters in respect of these proposals, principally around the detailed legislation and the Council's financial settlement which have yet to be determined. However, the timetable for implementation requires the Council to make decisions now.

The risks associated with the decision Full Council is asked to make and proposed actions to mitigate those risks are set out in the table below.

Risks	Likelihood	Impact	Mitigating actions
Failure to adopt a local scheme in time, which would lead to the Government imposing a default scheme	2	5	The establishment of the Devon Group and the development of a comprehensive plan will ensure that all areas of the project are scoped, analysed and executed
Adverse economic conditions may result in an increase in the current Council Tax Benefit caseload	2	5	Data analysis has been undertaken, based on caseloads and current trends in order to estimate annual growth
The Council's financial settlement grant to cover the new scheme maybe significantly below that assumed in the financial analysis	2	4	The proposed scheme is designed to be financially sustainable
Collection rates for those currently receiving Council Tax Benefits is likely to be significantly below current and previous levels	3	4	Proactive communications with affected households Review recovery procedures

1 = Little or no risk or impact

2 = Some risk or impact – action may be required

3 = Significant Risk or impact – action required

4 = High risk or impact – action necessary

5 = Near certainty of risk occurring, catastrophic effect or failure of project

Appendices

Appendix A – Proposed Exceptional Hardship Policy

Appendix B – Proposed Exceptional Hardship Fund

Appendix C – Proposed Vulnerable Policy

Appendix D – Devon's Recommended Council Tax Support Schemes

Appendix E – Consultation Feedback Report

Appendix F – Equality Impact Assessment

Appendix A – Proposed Exceptional Hardship Policy

1. Background

As part of the Spending Review 2010, the Government announced that it intended to abolish Council Tax Benefit and replace it with a localised support scheme from 1 April 2013. The Council is aware that these changes may exclude people who are unable to improve their circumstances in the short term, so an Exceptional Hardship fund has been also introduced.

The Exceptional Hardship scheme is based on the current Discretionary Housing Payments policy and will permit officers the discretion to provide reductions in Council Tax under the policy from 0% to 100% of the remaining Council Tax liable amount. It will provide further financial assistance for households who are entitled Council Tax Support, or were entitled to Council Tax Benefit on 31 March 2013, where payments of the Torbay scheme are insufficient.

The scheme will be locally funded and subject to a budget cap each year set by the Council.

The main features of the scheme are:

- Exceptional Hardship payments are not part of the Council Tax Support scheme.
- Anyone receiving Council Tax Support can make a claim.
- There is no statutory right to payment.
- Payments are made from a cash-limited fund.
- The Council determines how the scheme is administered.

2. Legislative Framework

The following legislation and regulations are relevant to this document:

- The Local Government Finance Act 2012
- The Local Government Act 1992 Section 13A(2)
- Child Poverty Act 2010
- Equality Act 2010 (incorporating the Disabled Persons Act 1986)
- Housing Act 1996
- Armed Forces Covenant
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 Default Scheme
- Social Security Act 1992

2. Objectives

This policy aims to support local people experiencing financial hardship who are unable to pay their Council Tax, where payments of the Torbay scheme are insufficient. The discount will be known as the Exceptional Hardship Scheme but will operate under the legal framework outlined in Section 13A of the Local Government Finance Act 1992.

The Government has prescribed a national pension age scheme that will ensure that pensioners are not worse off under the Council Tax Support scheme.

The Government has not prescribed any vulnerable groups, having regard to local authorities' defined responsibilities in relation to, and awareness of, the most vulnerable groups and individuals in their areas through an Equality Impact Assessment.

The Exceptional Hardship Policy will specify those individuals and groups who are eligible to access the fund and explain the claim process.

The Exceptional Hardship Policy will be mindful of the directive to incentivise work. Incentivising work will reduce worklessness and dependency on benefits in line with the Government's expectation.

It should be noted that where the Council has a discretionary power, it must not restrict its discretion by having a set of rules that are inflexible. Each case must be considered on its own merits, determined within the budget provided and administered under the framework set out in this policy.

3. Criteria

Fundamental to the Exceptional Hardship Policy is a clear indication of the groups or individuals that can be considered eligible to claim additional Council Tax Support from the Exceptional Hardship Scheme.

The fund has financial limitations and, as such, awards can only be made based on eligibility, whilst having regard to the level of funding available or remaining within the Exceptional Hardship Scheme each financial year.

Before any award will be considered, the taxpayer must require further financial assistance with Council Tax due to the conditions in section 5.

Unless specified, all criteria and conditions that apply to the Council's Council Tax Support Scheme 2012, will also apply to The Exceptional Hardship Policy.

4. Equalities

The Council is committed to equality and fairness. Equality is about ensuring people are treated fairly and given fair chances. It is also about ensuring that people receive fair outcomes in the standard of service they receive from the Council and equality of access to Council Services. This incorporates everyone, regardless of their race, gender, age, religion or belief, sexual orientation, marital or civil partnership status and/or disability in line with the principles set out in the Equalities Act 2010.

A number of groups have been defined as being eligible to submit a claim for Exceptional Hardship, detailed below:

Vulnerable Groups

- A household with a claimant, partner or dependent child in receipt of the middle or higher rate of Disability Living Allowance (DLA), or its equivalent (PIP)
- A household where a disabled adult is living in supported living accommodation, who have carers and are who unable to work due to their health
- Where the applicant, or applicant's partner, is in receipt of Employment Support Allowance (ESA) with support component
- Where the applicant, or applicant's partner, is a care leaver up to the age of 22 years
- Where the applicant, or applicant's partner, is deemed vulnerable through drug or alcohol dependency who are attending a rehabilitation programme
- The applicant or household has suffered domestic violence and is being supported by accredited local schemes to move into permanent accommodation
- Where the applicant or household is a foster carer and has current foster child placements
- Where the applicant or household has dependent children under the age of 5 and is in receipt of Income Support
- Applicants or households who provide care who are single or a couple, and have no other income (other than Income Support), where they are in receipt of Carer's Allowance
- The applicant or household is a foster carer (child or adult) and is in between foster care placements
- Where the applicant or household has parental care responsibility for non-resident children
- Where the applicant or household is a hostel leaver where they were resident in a hostel engaging with support while resident. Minimum period of hostel residency is 3 months

There may be a number of vulnerable individuals who do not fall into any of the above categories. In this event awards may be considered due to severe financial hardship – please refer to section 5.

5. Severe Financial Hardship

Applications will be considered on the basis that the applicant or household would suffer severe financial hardship if financial assistance were not given.

Individuals in this group will not be defined, but need to be able to demonstrate their circumstances and that they have exhausted other sources of income that are available to them.

Each case will be considered on its own merits.

Care will be taken to ensure that the applicant or household has access to independent financial advice and support.

Examples of applicant or households who may potentially be awarded Exceptional Hardship are:

- Recently bereaved and income disrupted due to suspension of other benefits
- Terminally ill and unable to contribute to the household income
- Recovering from a serious illness and unable to contribute to the household income
- Recently released from prison and under probation

This list is not exhaustive.

Each case will be treated on its own merits and applicants will be expected to have explored and secured any lawful entitlement to other benefits, incomes and reductions in preference to claiming Exceptional Hardship. Applicants will need to ensure they are able to satisfy the Council that they have taken all reasonable steps to resolve their own situation prior to application.

Applications will be considered if the above apply and:

1. There is evidence of financial hardship or personal circumstances that justify an award
2. The applicant or household has supplied all evidence requested by the Council in respect of their claim for the Local Council Tax Support Scheme
3. The applicant or household must have applied for any appropriate discount or exemption and supplied any evidence requested by the Local Authority in respect of that application
4. The applicant or household does not have access to any other financial assets that could be realised to pay the Council Tax
5. The applicant or household must not be avoiding outstanding Council Tax due to wilful refusal or culpable neglect
6. The Council's finances must allow for an award to be made

6. How to Claim

A claim should be made in writing or online using the approved claim form together with supporting evidence as required.

Claims can also be made by a referral process – see section 9 'Referrals from other sectors'.

The applicant must be the person liable to pay the Council Tax, or be their representative with authority to act on their behalf e.g. Power of Attorney. Claims can only be made to and accepted by Torbay Council, who issues the taxpayer their Council Tax Demand Notice.

If an applicant or household needs advice and support to complete a claim form, the applicant or household will be signposted to an appropriate service that offers support relevant to the needs of the applicant or household.

The applicant must set out the reasons for applying, including explaining any special circumstances or hardship being experienced.

7. Information Required

Evidence will be required to substantiate a claim for Exceptional Hardship.

Evidence can include, but is not limited to:

- A household income statement; using a prescribed form
- A household expenditure statement; using a prescribed form
- Supporting evidence may be requested such as utility bills
- Evidence of seeking debt advice, if appropriate

Evidence may be requested that is relevant to the nature of the claim e.g. medical certificates as evidence of illness. It should be noted that no costs will be borne by the Council in circumstances of this nature.

Failure to provide supporting information and evidence that is requested may lead to a refusal.

Care will be taken by staff to ensure that the applicant or household is treated fairly and respectfully and that only relevant information and evidence is requested.

All information and evidence provided will be treated in confidence and in accordance with the Data Protection Act 1998.

Where the Council requires additional information or evidence it will write to the applicant requesting the information is supplied within one calendar month.

The applicant is required to report any changes in their circumstances or of the circumstances of household members immediately in writing to the Council. A failure to report changes may lead to a loss of Exceptional Hardship, resulting in an overpayment which will be recoverable from the Council Tax account and lead to prosecution where appropriate.

8. Notification of an Award

The Council will notify the outcome of each application for Exceptional Hardship Fund payments in writing. The notification will include:

1. The amount of the award (if any)
2. The period of the award (if any)
3. Provide details of how to appeal or obtain more information about the decision
4. Provide details of how the award (if any) will be made

On the provision of all satisfactory requested information, a decision will be made where practicable within 14 working days.

9. Referrals from Other Sectors

The Council will accept referrals from:

- Torbay Council Social Services Team

- Registered Social Landlords
- Torbay Council's Housing Needs department
- Third sector organisations i.e. Citizens Advice Bureau, welfare rights advisors

The approved referral form should be completed and returned to the Council.

10. Alternative Sources of Funding

Various alternative sources of financial assistance exist with the public, private and voluntary sectors. If support from the Exceptional Hardship scheme is not awarded, applicants or households will be signposted to alternative sources of financial assistance.

11. Debt Advice

It is recognised that debt and poverty are linked. In most cases the Council will expect the applicant or household to seek debt/money management advice as a long term solution to financial problems.

Working age applicants or households are also expected to move into work if they are able to, which will reduce their dependency on support. With this in mind applicant or households should receive more income from work than out of work. Work incentives will be a factor when determining awards from the Council's Exceptional Hardship Scheme.

The Council will signpost applicant or households to debt advice service, evidence of taking and adhering to advice may be requested from the applicant or household when making an application for Exceptional Hardship.

12. Backdating

Applications for Exceptional Hardship may be backdated up to 1 calendar month from the date the written application is received where continuous good cause exists throughout the period for the delay in making the application.

13. Determining Awards

The Council will consider each application on its own merits. This will ensure that each application is treated in an open and consistent manner, whilst considering individual circumstances.

The Council will be under no duty to assess applications not made in the approved manner. Where information or evidence requested has not been received within one calendar month, the Council will determine the application on the basis of the evidence and information in its possession. The Council will make a decision on applications where any requested information or evidence not supplied by the applicant within the one calendar month time limit. This may result in the Council making an adverse inference, which may mean that the application is refused.

Nothing in this policy shall permit the Council to reduce the Council Tax charge for any day to less than NIL.

Exceptional Hardship may only be awarded in respect of Council Tax liability.

The order of discounts will be maintained in line with the Local Government Finance Act; therefore the maximum amount of Exceptional Hardship that can be claimed for any day will be net of other discounts and reductions already awarded.

Awards will have a defined start and end date. This information will be provided to the applicant or household when the decision is made.

Awards may be a one off payment; an award for a short period of time; until the applicant or household's circumstances change; or for a full financial year. This will be detailed when a decision is made.

Awards will stop immediately if the applicant or household, or their representative, has misrepresented or failed to disclose a material fact, fraudulent or otherwise. The authority may seek to recover any overpayment of award. In instances of proven fraudulent activity, the authority will seek to recover in all cases.

14. Method of Payment

Awards will be credited directly to the applicant or households/liable persons' Council Tax account. This will have the effect of reducing the Council Tax liability.

Taxpayers may find that the award does not reduce their council tax to zero. If taxpayers have Council Tax to pay, they should contact the recovery section as early as possible and make arrangements to pay the sum due.

15. Appeals

Applicants may appeal against a decision within one calendar month of the decision notice where:

1. They have not been awarded Exceptional hardship for a period to which they feel they should be entitled; or
2. Where they feel the award should be increased

Appeals must be:

- Be submitted in writing;
- Received at the Council offices within one calendar month of the date of the decision notice;
- Signed by the applicant;
- Outline the grounds for appeal.

Applicants will not have the right of appeal:

1. Where their appeal is received by the Council more than one calendar month after the date of the decision notice;
2. Where the Council has already made a determination of appeal in respect of the matter;
3. For any day for which they have received 100% discount or exemption;
4. For any request to backdate the award for more than one calendar month from the date of application;
5. Where the Council has no remaining budget provision;
6. In any case where the Council was under no duty to make a decision;
7. Council Tax Support scheme suspensions where there is doubt about entitlement;

8. Shortfalls caused by the recovery of overpaid Council Tax Support.

Any appeal under this scheme will be determined within one calendar month of receipt of the appeal or as soon as reasonably practicable.

Appeal decisions are final and may not be further challenged except where legislation permits. The Council will write to the applicant once their appeal has been considered and will explain:

1. The amount of the award (if any);
2. The period of the award (if any);
3. Provide details of how the award (if any) will be made;
4. Provide a summary of the factors considered in reaching the decision.

16. Recovery of Overpaid Exceptional Hardship

The Council may recover any overpayment of Exceptional Hardship that has been paid by removing the funding from the account.

17. Fraud

The Council is committed to protect public funds and ensure funds are paid to the people who are rightfully eligible to them.

A customer who fraudulently claims Exceptional Hardship by falsely declaring their circumstances or by providing a false statement or evidence in support of their application, may have committed an offence.

Where the Council suspects that such an offence may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

18. Data Sharing

The Council may use any evidence and information supplied to it in respect of Exceptional Hardship to check the eligibility of the applicant in respect of this scheme or any other welfare benefit, discounts or exemptions.

The Council takes part in data matching exercises to assist in the prevention and detection of fraud. Data matching involves comparing sets of our data, such as Council Tax or benefit records against other records held by the Council or other bodies to see how far they match. Data matching allows potentially fraudulent claims, reductions and payments to be identified. Where a match is found it indicates that there is an inconsistency that requires further investigation. No assumption can be made as to whether there is fraud, error or other explanation until an investigation is carried out. The processing of personal information by the Council for data matching exercises is carried out in accordance with the Data Protection Act 1988; specifically under section 29 of that act. This means the Council does not require the consent of the individuals concerned.

19. Publicity

The Council's Exceptional Hardship scheme will be publicised in the Torbay area.

The following methods of communication may be used:

- Leaflets and posters
- Information with decision notices for the Council Tax Support Scheme where there is a shortfall
- Face to face and verbal when visiting or telephoning the council offices
- Information on billing authority websites
- Information for third sector organizations and referrers
- Claim forms available to download or complete online
- Information with Council Tax reminders notices where the taxpayer is in receipt of Council Tax Support

20. Administration

Applications will be subject to the Council's usual quality control procedures and audit.

Home visits will be made available to applicants or households who are unable to attend the Council's offices and have no-one else to assist them.

Awards will be recorded and reported on monthly basis to Senior Management at Torbay Council. Statistical information will be made available on the Torbay Council's website, personal data (e.g. individual's names and addresses) will be withheld and not published in accordance with The Freedom of Information Act 2000.

Reports will record the following, for both successful and unsuccessful claims per financial year:

- Name of applicant or household
- Address of applicant or household
- Ward of applicant or household (if relevant)
- The start/end date of the award
- The amount of the award
- The reason for the award/refusal/eligibility criteria
- Equality data to monitor the effectiveness of the EIA

The authority may from time to time conduct a survey of all applicants to seek opinions, satisfaction levels and to shape the scheme for future years.

21. Policy Review

The Exceptional Hardship Policy will be reviewed annually by the end of January each year.

Any major changes will be subject to consultation in accordance with best practice.

The Exceptional Hardship Policy will be published and available to view on the Council's website.

22. Budget Considerations

The Council's Exceptional Hardship scheme will have a fund set each financial year for each local authority.

Once available funds have been exhausted from the fund, no further awards will be made until a new financial year.

23. Legislation

Awards under this scheme are made in line with the Local Government Finance Act as outlined below:

1. Section 13A and 76 Local Government Finance Act 1992 – The award of discretionary discounts.
2. Section 4 Local Government Finance Act 1992 - Dwellings may be exempt from Council Tax if they fall within one of the specified classes.
3. Section 11 Local Government Finance Act 1992 - The amount of Council Tax payable may be subject to a discount under where there is no resident, or all but one of them fall to be disregarded.
4. Section 13 Local Government Finance Act 1992 - The amount may be reduced where it is occupied by disabled person(s).

Appendix B – Proposed Exceptional Hardship Fund

Background

Under existing arrangements, residents can be eligible for help with their housing costs from three principal areas:

- Crisis Loans - helps families or individuals cover immediate short term needs (such as residential charges for a hostel)
- Social Fund Loans – covers ongoing living assistance (such as household equipment)
- Discretionary Housing Payments – mostly supports the payment of rent

Both Crisis Loans and Social Fund Loans are administered by Jobcentre Plus at present but administration is due to pass to local authorities from 1 April 2013. Discretionary Housing Payments (DHPs) are currently administered by local authorities, an arrangement which will continue, but will not cover local Council Tax Support schemes.

Fundamentally, while the detail of future national funding to assist vulnerable residents with their housing costs is not yet available, at best it is likely to be restricted to existing levels. However, the impact on vulnerable residents will be increased significantly due to the impact of the new Local Council Tax schemes.

Overall, it is likely that demand for financial support for residents will continue in 2013, and there is an expectation that this demand will increase as a series of changes to Welfare and Benefits rolls out.

In response to the above, Devon authorities are therefore proposing that a new Exceptional Hardship Fund is created to support financial hardship related to the new Local Council Tax Schemes.

Eligibility

The Hardship scheme will be administered through the use of 'eligibility' criteria, in similar manner to the existing Discretionary Housing Payments (DHP). A detailed policy setting out the proposed eligibility criteria for the new fund is set out at Appendix A.

Administration

Administration of the new fund will be undertaken by the Council's Revenue and Benefits department, who currently administer the existing DHP scheme. This will be undertaken alongside the administration of the new Council Tax arrangements. Appropriate functionality to record Exceptional Hardship payments is being developed by the Revenue and Benefits software providers.

Funding

The proposed scheme will be funded by the Council and the total fund will be 0.5% of the total estimated expenditure in 2013/14 - £16 million resulting in a fund of £80,000.

Justification of proposal:

The nearest equivalent fund existing at present is that for Discretionary Housing Payments. DWP provide 0.5% subsidy to each local authority based on the total benefit paid out in the preceding year. On this basis a total contribution of 0.5% of the Council Tax Benefit paid appears reasonable.

Appendix C – Proposed Vulnerable Policy

1. Introduction

Section 13A of The Local Government Finance Bill 2012 requires all local councils, working within this legislative framework, to design their own Council Tax reduction scheme. Torbay Council's scheme is called the Council Tax Support scheme.

With effect from 1 April 2013 a local Council Tax Support scheme will replace the national Council Tax Benefit as the method of supporting low income households to pay their council tax. In designing this new scheme, the Council has adopted the core elements of the council Tax Benefit scheme, which is a proven and robust system of support and which affords financial support to the most vulnerable.

The Government has been clear that, in developing local Council Tax Support schemes, vulnerable groups should be protected. Other than providing statutory protection for low income pensioners, the Government has not prescribed the other groups that local councils should support. Each council must tailor their scheme to take into account the various legislation that currently protects vulnerable people.

2. Purpose of the Vulnerability Policy

This policy sets out the council's approach to defining and assisting those deemed vulnerable. In doing so it seeks to:

- Protect those who have reached state pension credit age
- Help those who are trying to help themselves
- Encourage and support people in and into employment

3. Accessibility of the Council Tax Support Scheme

To ensure that all customers have equal access to Council Tax Support, the Council has utilised the principles from its internal Communications and Consultation Policy. This policy has been adapted so that we are able to engage with all vulnerable and hard to reach customers in our communities.

In doing this, we will ensure that:

- All information about Council Tax Support is available in alternative formats and languages.
- Application forms for Council Tax Support will be available on line or by visiting one of our offices or remote offices.
- Customers can contact us by telephone or email.
- Additional information about Council Tax Support will be available on our website and will be publicised in leaflets.
- We will work closely with all agencies that support vulnerable clients, including welfare agencies, to ensure that they assist us in ensuring that customers can access their maximum level of Council Tax Support.

4. Statutory Framework and Other Considerations

In developing this policy the council has taken into account the following statutes:

- Local Government Finance Bill 2012 (protection for low income pensioners)
- Equality Act 2010 (public sector Equality Duty)
- Child Poverty Act 2010 (the duty to mitigate the effects of child poverty)
- Housing Act 1996 (the duty to prevent homelessness)

It also takes into account:

- The Welfare Reform Act 2012, which seeks to provide work incentives to benefit recipients
- Armed Forces Covenant 2011

5. Local Government Finance Bill 2012 - Pensioners

5.1 Definition

The Local Government Finance Bill 2012 sets out that the requirement to fully protect the support provided to low income pensioners in the Council Tax Support Scheme:

5.2 Eligibility Under the Local Government Finance Bill

- Those applicants in receipt of Guaranteed Pension Credit will receive full Council Tax Support, subject to non-dependent deductions
- If a pensionable age applicant's income exceeds their applicable amount, 20% of the excess income will be deducted from the maximum support and will also be subject to non-dependent deductions. This is in line with the current Council Tax Benefit Regulations for Persons who have attained State Pension Age

6. Equality Act 2010 (Protected characteristics including applicants defined as Chronically Sick and Disabled)

6.1 Definition

As part of the Equality Act 2010 (section 149) the council has paid 'due regard' to the following in designing its Council Tax Support scheme:

- Eliminate unlawful discrimination (harassment, victimisation and any other prohibited conduct)
- Advance equality of opportunity between those people who share a relevant protected characteristic and people who do not share it
- Foster good relations between those who share a relevant protected characteristic and people who do not share it

The relevant protected characteristics, as defined by the Equality Duty, are:

- Age (including children and young people)
- Disability
- Gender reassignment

- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation
- Marriage or civil partnership status (in respect of the requirement to have due regard to eliminate discrimination)

In developing the council Tax Support scheme and this policy the council has undertaken an Equality Impact Assessment (EIA) (<http://www.torbay.gov.uk/index/yourcouncil/equalopportunities/eia.htm>) and given due regard to its findings to ensure it does not lead to unlawful discrimination

The definition of disability is set out in the following statutes:

- Disabled Persons (services, consultations and representation) Act 1986
- Chronically Sick and Disabled Persons Act 1970
- Equality Act 2010

6.2 How the Council's Policy Addresses the Issues of Disability

Torbay Council's Council Tax Support scheme will maintain the key elements of the Council Tax Benefit scheme and, as such, provides protection in the overall calculation of support for disabled customers.

Our support scheme will not include income received specifically relating to disability in the financial assessment, as is the case currently. This means that all income received from Disability Living Allowance and Personal Independence Payments will be disregarded. The effect of this is that more disability related income will be retained before their Council Tax Support is reduced.

In addition to this, the calculation of support will also include all of the premiums which existed under Council Tax Benefit, these are:

- Disability Premium – awarded when a customer or their partner (if any) is disabled
- Severe Disability Premium – awarded when both customer or their partner (if any) are both severely disabled in accordance with the scheme
- Enhanced Disability Premium – award where either the customer or their partner (if any) are in receipt of the High Rate of the Care Component of Disability Living Allowance (DLA High Care), or where the customer receives the support component of Employment and Support Allowance;
- Work related activity component – where a similar component is awarded within a customer or partner's Employment and Support Allowance
- Support component – where a similar component is awarded within the customer or partner's Employment and Support Allowance

No non-dependant deductions will be made where the customer or partner is blind or where they are in receipt of the care component of Disability Living Allowance/Personal Independence Payments.

7. Child Poverty Act 2010

7.1 Definition

The Child Poverty Act 2010 places the following duties on local authorities and their partners to:

- Cooperate to tackle child poverty in their area
- Prepare and publish a local child poverty needs assessment
- Prepare a joint local child poverty strategy
- Take child poverty into account when preparing or revising their Sustainable Communities Strategy

In developing the Council Tax Support scheme and this policy the council has taken into account our local child poverty needs assessment and draft Child Poverty Strategy.

Furthermore, the council has taken account of the Government's National Strategy for tackling child poverty: *Tackling the causes of disadvantage and transforming families' lives published in April 2011*. The Council Tax Support scheme therefore supports the key measures within this strategy to strengthen families, encourage responsibility, promote work and guarantee fairness and provide support to the most vulnerable.

Under the Act and from 2011 each local strategic partnership is required to have a Child Poverty Strategy to meet the targets and report on annual progress.

The definition used within this policy (which will be subject to change as Central Government) is as follows:

Households with children in which income is less than 60% of the national median

The authority is mindful of the proportion of dependant children within its area who live in households whose income is below 60% of the national median.

7.2 How the council's policy addresses the issue of child poverty

The Council recognises the importance of maintaining the components within the Council Tax Benefit scheme which afford additional protection to families.

These allow for the following income types to be disregarded in the financial assessment of Council Tax Support:

- All Child Benefit
- All Child maintenance
- All other income payable to dependant children*
- Up to £175.00 per week for one child and £300.00 per week for two or more children towards childcare payments, for working families.

*there may be some, very rare, exceptions

When assessing a claim for Council Tax Support a family's income will be compared with the specific applicable amounts (living allowances). The applicable amounts (living allowances) will mirror the provisions within the Council Tax Benefit scheme and are higher for people with children. The living allowances will contain the following elements:

- Dependants Additions – an allowance for each child is used within the calculation
- Family Premium – where a customer has at least one child

- Disabled Child Premium – where a child is in receipt of any component of Disability Living Allowance or a comparable component of Personal Independence Payments or is blind or is treated as blind.
- Enhanced Disability Premium – where a child is in receipt of the highest rate of the care component of Disability Living Allowance.

Child Care Disregards

To support families in work and into work, allowances will be made from earnings and other benefits in respect of eligible childcare costs provided by registered childcare providers or after school clubs.

If the customer is a lone parent this will be applied if they work 16 hours or more a week. If the customer is part of a couple then the childcare disregard will be applied if they both work 16 hours or more, or where one member of the couple is incapacitated and the other works 16 hours. A maximum level of weekly disregard will be set annually.

Where a customer is lone parent or part of a couple and either the lone parent works 16 or more hours or both members of the couple work 16 hours or more or where one of the couple is incapacitated. A maximum weekly disregard will be set annually.

8. Housing Act 1996

8.1 Definition

Taking into account the threat of homelessness is not a prerequisite of the local Council Tax Support scheme, but the Council has given consideration to the potential impact on the Torbay area.

The Act gives local authorities the duty to prevent homelessness with special regard to vulnerable groups. Where people apply to local authorities for assistance, the authority must give careful consideration to the circumstances that have led to homelessness before deciding whether they are intentionally homeless. There is a limited duty to support those found to be intentionally homeless. Further information can be found in the Council's Homelessness Policy.

Under the legislation a person becomes homeless intentionally or threatened with homelessness intentionally if:

- The person's occupation of the accommodation ceases as a direct result of a deliberate act or omission on behalf of the person
- If the accommodation is available for the person to occupy
- If it would have been reasonable for the person to continue to occupy the accommodation

8.2 How the Council's Policy Addresses the Issues within the Housing Act

- Torbay Council will ensure that any applicant who is found to be unintentionally homeless as part of our duty will be encouraged and supported in their application for Council Tax Support once they have secured accommodation
- The council will ensure that any applicant at risk of homelessness and who is vulnerable are assisted with any application for Council Tax Support

9. Armed Forces Covenant 2011

9.1 Definition

In 2011 the Government launched the tri-service Armed Services Covenant which is intended to enshrine in the Armed Forces Bill

The covenant is a statement of the moral obligation which exists between the Government and the Armed Forces. Its core principle is that members of the Armed Forces Community do not suffer disadvantages as a result of their service. Special treatment may be provided as appropriate in order to improve the support to the Armed Forces Community.

Torbay Council has signed up to the Armed Forces Covenant and has considered this obligation in developing the Council Tax Support scheme

9.2 How the council's policy meets the Armed Forces Covenant

Applicant or partner in receipt of War Disablement Pension or War Widows payment will have this payment disregarded in the calculation of income when assessing entitlement to Council Tax Support. This mirrors the provisions of the local scheme within Council Tax Benefit.

10. Work incentives

10.1 Definition

As part of the Council Tax Support scheme, the council wishes to provide incentives for applicants to return to work or to increase the hours they work and to support those who do, wherever possible.

The principles of work incentives are as follows and these are reflected in the Council Tax Support scheme:

- People should get more overall income in work than out of work.
- People should get more overall income from working more and earning more.
- People should be confident that support will be provided whether they are in or out of work; will be timely and correct and that claiming will not be a complicated and frustrating experience.

10.2 How the Council's Policy Provides Work Incentives

Torbay Council is keen to support applicants back into work. The Council Tax Support scheme does this in supporting all customers on a low income, not just those in receipt of benefits.

The council is retaining core elements of the Council Tax Benefit scheme. This means support is reduced based upon a 20% withdrawal rate; where a customer's income exceeds their living allowance a deduction of 20p for every £1 will be made from Council Tax Support.

- When calculating weekly earnings only the income less tax, National Insurance and half of any pension contributions will be taken into account.

- In addition to this further amounts of earnings will not be taken into account in the weekly assessment of earnings. These are:
 - First £5.00 of weekly earnings for single customers
 - First £10.00 of weekly earnings for couples
 - First £20.00 of weekly earnings for people who are disabled or long term sick, carers or part-time fire fighters, auxiliary coast guards, part-time life boat workers and member of the Territorial Army
 - First £25.00 of weekly earnings for lone parents
- Where the applicant or their partner is able to undertake work for an increased number of hours per week then an additional earnings disregard may be applied;
- Where the applicant incurs childcare charges to allow them to go to work, the council will make a disregard from weekly earnings of up to £175.00 for childcare for one child or up to £300.00 for two or more children in childcare
- Where a customer moves into work of 16 hours per week or more and certain conditions of entitlement prior to employment are met, an additional 4 weeks of support at the rate prior to employment.

11 Council Tax Support Exceptional Hardship Fund

The council recognises that there may be exceptional circumstances where customers are unable to meet the shortfall between their Council Tax Support and their Council Tax liability.

Those in greatest need can access additional financial assistance from the Exceptional Hardship Fund. Additional information about this fund is contained with the council's Exceptional Hardship Fund Policy.

Appendix D – Devon’s Recommended Schemes to Members

Based on information provided by Devon authorities on 7 November 2012

All proposed schemes are based on using the current Council Tax Benefit rules but with the changes identified below.

Name of Authority	Limit liability	Stopping Second Adult Rebate	Band restriction	Capital limit	Vulnerability / Hardship fund	Other options
East Devon District Council	80%	Yes	Band D	£8,000	Yes	N/A
Exeter City Council	80%	Yes	No restriction	£6,000	Yes	N/A
Mid Devon District Council	80%	Yes	Band D	£8,000	Yes	N/A
North Devon District Council	75%	Yes	Band D	£6,000	Yes	Increase earnings disregards
South Hams District Council	Not confirmed					
Teignbridge District Council	Not confirmed					
Torridge District Council	75%	Yes	Band D	£6,000	Yes	N/A
West Devon District Council	100%	Yes	No restriction	£16,000	No	N/A
Unitary Authorities						
Torbay Council	75%	Yes	Delayed until 2014	£6,000	Yes	N/A
Plymouth city Council	75%	Yes	Band E	£6,000	Yes	N/A



Helping you cope with the changes to Council Tax Benefit

Consultation Feedback

October 2012

Survey Results (pages 2 – 22)

Stakeholder Event Feedback (pages 23 – 29)



Helping you cope with the changes to Council Tax Benefit

Survey Results

October 2012

This consultation was open between 6 August and 5 October 2012

Method	Number of questionnaires returned	Percent of questionnaires returned
Paper	325	52.3
Online	297	47.7
Total	622	100.0%

- 16.8% of questionnaires distributed via Libraries and Connections were returned.
- 8.7% of questionnaires distributed by post to Council Tax payers and claimants were returned.

1. Introduction

As part of the Government's welfare reforms, Council Tax Benefit is being removed and Torbay Council like all councils will have to design a local scheme called Council Tax Support. This will affect all people of working age who currently receive Council Tax Benefit. Pensioners will have a Council Tax Support Scheme set nationally and so will not be affected by changes to the local scheme.

At the same time as this, the Government will be reducing the amount of money it provides councils to support local Council Tax Support schemes. As a result there will be a smaller pot of money to support customers who have been receiving this benefit. Torbay Council has to consider how we can design a local scheme that is as fair as possible to those people who are affected. This means we have to make some difficult decisions about who gets financial support and how much we can afford to give them. All working age customers who currently receive Council Tax Benefit will be affected by these proposals. However, there will be a small fund available to assist customers who are experiencing exceptional financial hardship.

The questionnaire was designed to ask the views of those people in receipt of Council Tax Benefit as well as those who are not on the Council's draft proposals for a Council Tax Scheme.

2. Methodology

Questionnaires were made available online and were distributed through libraries and Connections offices. Over 9,000 council tax benefit claimants were notified of the consultation by post and an additional 1,068 copies of the questionnaire were sent to claimants and Council Tax payers by post.

Members of the Council's ViewPoint Panel and the Stakeholder database were emailed to notify them of the consultation. During the final two weeks Customer Service Advisors actively approached members of the public in Connections offices to complete the questionnaire.

The profile of respondents to this survey is as follows:

- Most respondents are aged between 35 and 64 (69%)
- Nearly half of respondents are employed (43.8%)
- A tenth are unemployed (11.5%)
- Just under a third of respondents said they have a disability (29.8%)
- Nearly all the respondents were responding as a resident of Torbay (96.5%)
- Just over half of respondents were currently in receipt of Council Tax Benefit at the time of completing the questionnaire (52.4%).

3. Summary of results

Proposal One: Everyone should pay something towards their Council Tax

- 56.1% agree with the proposal that everyone should pay something towards Council Tax
- 44.7% agreed that everyone of working age should pay at least 25% of their Council Tax bill, while 43.2% disagreed.
- Nearly half (46.1%) of respondents said they would be affected by the proposal.

Proposal Two: Limiting the amount of Council Tax Support for working age people to a Band D charge

- 59.8% of respondents agreed that people who live in higher band properties and claim Council Tax Benefit should pay more.
- 54.5% of respondents agreed that Council Tax Support should be capped to the level of Band D.
- Most respondents (85.2%) said they would not be affected by the proposal.

Proposal Three: Reduce the savings limit from £16,000 to £6,000 for working-age people

- 47.5% of respondents agreed with the proposal that Council Tax Support should not be paid to people with savings.
- 44.8% of respondents agreed with reducing the savings limit to £6,000 from £16,000, while 42.1% disagreed.
- Nearly all respondents (93.9%) said they would not be affected by this proposal.

Proposal Four: Removing the Second Adult Rebate

- 44% of respondents agreed with removing the Second Adult Rebate, while 32.9% disagreed with this proposal.
- Nearly all respondents (92.1%) would not be affected by this proposal.

4. Results

4.1 Proposal One: Everyone should pay something towards their Council Tax

Under the new scheme everyone of working age who gets Council Tax Benefit would have to pay at least 25% towards their Council Tax bill. This means that the maximum amount of Council Tax Benefit that can be claimed is reduced from 100% to 75%.

Q1a) How strongly do you agree or disagree that all working age people should pay something towards their Council Tax?

	Number	Percent
Strongly agree	168	27.3
Agree	177	28.8
Total Strongly agree or agree	345	56.1
Neither agree nor disagree	61	9.9
Disagree	80	13.0
Strongly disagree	129	21.0
Total Disagree or strongly disagree	209	34.0
Total	615	100.0%

Q1b) How strongly do you agree or disagree that all working age people should pay at least 25% of their Council Tax bill?

	Number	Percent
Strongly agree	130	21.2
Agree	144	23.5
Total strongly agree or agree	274	44.7
Neither agree nor disagree	74	12.1
Disagree	113	18.4
Strongly disagree	152	24.8
Total disagree or strongly disagree	265	43.2
Total	613	100.0%

Percent of respondents who agree or disagree that all working age people should pay at least 25% of their Council Tax bill split by Council Tax Benefit claimants.

	Currently receive Council Tax Benefit					
	Yes		No		Don't know	
	Number	Percent	Number	Percent	Number	Percent
Strongly agree	22	7.0	99	37.9	6	26.1
Agree	58	18.5	76	29.1	5	21.7
Neither agree nor disagree	51	16.2	15	5.7	5	21.7
Disagree	71	22.6	34	13.0	6	26.1
Strongly disagree	112	35.7	37	14.2	1	4.3

Total	314	100.0%	261	100.0%	23	100.0%
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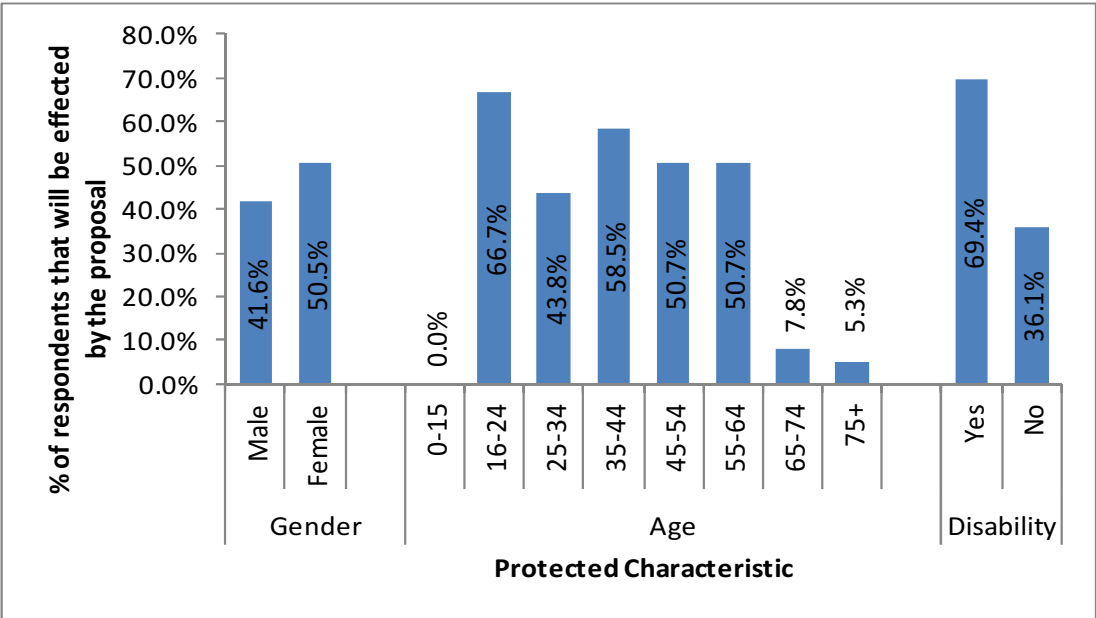
Q1c) Would this proposal have an effect on your household?

	Number	Percent
Yes	277	46.1%
No	324	53.9%
Total	569	100.0%

Figure 1 below shows the percent of respondents with protected characteristics who will be affected by the proposal:

- 69.4% of people with disabilities said they will be affected by the proposal
- Two thirds of people aged 16-24 say they will be affected by this proposal

Figure 1: Percent of respondents with protected characteristics who will be affected if everyone paid something towards their Council Tax



Those respondents who said this proposal would have an effect on their household were asked to say what they felt this would be. Most respondents said that under this proposal they would have to **pay something or more towards** their council tax. For many of these they outlined they would be **worse off** because of this specific proposal as they were currently on **low incomes / wages**. Most significant was the concern raised by respondents who have a **disability** or are **carers** and their ability to pay the increase as they are unable to work.

While the majority of respondents outlined a negative impact on their household, a very small number appreciated that all people should contribute, although this should be means tested:

“However, I do feel a contribution should be made but I think an assessment of whether people can pay the 25% is achievable!”

“Pay something is OK but Council Tax is too high”

“Maybe a lesser contribution – 10 – 15% could be considered”

Key issues with examples of comments regarding proposal one are outlined in the table below:

	Comments made by respondents
Disability and concern about affording more	<p><i>"Being disabled and on a fixed income this would reduce the amount available for food and heating and lighting. Which being unable to add income through work would possibly put mine and other disabled people's health even more at risk"</i></p> <p><i>"I am a disabled person under 65 and am unable to work and my partner can only work part time as she has to care for me, we only just exist as it is"</i></p> <p><i>"I am disabled and unable to work, in receipt of DLA and Employment Support Allowance support group. With a limited income how am I expected to suddenly be able to afford 25% of my Council Tax bill..."</i></p> <p><i>"I am disabled on benefits not by my choice, having to pay my Council Tax would cause me a lot of problems with my finances"</i></p>
Struggle to pay	<p><i>"With the increase of all other utility bills ... to add yet another bill to this most certainly have a negative impact on the already stretched household budget"</i></p> <p><i>"I am on income support ... the reduction on Housing Benefit has made money tight, I do not think I could find the money to pay"</i></p> <p><i>"I am on a very limited budget I'm not going to be able to afford to pay more at this rate with cuts to Housing Benefit..."</i></p>
Current benefits only cover cost of living	<p><i>"As far as I was aware the money we receive is the correct amount we need to live on, so how would we have enough to pay for anymore expense."</i></p> <p><i>"Currently receive full Council Tax Benefit worried about the effect it will have on minimal income (also on income support) as this is the bare minimum the government says we can live on but struggle in these economic times to keep on top of bills and feed my children. However I do feel a contribution should be made but I think an assessment of whether people can pay the 25% is achievable"</i></p>
Need to make choices about bills	<p><i>"Finding the money would be difficult probably having to reduce food, electric and heating."</i></p> <p><i>"I would not be able to pay all the bills coming in, I would have to see which ones I will pay each month"</i></p> <p><i>"...I would not be able to pay anything towards this without going without food or utilities"</i></p> <p><i>"If I had to pay towards Council Tax I would find it hard to pay my other bills and buy food"</i></p>
Financial hardship and debt	<p><i>"We currently receive Council Tax Benefit and feel that paying 25% on top of the amount we already pay would leave us struggling financially."</i></p> <p><i>"Not enough money coming in. Food costs more. Utilities cost more paying towards council tax in my situation will mean being more into overdraft and debt"</i></p>
Caring responsibilities	<p><i>"I am a carer for my disabled son...I would have to use my child's DLA to make ends meet rather than on him which I think is wrong"</i></p> <p><i>"I am a full time carer for my daughter with disability and unable to work, life is a struggle coping with her needs as well as finances this would make"</i></p>

life even more difficult and care needs for her would be affected”

Q1d) Do you have any comments about Proposal One?

There were a wide variety of comments in relation to this proposal and divided opinion. Some views which were put forward in answer to 1c were replicated especially in relation to the **struggle** for people on **low incomes** and their **ability to find this money** and pay. However, there was also some **agreement** for this proposal and scheme with a common view that **everyone should contribute**.

The table below highlights the key issues / themes identified in the responses to this question:

	Comments made by respondents
25% is high – consider another amount / based on ability to pay	<p><i>“25% is quite a lot, surely a starting point of say 10% would be better”</i></p> <p><i>“Council tax should be based on the ability to pay. All working should pay something but it should be related to income”</i></p> <p><i>“Everybody’s case should be assessed on an individual basis”</i></p> <p><i>“It should be means tested for those on a low income”</i></p> <p><i>“It should be dependent on personal / household circumstances. Not just across the board for everyone”</i></p> <p><i>“If it had to be this proposal, would be OK with 10%-15%, but not 25%”</i></p> <p><i>“I agree in principle everybody should pay something towards their Council Tax bill but 25% is an unrealistic amount for working age people in receipt of benefits”</i></p> <p><i>“I feel that the level of contribution should be based on circumstance between 10% and 25% and not a flat rate for all.”</i></p>
Everyone should pay something	<p><i>“Everybody should pay something towards council tax. They use the services provided by council so they should pay”</i></p> <p><i>“Everyone-including pensioners, should make some contribution”</i></p> <p><i>“Pay at least 25% agree!”</i></p> <p><i>“Everybody benefits from the services so why should they not contribute a small amount”</i></p> <p><i>“Everyone should contribute something – these people are usually using more services than most”</i></p> <p><i>“I work and pay 100% of my bill, so should everyone else who works”</i></p> <p><i>“The pain should be borne by all so pensioners should be included”</i></p> <p><i>“Most people on benefits seem to be better off than working people! They could contribute a little at least.”</i></p>
People will struggle to pay / can’t afford	<p><i>“I possibly do think that everyone should pay something towards their council tax, but I just don’t see where people will find the extra money”</i></p> <p><i>“It would be impossible for families to find the money”</i></p> <p><i>“Maybe not for people on JSA as it is hard enough for them to make ends meet let alone having to find money for Council Tax”</i></p> <p><i>“Not everyone can afford this”</i></p> <p><i>“Means tested benefits are set at the minimum necessary to survive and will not allow for such a dramatic increase in living expenses”</i></p> <p><i>“This is going to cause an awful lot more stress and financial hardship to</i></p>

	<i>those of us who already struggle to make ends meet.”</i>
Protection for most vulnerable	<p><i>“Only those with severe physical or mental problems should be totally exempt”</i></p> <p><i>“Along with pensioners, I wonder if vulnerable adults and their carers are to be protected?”</i></p> <p><i>“Disabled and carers should be exempt if unable to get any other income than state benefits”</i></p> <p><i>“People of working age with disabilities should not have to pay any Council Tax”</i></p> <p><i>“I agree that working age should pay Council Tax. But not those who, through no fault of their own, cannot either get a job or are on the sick. Those are the poorest people in the country and it’s not right to further hit them with extra charges.”</i></p>
Proposal hitting those on low incomes	<p><i>“Cuts will only affect the poor”</i></p> <p><i>“This would make the poorest even poor”</i></p> <p><i>“How are people on very low incomes going to pay for this?”</i></p> <p><i>“I think this proposal is unfair on the unemployed and low incomes.”</i></p>

4.2 Proposal Two: Limiting the amount of Council Tax Support for working age people to a Band D charge

Currently there are no restrictions on the amount of Council Tax Benefit that can be paid. This means that a person on a low income could get all their Council Tax paid even if they live in a large house with a high Council Tax band. The lowest band is A, with the highest being H. Proposal Two would limit this to the Band D charge, which is the average band. So, if you live in a Band E, F, G or H property, we would reduce your Council Tax Support to that of a Band D householder.

Q2a) How strongly do you agree or disagree that working age people living in properties with a higher Council Tax charge who currently receive Council Tax Benefit should pay more?

	Number	Percent
Strongly agree	175	28.8
Agree	188	31.0
Total strongly agree or agree	363	59.8
Neither agree nor disagree	88	14.5
Disagree	88	14.5
Strongly disagree	68	11.2
Total disagree or strongly disagree	156	25.7
Total	607	100.0%

Q2b) How strongly do you agree or disagree with us limiting the amount of Council Tax Support to a Band D charge for working age people?

	Number	Percent
Strongly agree	150	24.9
Agree	178	29.6
Total strongly agree or agree	328	54.5
Neither agree nor disagree	117	19.4
Disagree	80	13.3
Strongly disagree	77	12.8
Total disagree or strongly disagree	157	26.1
Total	602	100.0%

Percent of respondents who agree or disagree with limiting the amount of Council Tax Support to a Band D charge for working age people by Council Tax Benefit claimants.

	Currently receive Council Tax Benefit					
	Yes		No		Don't know	
	Number	Percent	Number	Percent	Number	Percent
Strongly agree	48	15.6	98	38.0	2	8.7
Agree	89	29.0	82	31.8	4	17.4
Neither agree nor disagree	71	23.1	30	11.6	10	43.5
Disagree	42	13.7	32	12.4	5	21.7
Strongly disagree	57	18.6	16	6.2	2	8.7
Total	307	100.0%	258	100.0%	23	100.0%

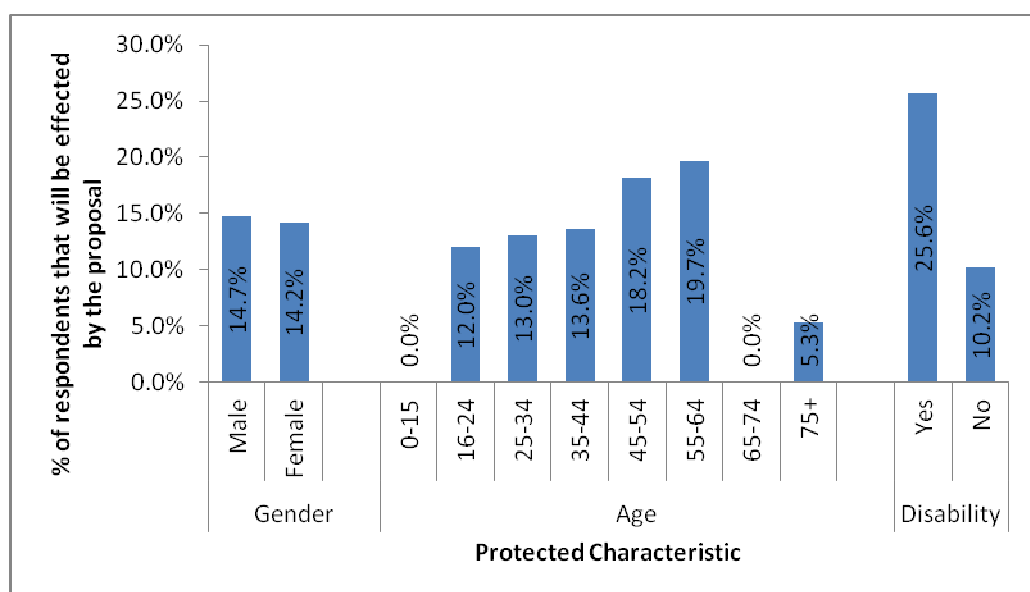
Q2c) Would this proposal have an effect on your household?

	Number	Percent
Yes	84	14.8
No	485	85.2
Total	569	100.0%

Figure 2 below shows the percent of respondents with protected groups who will be affected by the proposal:

- 25% of people with disabilities said they are likely to be affected by this proposal
- People aged 45 and above were more likely to say they will be affected by this proposal

Figure 2: Percent of respondents with protected characteristics who would be affected if the amount of Council Tax Support for working age people was limited to a Band D charge.



Those respondents who said this proposal would have an effect on their household were asked to say what they felt this would be. The main themes identified from respondents in relation to this proposal were **higher costs** to pay and concern this proposal would cause them **greater hardship** and **may have to move**.

Key issues with examples of comments regarding proposal one are outlined in the below:

	Comments made by respondents
Find it difficult to pay / cannot afford	<p><i>"Do not know if we would be able to afford it"</i></p> <p><i>"I would suffer greater hardship"</i></p> <p><i>"I do not have any spare money to now pay council tax!"</i></p> <p><i>"I'm struggling to pay my normal household bills already this is going to put pressure on our family now"</i></p> <p><i>"Less money to pay for everyday essentials and bills"</i></p>
Would have to move	<p><i>"I own my house ...and unable to work and in receipt of disability. My home and garden act as my therapy so I need to keep it but this could mean I have to sell"</i></p> <p><i>"I am disabled and already cannot afford to live...I own my own house so get no housing benefit so this rise would cripple me putting me into rented accommodation"</i></p>

Q2d) Do you have any comments about Proposal Two?

Similar to question 1d, there were a wide variety of comments in relation to this proposal and divided opinion. Many respondents felt that this was a **fair** proposal and that people who would be affected **should make choices** about their ability to afford a home with a higher council tax banding.

Some respondents however, highlighted their concern that some families and people with a disability **need larger properties**, they may be on **low incomes** and not able to afford a contribution towards their Council Tax, potentially creating financial hardship for that household. Within the responses to this question, some respondents felt that the council needed to offer support to those affected.

There was an acknowledgement within the responses that people's **circumstances change** i.e. people get made redundant and that support should be available to these households.

The table below highlights the key issues / themes identified in the responses to this question:

	Comments made by respondents
Should depend on circumstances	<p><i>"This proposal does not take into account individual circumstances"</i></p> <p><i>"It really depends on the amount of money coming into the higher band home. If the occupier can afford to pay something towards their council tax then they should"</i></p> <p><i>"I think consideration should be given to each individual's situation. Just because you live in an expensive property does not mean you have lots of money."</i></p>
Based on income not	<p><i>"Ability to pay has to be related to income not the value of the property"</i></p>

<p>property</p>	<p><i>“Accurate and fair means testing would give a result which was based on disposable income irrespective of house size”</i></p> <p><i>“it cannot be assumed that because someone is living in a higher banded property they have higher disposable incomes”</i></p> <p><i>“to expect a low income household to pay more because they’re living in a higher banded property is not fair. It is not a true reflection of their circumstances, and will only make their hardship much worse”</i></p>
<p>Find it difficult to pay</p>	<p><i>“How are people on minimum wage supposed to find this money?”</i></p> <p><i>“For some larger families living in larger accommodation and in receipt of benefits this will be unmanageable”</i></p> <p><i>“How do you expect anyone to suddenly find an extra £1400 a year when there is no work and no chance of getting any”</i></p> <p><i>“If you are on a low income it simply doesn’t matter where you live. You simply have no spare money”</i></p> <p><i>“More people will be pushed into debt”</i></p> <p><i>“Non-working people on benefits would be badly affected and so would disabled people who might through no fault of their own be living in higher banded properties. The band of property does not mean that a person has more income with which to pay”</i></p>
<p>If people live in a larger property, they can afford their Council Tax bill</p>	<p><i>“Someone who lives in a larger property also should make the choice to live only in housing they can afford”</i></p> <p><i>“Bigger the house the more you pay, seems fair”</i></p> <p><i>“Don’t live in a house if you can’t afford the overheads”</i></p> <p><i>“If they can live in these expensive properties then they should be able to pay council tax”</i></p>
<p>People could move</p>	<p><i>“People could be encouraged to move into cheaper properties”</i></p> <p><i>“I would prefer those people in the higher band houses pay the full Council Tax, if they can’t afford it get a smaller house”</i></p> <p><i>“People in larger houses should downsize if they cannot afford to pay the rated the house requires”</i></p>
<p>Alternative options</p>	<p><i>“Perhaps a reducing amount should be introduced over a period of time to enable people to find work or move”</i></p> <p><i>“You should consider paying full Council Tax Benefit, but for a limited period, to give occupiers a chance to either sell the property and downsize or to find another job”</i></p> <p><i>“I think the full amount should be paid for the first 6 months and then it gets reduced by a percentage or in accordance with the band d”</i></p>
<p>Support Council should offer</p>	<p><i>“If you are going to do this you should offer to support people by re-housing them into suitable council tax banded house”</i></p> <p><i>“This would be potentially acceptable if there is an active scheme in operation by the council to help persons in genuine need move to a lower taxed property”</i></p> <p><i>“The council or housing associations should help them find properties if they have too much space”</i></p>

4.3 Proposal Three: Reduce the savings limit from £16,000 to £6,000 for working-age people

At present, a person is not entitled to Council Tax Benefit when their savings and investments are more than £16,000. This would include savings of a partner who lives in the same household. Under this proposal working age people with savings and investments worth more than £6,000 would not be entitled to any Council Tax Support.

Q3a) How strongly do you agree or disagree that Council Tax Support should not be paid to people with some savings or investments?

	Number	Percent
Strongly agree	125	20.9
Agree	159	26.6
Total Strongly agree or agree	284	47.5
Neither agree nor disagree	99	16.6
Disagree	129	21.6
Strongly disagree	86	14.4
Total Disagree or strongly disagree	215	36.0
Total	598	100.0%

Q3b) How strongly do you agree or disagree with reducing the savings limit from £16,000 to £6,000?

	Number	Percent
Strongly agree	125	21.0
Agree	142	23.8
Total Strongly agree or agree	267	44.8
Neither agree nor disagree	78	13.1
Disagree	132	22.1
Strongly disagree	119	20.0
Total Disagree or strongly disagree	251	42.1
Total	596	100.0%

Percent of respondents who agree or disagree with reducing the savings limit from £16,000 to £6,000 by Council Tax Benefit claimants.

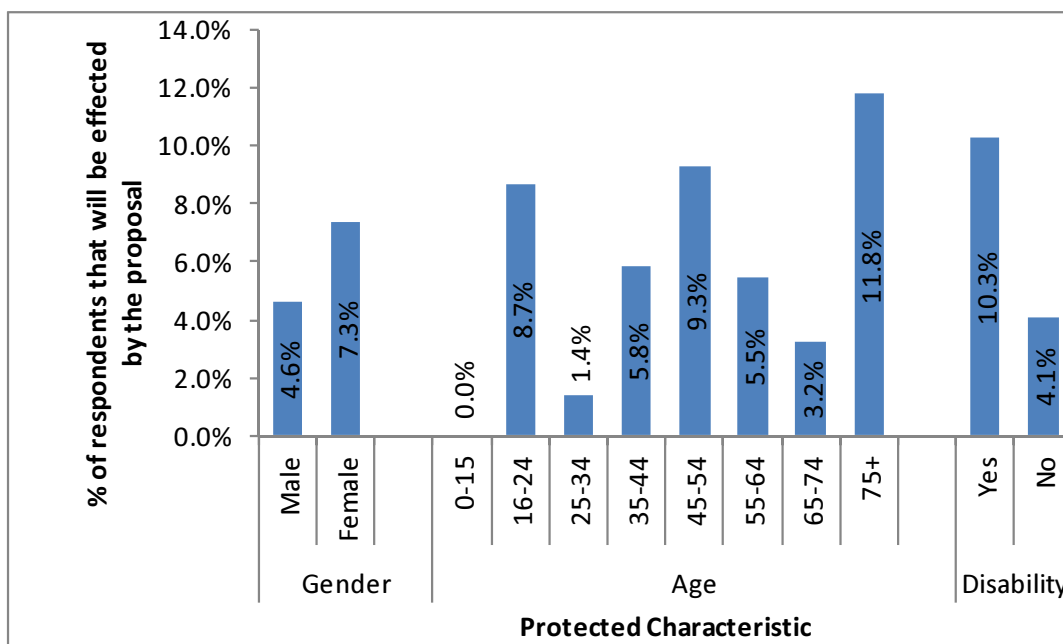
	Currently receive Council Tax Benefit					
	Yes		No		Don't know	
	Number	Percent	Number	Percent	Number	Percent
Strongly agree	56	18.3	62	23.9	3	13.0
Agree	75	24.5	62	23.9	4	17.4
Neither agree nor disagree	47	15.4	24	9.3	6	26.1
Disagree	64	20.9	61	23.6	5	21.7
Strongly disagree	64	20.9	50	19.3	5	21.7

Total	306	100.0%	259	100.0%	23	100.0%
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Q3c) Would this proposal have an effect on your household?

	Number	Percent
Yes	35	6.1
No	538	93.9
Total	573	100.0%

Figure 3: Percent of respondents with protected characteristics who will be affected the savings limit is reduced from £16,000 to £6,000 for working-age people



Those respondents who said this proposal would have an effect on their household were asked to say what they felt this would be. There were only 41 comments made in relation to the affect this proposal would have and many were general comments about the scheme. However, for those who did outline an affect this was again focussed on their **ability to afford** the bill as they would be expected to make a contribution under this proposal. Examples of this are outlined by the quotes below:

“I would no longer be able to receive council tax benefit...it’s the one thing that keeps me going”

“Cannot afford to pay. Would not leave enough money each month”

“It would confine us to the house as I wouldn’t be able to afford to run my car”

Q3d) Do you have any comments about Proposal Three?

There were a wide variety of comments in relation to this proposal and divided opinion. Some respondents felt that the proposal was **unfair, penalising** those that had made the efforts to save, while others felt that claimants could **afford** their council tax if they had money in savings. There

were also many comments relating to the savings threshold and that the drop to £6,000 was **drastic**, suggesting **alternative amounts, particularly £10,000**.

The table below highlights the key issues / themes identified in the responses to this question:

	Comments made by respondents
Unfair / penalising	<p><i>“£16,000 is about right (£6,000 is too low) why punish people for being careful and building up something for a rainy day”</i></p> <p><i>“I feel this should not change, when you consider the high price of food, utility bills...”</i></p> <p><i>“People should be able to have a reasonable amount of savings which should not be penalised. £16,000 should be the limit”</i></p> <p><i>“Savings should not be taken into account”</i></p> <p><i>“Why should people who have managed to save hard be penalised?”</i></p> <p><i>“Just because people have taken the time to save, they shouldn’t be penalised”</i></p>
Agree / reasonable proposal	<p><i>“I agree 100% with proposal three, and can see no reasonable argument against it”</i></p> <p><i>“I think that if people have savings or investments they should make a proportional contribution”</i></p> <p><i>“If they have over £6,000 they should be able to afford their bill anyway”</i></p> <p><i>“Council tax benefit should support those in financial difficulties. If they have savings of any amount they should use these before resorting to taxpayers money”</i></p> <p><i>“People that have savings can plainly afford to have the savings limit reduced”</i></p>
Alternative savings limit	<p><i>“Drop it down from £16,000 to £10,000”</i></p> <p><i>“I think the savings limit should be around £10,000”</i></p> <p><i>“A level of £10,000 rather than £6,000 would be better”</i></p> <p><i>“A reduction to £6,000 is too drastic. A reduction to say £12,000 would be more reasonable”</i></p> <p><i>“Reduce the limit to £10,000 not £6,000”</i></p>
Reduces the incentive to save	<p><i>“Higher outgoings on costs reduce incentive to save”</i></p> <p><i>“This reduces the incentive for people to save money or improve their situation”</i></p> <p><i>“There would be less incentive to save if people thought their savings could be taken from them”</i></p> <p><i>“At a time when there is huge emphasis on saving for the future – this scheme would discourage saving and erode savings”</i></p>
Should relate to income / circumstances	<p><i>“Council tax should be related to a person’s earnings or if the person is retired, to their pension after tax”</i></p> <p><i>“Council tax should be based on ability to pay”</i></p> <p><i>“This ‘blanket policy’ is unfair. I feel it should depend on the individuals circumstances and take those into account”</i></p> <p><i>“Council tax should be based on ability to pay”</i></p>

4.4 Proposal Four: Removing the Second Adult Rebate

Currently, Second Adult Rebate can be given when there is one person in a property who is liable to pay council tax but lives with someone over the age of 18 (not a partner, boarder or tenant) who is on a low income. Council Tax Benefit of up to 25% can be given but no account is taken of the main person's income. Under this proposal, Second Adult Rebate would be abolished and Council Tax Support would only be considered by taking account of both incomes.

Q4a) How strongly do you agree or disagree with removing the Second Adult Rebate for working-age people?

	Number	Percent
Strongly agree	128	21.6
Agree	133	22.4
Total Strongly agree or agree	261	44.0
Neither agree nor disagree	137	23.1
Disagree	115	19.4
Strongly disagree	80	13.5
Total Disagree or strongly disagree	195	32.9
Total	593	100.0%

Percent of respondents who agree or disagree with removing the Second Adult Rebate for working-age people by Council Tax Benefit claimants.

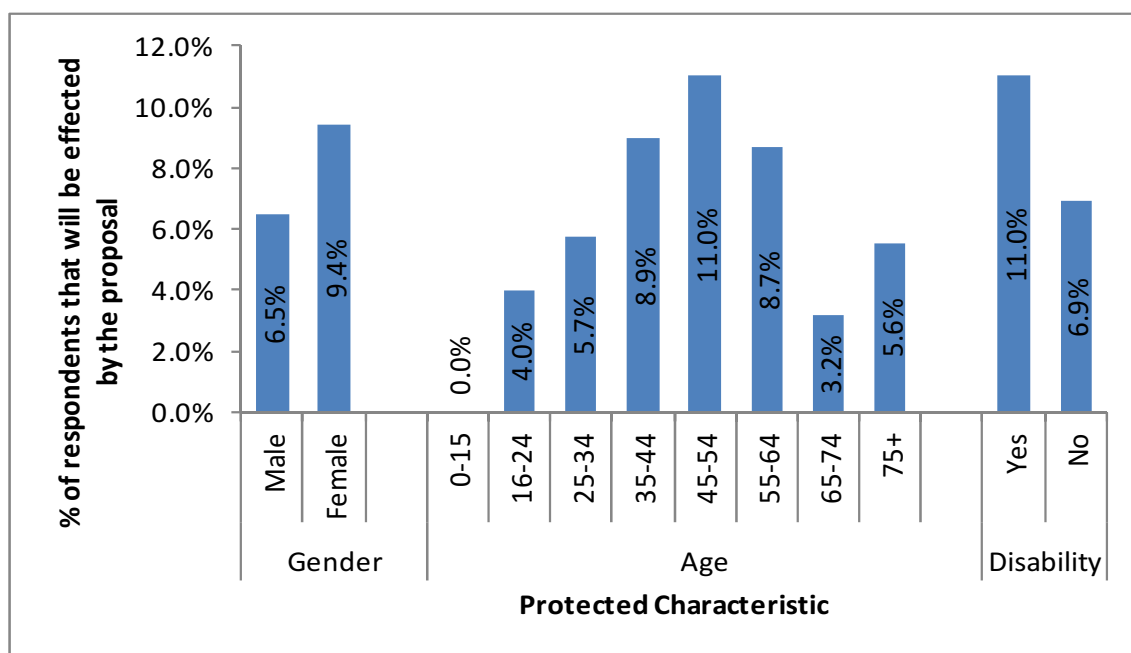
	Currently receive Council Tax Benefit					
	Yes		No		Don't know	
	Number	Percent	Number	Percent	Number	Percent
Strongly agree	42	13.7	86	33.2	0	0.0
Agree	61	19.9	66	25.5	5	22.7
Neither agree nor disagree	78	25.5	44	17.0	11	50.0
Disagree	66	21.6	43	16.6	5	22.7
Strongly disagree	59	19.3	20	7.7	1	4.5
Total	306	100.0%	259	100.0%	22	100.0%

Q4b) Would this proposal have an effect on your household?

	Number	Percent
Yes	45	7.9
No	525	92.1
Total	570	100.0%

Figure 4 below shows no major differences between protected characteristics.

Figure 4: Percent of respondents with protected characteristics who will be affected by removing the Second Adult Rebate for working-age people



Those respondents who said this proposal would have an effect on their household were asked to say what they felt this would be. The main themes identified from respondents in relation to this proposal were **higher costs** to pay and concern this proposal would cause them **greater hardship**.

Key issues with examples of comments regarding proposal one are outlined in the below:

	Comments made by respondents
Financial hardship	<p><i>"I feel this proposal would put more stress on my mother while is currently supporting me, due to circumstances"</i></p> <p><i>"It would mean if my son was still at home I would have to get a fourth job or find the money to pay the council tax in other ways. Such as going without food or and heating in the winter"</i></p> <p><i>"It is difficult to cover all bills in this economic time"</i></p>
Adverse affect on second adult	<p><i>"My daughter is studying at the moment. I get the relief because she isn't earning. If this changed she might have to leave further education to help pay the increased cost"</i></p> <p><i>"When my son is 18 I would have to pay 100% charge and if I was the only person working I am being penalised for giving my son a home rather than having to evict him as financially this situation would not be viable, ergo, he would have to approach housing services which would cost the council more than the 25% second adult rebate I would have received in the first place"</i></p>
Agree with proposal	<p><i>"We would be likely to pay more. But it's fair."</i></p>

Q4c) Do you have any comments about Proposal Four?

There were a wide variety of comments in relation to this proposal and divided opinion. Some respondents **agreed** with the proposal, feeling that everyone should contribute. However, key themes also identified included benefit being **means tested** and concerns regarding **financial hardship** and what the consequences of this might be for some claimants.

The table below highlights the key issues / themes identified in the responses to this question:

	Comments made by respondents
Agree with proposal	<p><i>"If a household as a whole is able to pay then they should"</i></p> <p><i>"If an adult of working age is employed and earning enough to pay the full council tax charge they should pay the full amount regardless of who lives with them. "</i></p> <p><i>"The second adult should contribute to their upkeep from whatever income they receive"</i></p> <p><i>"Why should the first adult be responsible for the second adult?"</i></p>
Disagree / unfair scheme	<p><i>"I am lucky enough to be in a position to pay for my son, who is out of work. I know people who would find it hard without the rebate"</i></p> <p><i>"I feel this would penalise parents with young unemployed people who are struggling to get jobs"</i></p> <p><i>"Not a solution in my opinion"</i></p> <p><i>"Disadvantages people with young adults in the family finding it impossible to find work."</i></p>
Means tested / individual circumstances	<p><i>"Assessments should always be based on household income"</i></p> <p><i>"Every case should be dealt with separately. It is unlikely that two cases would be identical. Means testing would be the fairest way of dealing with this proposal"</i></p> <p><i>"It seems sensible that the available income in the household should be the ruling factor. If this is high enough the full amount should be paid. If one of the occupants is not working the council tax should be reduced"</i></p> <p><i>"A way of testing income against expenditure should be adopted to help those who can prove most deserving need"</i></p> <p><i>"Ability to pay e.g. means tested should be the only criteria."</i></p>
Could lead to homelessness	<p><i>"I would worry that under this proposal could lead to homeless youngsters"</i></p> <p><i>"This is a cruel and would result in 'young people' becoming homeless"</i></p> <p><i>"The cost of adult children leaving home would be far greater than the relief currently given"</i></p> <p><i>"This will mean more young people are homeless"</i></p>
Cause financial strain	<p><i>"These proposals would affect the poorest section of residents and would produce problems elsewhere."</i></p> <p><i>"This is yet another way to get people on lower incomes with responsibilities to pay more. If we don't have the money what happens?"</i></p> <p><i>"You cannot penalise parents trying to support their children who are struggling to find work in this climate"</i></p> <p><i>"I think this is a good idea but it may cause some household severe"</i></p>

hardship"

5. Respondent Profile

Q5) Are you completing this questionnaire as:

	Number	Percent
A resident of Torbay	581	96.5
An organisation	4	0.7
A voluntary / community group	1	0.2
A business	3	0.5
A landlord	2	0.3
Other (please write in below)	11	1.8
Total	602	100.0%

Respondents who answered 'other' described themselves as:

- Hoping to move here
- Residents of neighbouring areas
- Visitors to the area
- Church of England Minister

Respondents who answered on behalf of organisations or voluntary groups did so on behalf of:

- Cool recovery
- MS Society
- JobCentrePlus
- Magna Housing Association
- Torbay Citizens Advice Bureau

Q6) Do you pay your council tax to Torbay Council?

	Number	Percent
Yes	474	80.7
No	113	19.3
Total	587	100.0%

(Please note: It became apparent that there was some confusion as to whether respondents whose council tax is paid directly by Council Tax Benefit but who live in Torbay should answer yes or no)

Q7) Does your household currently receive Council Tax Benefit from Torbay Council?

	Number	Percent
Yes	317	52.4
No	265	43.8
Don't know	23	3.8
Total	605	100.0%

(Please note: this may not identify respondents who live outside Torbay and whom are in receipt of Council Tax Benefit from their local authority)

Q8) Are you male or female?

	Number	Percent
Male	275	46.9
Female	311	53.1
Total	586	100.0

Q9) Which age group do you belong to?

	Number	Percent
0-15	0	0.0
16-24	26	4.3
25-34	74	12.3
35-44	127	21.1
45-54	149	24.8
55-64	139	23.1
65-74	66	11.0
75+	20	3.3
Total	601	100.0%

Q10) Which of the following best describes your working status?

	Number	Percent
Employed (full or part time)	260	43.8
Full time education at school, college or university	3	0.5
Unemployed	68	11.5
Permanently sick / disabled	125	21.1
Wholly retired from work	97	16.4
Doing something else	40	6.7
Total	593	100.0%

Q11) Do you consider yourself to be disabled in any way?

	Number	Percent
Yes	177	29.8
No	417	70.2
Total	594	100.0%

The 176 respondents who described their disability did so as:

	Number	Percent
Mobility	122	69.3
Hearing	24	13.6
Vision	29	16.5
Mental health	30	17.0

Other	68	38.6
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(Please note respondents may have more than one disability)

Q12) What is your ethnic origin?

	Number	Percent
British	556	97.0
Irish	1	0.2
White other	10	1.7
White & Black Caribbean	0	0.0
White & Black African	0	0.0
White & Asian	2	0.3
Indian	1	0.2
Pakistani	0	0.0
Bangladeshi	0	0.0
Caribbean	0	0.0
African	0	0.0
Chinese	0	0.0
Other (please state below)	3	0.5
Total	573	100.0%

Q13) What is your home postcode?

We have classified respondents by their postcode into towns.

	Number	Percent
Torquay	320	56.9
Paignton	158	28.1
Brixham	73	13.0
Outside Torbay	11	2.0
Total	562	100.0%



Stakeholder Event: Feedback

23rd October 2012

1. Introduction

As part of the Government's welfare reforms, Council Tax Benefit is being removed and Torbay Council like all councils will have to design a local scheme called Council Tax Support. This will affect all people of working age who currently receive Council Tax Benefit. Pensioners will have a Council Tax Support Scheme set nationally and so will not be affected by changes to the local scheme.

In designing a local scheme, the council has consulted with residents by way of a questionnaire. This questionnaire was designed to ask the views of the general public (including, but not exclusive to, those in receipt of Council Tax Benefit at the time of the consultation) on the Council's draft proposals for a Council Tax Scheme.

However, as a result of a gap identified during development of the impact assessment it was also decided to hold a stakeholder consultation event targeted at local interest groups, voluntary sector organisations and those precepting authorities (including Brixham Town Council, Police, Fire). The event took place on the 23 October 2012 and outlined what the proposals are and what the impact could be on their services.

2. Methodology

A variety of organisations were invited to the event and attendance was good with over 30 people attending representing 13 organizations, including Action for Children, Coalition for the Disabled, Children's Centre's and the Torbay and Southern Devon Health and Care Trust. A full list of organisations who attended the event can be found in Appendix One.

At the event attendees were given more information about the proposals and were asked to participate in a round table discussion on each proposal on the following:

- How will this proposal affect your clients?
- How will this proposal affect your organisation / department?
- How will your organisation / department support your clients?

This report outlines feedback from the event by each proposal.

3. Results

3.1 Proposal One: Everyone should pay something towards their Council Tax

How will this proposal affect your clients?

The key issues identified by agencies in relation to Proposal One were:

- Greater expenditure and inability to pay the bill, given existing outgoings i.e. food utility bills

“The people I work for will not be able to pay for it; they cannot make ends meet as it stands”

“For many families the 25% change will have a great effect on how they budget and many families will struggle to budget an extra payment”

“Client base already a huge amount of debt where they cannot afford to even eat properly – pressure on families to pay additional bill”

- Further changes to other benefits i.e. housing benefits which will place greater pressure on people

“Some of these will also become liable for bedroom tax – recipe for disaster”

“This will have a severe impact for 2 years as benefits changes kick in ...e.g. ESA sanctions ...introduction of PIP”

- Concern regarding mental health issues and stress this will place on families.

“We work with parents who have mental health and drugs issues this will increase their stress levels”

“This will make my clients more stressed due to difficulty of making ends meet...”

- Concern that clients may not understand the information in the bills

“They would need to have an understanding on where and why they have to pay this tax”

“Vulnerable adults will not manage to find or understand the new scheme”

Other key issues included:

- Clients may hide / ignore their bills
- Demands placed on the hardship fund
- Clients with disabilities who are not able to work and cannot afford the payments.

How will this proposal affect your organisation/department?

Responses to this question focussed mainly on the increased demand for service, particularly those services which support families. It was felt that the proposals had the potential to create

more vulnerable families would need to be supported in budgeting and would need greater levels of family support:

“It will cause extra pressure on family support”

“Families will result in a greater vulnerable position, therefore may require more support. More families may also come forward for support”

“Increased load of difficult cases with no increase in resources”

“Work with families around budgeting their income”.

How will your organisation / department support your clients?

Although responses to this question were somewhat limited, attendees mentioned that they would support their clients by referring them to the relevant departments and help them in finding out information regarding the hardship fund and how they can access this. One organisation said they would review all of their working age clients to *“ensure their financial assessments are accurate in line with the new changes.”* Examples of support which will be provided include:

“Support with budgeting and signposting to services and also making sure we have the relevant information”

“Once criteria have been identified we will signpost families to the hardship fund, look at their budgeting to see if they have a way of funding the bill”

“By advocacy, befriending, counselling training in benefit / debt advice.”

3.2 Proposal Two: Limiting the amount of Council Tax Support for working age people to a Band D charge

How will this proposal affect your clients?

The key issues identified by agencies in relation to proposal two were:

- Affect their weekly outgoings / greater expenditure:

“Added pressure on already tight budgets”

“This will affect their weekly income/outgoings affecting whether they can afford etc therefore putting them into more debt ”

- Affect on larger families:

“This proposal will affect a small number of clients with bigger houses due to large families”

“Families may then try to stay in smaller houses or the lower bands to prevent this”

“Families living in overcrowded homes”

How will this proposal affect your organisation / department?

Similar to proposal one, responses to this question focussed mainly on the increased demand for service:

“We will have more families attending our centres with concerns over money and normal daily outgoings”

“Housing already difficult in the bay will this put more pressure on housing in certain bands to prevent paying more council tax – pressure to help clients housed will become harder”

How will your organisation / department support your clients?

Organisation will support their clients by continuing to provide outreach support to share information and advice.

3.3 Proposal Three: Reduce the savings limit from £16,000 to £6,000 for working-age people

How will this proposal affect your clients?

The key issues identified by agencies in relation to proposal one were:

- Clients have little or no savings:

“The families we work with do not in general have huge amounts of savings therefore this proposal would be the one that least affects our clients”

“Don’t come across many working age people who even have savings of £6,000”

“Not sure we have many people (or working age) who this will affect”

Other issues identified:

- Affect on the ill / disabled who many have been left money, which they will have to use.
- Penalising those who have saved.

How will this proposal affect your organisation / department?

Although the responses to this question in relation to this proposal were limited they included:

“Major impact on budget for Torbay Care Trust and will result in many changes or circumstances needing to be completed”

“There could be a reduction in contributions towards service, however...(not) many of our clients will fall into this proposal”

How will your organisation / department support your clients?

Organisation will support their clients by continuing to provide outreach support to share information and advice:

“A signpost to services”

“Have correct up to date information for clients”

“Will be financially re-assessing if needed.”

3.4 Proposal Four: Removing the Second Adult Rebate

How will this proposal affect your clients?

The key issues identified by agencies in relation to proposal one were:

- Proposal is not likely to affect many clients:

“Not likely to impact on our families”

“Very small percentage of our clients eligible for Second Adult Rebate”

- Financial strain:

“They will have more expenditure. Thus having an effect on our charging system – we will then have to allow extra council tax and the client will then end up possibly not paying for their care”

“Many older carers have family who live with them, this would put a strain on relationships due to changes in finances. Could put people off having their family in with them.”

How will this proposal affect your organisation / department?

Although the responses to this question in relation to this proposal were limited they included:

“Very low impact on our work but it would be looking at household income with family rather than individuals”

“We won’t need to complete the forms! But if needed, financial re-assessment, this reducing contribution towards services and reduction in income for Torbay Care Trust”

“This could reduce the charge for services thus reducing the revenue from charging ... could this lead to more requests for long term residential care?”

How will your organisation / department support your clients?

Organisation will support their clients by continuing to provide outreach support to share information and advice:

“Support with budgeting and signposting to services and also making sure we have all the relevant information”

“We would financially re-assess if needed”

“Offer an outreach and family support with money and budgeting issues, signposting to other agencies for advice with money”

“Help to find suitable, affordable housing for clients.”

Appendix One: Organisations Attendee List

Organisation	Number of Attendees
Action for Children	6
Age UK	1
Coalition of Disabled People South Devon	1
Community & Voluntary Action Torbay/Coalition of Disabled People	1
Devon and Cornwall Housing Group	1
Leonard Stocks Centre	2
SPOT (Speaking Out Torbay)	4
Torbay and District Deaf Society	2
Torbay and Southern Devon Health and Care - NHS Trust	2
Torbay Carers Forum, Torbay Healthwatch, & Torbay Inter Faith & Belief Forum	1
Torbay Council	2
Tor Homes and West Devon Homes	1
TSDHC - Financial Assessments & Benefits Team	7
Total	31

Equality Impact Assessment (EIA):

Name of Proposal:	Provisional Equality Impact Assessment – Draft Council Tax Support Scheme		
Name (Key Officer/Author):	Paul Looby	Business Unit:	Finance – Revenues and Benefits
Position:	Executive Head Finance	Tel:	(01803) 207283
Date EIA Commenced:	31 st July 2012	Email:	Paul.looby@torbay.gov.uk

Since the Equality Act 2010 came into force the council has continued to be committed to ensuring we provide services that meet the diverse needs of our community as well as ensure we are an organisation that is sensitive to the needs of individuals within our workforce. This Equality Impact Assessment (EIA) has been developed as a tool to enable business units to fully consider the impact of proposed decisions on the community.

This EIA will evidence that you have fully considered the impact of your proposal/strategy and carried out appropriate consultation with key stakeholders. The EIA will allow Councillors and Senior Officers to make informed decisions as part of the council’s decision-making process.

Relevance Test – ‘A Proportionate Approach’

Not all of the proposals or strategies we put forward will be ‘relevant’ in terms of the actual or potential impact on the community in relation to equality and vulnerable groups. For instance, a report on changing a supplier of copier paper may not require a EIA to be completed whereas a report outlining a proposal for a new community swimming pool or a report proposing a closure of a service would.

Therefore before completing the EIA please answer the following questions. If you answer ‘yes’ to any of the questions below you must complete a full EIA.

1)	Does this report relate to a key decision?	<input checked="" type="checkbox"/> Y	<input type="checkbox"/> N
2)	Will the decision have an impact (i.e. a positive or negative effect/change) on any of the following: <ul style="list-style-type: none"> • The Community (including specific impacts upon the vulnerable or equality groups) • Our Partners • The Council (including our structure, ‘knock-on’ effects for other business units, our reputation, finances, legal obligations or service provision) 	<input checked="" type="checkbox"/> Y <input checked="" type="checkbox"/> Y <input checked="" type="checkbox"/> Y	<input type="checkbox"/> N <input type="checkbox"/> N <input type="checkbox"/> N

Section 1: Purpose of the proposal/strategy/decision

No	Question	Details
1.	Clearly set out the purpose of the proposal	<p>Council Tax Benefit is a means tested benefit designed to assist those people on low incomes pay their Council Tax. The scheme is administered on behalf of the Government by local authorities and the benefit payments are reimbursed by the Department for Work and Pensions (DWP).</p> <p>As part of the Comprehensive Spending Review 2010, the Government announced that it intended to abolish Council Tax Benefit and replace it with a localised support scheme from 1 April 2013. The new arrangements will have financial implications for both billing and major precepting authorities, as expenditure allocated to the localised scheme will be reduced by 10% and any increase in expenditure above what is forecast by the Department for Communities and Local Government (DCLG) must be funded by the Council. For further details please refer to the consultation document below: http://www.communities.gov.uk/documents/localgovernment/pdf/2146648.pdf</p> <p>The new scheme must be in place by 31 January 2013 or the Government default scheme, which is modelled on the current Council Tax Benefit scheme, will be imposed. The default scheme will not have any scope for making the required savings. This would be a cost to the council of approximately £1.6 million, however this does not take into account increases in demand or Council Tax levels from April 2013.</p> <p>It is proposed that the Council adopt the existing Council Tax Benefit scheme as its local scheme for working age people. The current scheme is already widely understood by residents, professional and voluntary organisations and other service users. However, to make up the losses from the reduction in grant subsidy means that we would have to make changes to some elements of the existing scheme.</p> <p>Four options or proposals have been identified for making the savings required, which have been designed to meet the following key principles:</p> <ul style="list-style-type: none"> • Every working age adult should pay something - pensioners will be protected under the national framework defined by DCLG. • Protection for vulnerable working age groups will be in line with the current Council Tax Benefit system. • The scheme will incentivise work wherever possible. • The scheme will, as far as possible, allow for expected growth in demand. • A discretionary fund should be created to help protect the most vulnerable. • Changes to Council Tax discounts/exemptions relating to second homes and empty properties.

No	Question	Details
<p style="text-align: center;">Page 377</p>		<p>The proposals being consulted on are as follows:</p> <ol style="list-style-type: none"> 1. Proposal 1 - Limit the maximum level of support to 75% of their Council Tax liability – The council currently assists people on the lowest incomes to pay up to 100% of their Council Tax. Under this proposal all working age people currently receiving Council Tax Benefit would have to pay an extra 25% of their Council Tax bill. This means that working people currently receiving full Council Tax Benefit would have to pay a minimum of 25% of their bill. <i>This proposal, based on current data will save approximately £2.2 million.</i> 2. Proposal 2 - Restrict the maximum level of support to a band D charge - There is currently no restriction to Council Tax band charges. Under this proposal all working age people currently receiving Council Tax Benefit and occupying band E properties or above would be restricted to a maximum band D charge. <i>This proposal, based on current data will save approximately £73,000.</i> 3. Proposal 3 - Withdrawal of Second Adult Rebate - The current scheme enables single people who are not entitled to Council Tax Benefit in their own right, because their income or savings are too high to claim a discount of up to 25% of their bill if they have another adult living with them on a low income. Under this proposal all working age people currently claiming Second Adult Rebate will not be entitled to Council Tax Support as a result of this change. <i>This proposal, based on current data will save approximately £15,000.</i> 4. Proposal 4 - Reduce the upper Capital/Savings limit from £16,000 to £6,000 - In the current scheme working age people who have savings of £16,000 or more are not entitled to Council Tax Benefit. Under this proposal this will be reduced to £6,000 and people that have above this amount will not be entitled to Council Tax Support. <i>This proposal, based on current data will save approximately £69,000.</i> <p>Additional support for exceptional financial hardship - this will allow the most vulnerable customers to receive more financial support which will be given via an exceptional hardship /vulnerability fund.</p> <p>These proposals comply with the Draft Council Tax Reduction Schemes (Prescribed Requirements) Regulations which are before Parliament with the intention that they become law in the late summer of 2012. The Local Government Finance Act 2012 received Royal Assent on the 1st November 2012.</p>
2.	Who is intended to benefit / who will be affected?	<p>All current and future recipients of Council Tax Benefit / Council Tax Support are affected by the changes. The number of people claiming Council Tax Benefit in October 2012 was just over 18,000, of which around 9,800 are of working age and around 8,200 are pensioners. According to the 2011 Census there are 59,000 households in Torbay, which means nearly 1 in 4 households are financially supported by the current benefit scheme and just over half of them are of working age.</p>

No	Question	Details
		<p>The DCLG has made it clear that the new scheme must protect pensioners at current benefit levels and that consideration should be given to disabled people and other vulnerable groups. The local scheme must also take into account the following:</p> <ul style="list-style-type: none"> • The Public Sector Equality Duty (and The Equality Act 2010): requiring local authorities to have clearly defined responsibilities in relation to, and awareness of, those in the most vulnerable situations. • The duty to mitigate effects of child poverty (The Child Poverty Act 2010): understanding the characteristics of low income and disadvantaged families. • The Disabled Persons Act (Services, Consultation & Representation) Act 1986, and the Chronically Sick and Disabled Persons Act 1970. • The duty to prevent homelessness (The Housing Act 1996): Those households who find themselves homeless through no fault of their own and who are eligible and in priority need are owed the main homelessness duty. • Armed Forces Covenant 2011. <p>Whilst local authorities have discretion to design whatever scheme they deem fit for working age people, schemes need to be compliant with their duties so authorities should consider the impact of their schemes on all protected characteristics, particularly on the most vulnerable and disadvantaged groups.</p>
3. Page 378	<p>What is the intended outcome?</p>	<p>To implement a local Council Tax Support Scheme that seeks to be as fair as possible to all client groups regardless of their circumstances. The proposals are based on the evidence of other modelling which was carried out and those proposals put forward keep as many of the current protections afforded to pensioners, the disabled, carers and families with children as at the present time.</p>

Section 2: Equalities, Consultation and Engagement

Torbay Council has a moral obligation as well as a duty under the Equality Act 2010 to eliminate discrimination, promote good relations and advance equality of opportunity between people who share a protected characteristic and people who do not.

The **Equalities, Consultation and Engagement** section ensures that, as a council, we take into account the Public Sector Equality Duty at an early stage and provide evidence to ensure that we fully consider the impact of our decisions/proposals on the Torbay community.

Evidence, Consultation and Engagement

No	Question	Details
4.	Have you considered the available evidence?	<p>The number of people claiming Council Tax Benefit in October 2012 was just over 18,000, of which around 9,800 are of working age and around 8,200 are pensioners. According to the 2011 Census there are 59,000 households in Torbay, which means nearly 1 in 4 households are financially supported by the current benefit scheme and just over half of them are of working age.</p> <p>The new Council Tax Support Scheme needs to be considered in the context of Torbay as a community: -</p> <ul style="list-style-type: none"> • According to the 2011 Census Torbay is home to approximately 131,000 people, 63,100 males and 67,800 females (rounded). This is an actual increase of approximately 1,298 people, or 1%, over the previous Census in 2001. This compares to an approximate 7% increase in the South West and England between 2001 and 2011. • Torbay's population is still very much dominated by a higher proportion of older people. Between the 0-4 and the 40-44 age bands Torbays population is consistently below national population figures for England and from bands 50-54 to 90+ they are consistently higher than national figures. (Census 2011) • The percentage of the population aged 65 and over is much higher in Torbay, at 23.6%, than the national figure of 16.3% and 19.6% in the South West. (Census 2011) • There are pockets of severe deprivation in Torbay, with around 15% (21,000) of the population living in areas in the top 10% most deprived in England (2010). In relative terms, Torbay's position has worsened over time, in 2004 there were some 6,000 residents living in the top 10% most deprived and in 2007 some 15,500. (Joint Strategic Needs Assessment JSNA 2012/13) • As Torbay's population ages, the potential workforce within the bay to support the retirement age population is expected to decrease. In 2010, there were 2.1 working age people in Torbay for every person of retirement age; this is expected to decrease to around 1.7 people of working age per person of retirement age by 2020. (Joint Strategic Needs Assessment JSNA 2012/13)

No	Question	Details
		<p>The wider impacts of the current economic climate and Welfare Reform Act also needs to be considered in context with the new scheme: -</p> <ul style="list-style-type: none"> • The cost of a minimum household budget has risen by about 5% for most families. This is well above the general inflation rate, because someone on a minimum income spends a greater than average portion of their budget on food, domestic fuel and public transport, for which prices have risen by 7% to 12%. A couple with two children, both parents working full time, would need to earn 24% more in 2011 than in 2010 to cover a minimum budget, once childcare costs are taken into account¹. • A few examples: gas has gone up in price by 18%, electric is up 11%, locally rent is up 2.3%, the average family's grocery shopping cost is up 12% adding £750.00 to the average family's bill per year, and petrol is up 20.5%. This is before consideration of expenses such as bank charges, increased mortgage repayments due to re-mortgage and redundancy problems. • The Institute for Fiscal Studies (IFS) estimates the average household will be £160 a year worse off in 2012/13 rising to £370 per household in 2013/14 as a result of tax rises and benefit reforms². Households with children are set to lose the most from the reforms. This and other changes will impact on a wide range of council and partner services, as vulnerability increases and customers put increasing demands on these services. • A significant challenge for Torbay is to get people off benefits and back into work in the current economic climate where we have high unemployment rates (8.7%), the highest in the South West and higher than the national rate (8.1%)³. <p>When looking at each proposal in more detail we can begin to analyse the how each proposal may affect Council Tax Benefit claimants in Torbay, for instance: -</p> <ul style="list-style-type: none"> ○ Proposal one – Working age people currently receiving only partial help with their Council Tax would be expected to pay an additional 25% of their eligible Council Tax, affecting 2,959 (30.00%) households in Torbay. Those who currently receive maximum Council Tax Benefit would have to pay 25% of their eligible Council Tax, affecting 6,907 households (70.00%). It will also result in 1,394 households losing their entitlement to support due to the lower amount of Council Tax used in the calculation. The overall impact of this proposal will affect 9,866 households. This proposal shares the burden of the funding cuts amongst all working age people receiving support. The extra amount that each person would have to pay depends on the Council Tax band that their property is in and any Council Tax discounts they receive, with those living in higher band properties paying more.

¹ JRF calculation can be found at <http://www.jrf.org.uk/sites/files/jrf/minimum-income-standard-2011-summary.pdf> p4

² <http://www.ifs.org.uk/publications/5451>

³ ONS annual population survey (Apr 2011-Mar 2012), Model Based Unemployment rate

No	Question	Details																				
<p style="text-align: center;">Page 381</p>		<ul style="list-style-type: none"> ○ <u>Proposal two</u> – the restriction to a maximum band D would currently affect 203 households with 27 losing entitlement to support. The equalities impact assessment reveals that if a banding restriction were imposed with the 25% limitation low income households would be disproportionately affected (please refer to question 8). ○ <u>Proposal three</u> – removing second adult rebate will result in 87 households losing their entitlement to support. ○ <u>Proposal four</u> – reduction in the capital cut off limit from £16,000 to £6,000 will result in 122 households losing their entitlement to support <p>The particular impact of the scheme will depend upon the configuration of the four proposals and therefore careful consideration will need to be given as to how the different options are put together to ensure any potential impact is not amplified during the development of the scheme.</p> <p>Comprehensive data relating to people affected from the current Council Tax Benefit processing system has been obtained and has enabled us to analyse the potential impact on people according to their age, disability, family circumstances and level of income – this has enabled us to produce case studies to illustrate how each of the options we have considered would affect individuals as required by the public sector equality duty these are attached at Appendix 1.</p> <p>The following table summarises the estimated effects: it shows that pensioners are protected, as intended, but working age households will have their support reduced by an average of £4.49 per week or 29%.</p> <table border="1" data-bbox="826 790 1129 1617"> <thead> <tr> <th>Category</th> <th>Number of Households</th> <th>Total Expenditure per annum</th> <th>Average Weekly Benefit</th> <th>Average weekly Support</th> </tr> </thead> <tbody> <tr> <td>Pensioners that received CTB in 2011</td> <td>9,469</td> <td>£8.032m</td> <td>£16.28</td> <td>£16.28</td> </tr> <tr> <td>Working age that received CTB in 2011</td> <td>12,457</td> <td>£7.820m</td> <td>£15.67</td> <td>£11.18</td> </tr> <tr> <td>Total</td> <td>21,926</td> <td>£15.954m</td> <td></td> <td></td> </tr> </tbody> </table> <p>The figures are based on a forecasting utility provided by the Council's benefits software supplier. As the software is regularly updated it is possible that the above figures may vary slightly prior to scheme finalisation.</p>	Category	Number of Households	Total Expenditure per annum	Average Weekly Benefit	Average weekly Support	Pensioners that received CTB in 2011	9,469	£8.032m	£16.28	£16.28	Working age that received CTB in 2011	12,457	£7.820m	£15.67	£11.18	Total	21,926	£15.954m		
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Working age that received CTB in 2011	12,457	£7.820m	£15.67	£11.18																		
Total	21,926	£15.954m																				

No	Question	Details
5.	How have you consulted on the proposal?	<p>As outlined by the Government, the Council is expected to consult with residents, especially those who will be affected by the proposal, as well as local preceptors and interest groups. The Council has been working with other local authorities in Devon to establish a common framework for the new scheme. Part of this process included developing a consultation plan where all Devon authorities would go out to consultation with the public and key stakeholders from the 6 August 2012, as part of a coordinated county-wide approach.</p> <p>The consultation approach aimed to ensure all residents in the borough (including organisations and voluntary groups) had an opportunity to have their say about the potential replacement for Council Tax Benefit. The objectives of the consultation and engagement programme were to:</p> <ul style="list-style-type: none"> ○ Communicate the need to design a local Council Tax Support scheme to replace Council Tax Benefit, with a 10% reduction in funding. ○ To understand the views, priorities and impact on existing Council Tax Benefit recipients; and the views and priorities of residents, organisations and voluntary groups. ○ To assess responses to the principles underpinning a future scheme, views on the proposed model, consideration of potential incentives and protection. ○ To use the consultation data to shape a final recommendation to full Council, completing relevant impact assessments and designing an effective, efficient and sustainable scheme. <p>Consultation with residents on the draft scheme took the form of a survey. Respondents were asked for their views on each of the four proposals as well asking them to state whether the proposals will have an effect on their household.</p> <p>The consultation survey was open for 8 weeks between 6th August 2012 and 1st October 2012 and was available in the following forms:</p> <ul style="list-style-type: none"> ○ A letter was sent to all working age customers (9,678 households) who will be affected by the proposals, advising them of the forthcoming changes and the consultation. The letter explained that there would be an online survey and that paper questionnaires were also available from council reception areas. ○ 1,068 surveys were sent to a random sample of both Council Tax Benefit claimants and Council Tax payers. From this 660 were posted to households not in receipt of Council Tax Benefit and the remaining 408 were sent to households in receipt of Council Tax Benefit who had already received letters. ○ An additional 500 letters were hand delivered to claimants with visiting officers. ○ Letters were sent to people who started claiming Council Tax Benefit whilst the consultation was open. ○ The questionnaire was available via the council's website. ○ Paper surveys were available via the libraries and other council reception areas. ○ Customer service advisors had access to information about the changes and were directing customers to the questionnaire. ○ Customers were given a questionnaire to complete when they had a benefit appointment.

No	Question	Details
<p style="text-align: right;">Page 6 of 83</p>		<ul style="list-style-type: none"> ○ Torbay Council's Viewpoint panel members were contacted to make them aware of the consultation and were invited to take part. ○ Information also went out via the member's bulletin and members were able to collect copies of the survey to take out to their constituents. ○ Leaflets and posters were sent out to a variety of agencies such as Westcountry Housing, Sanctuary Housing and Citizen's Advice Bureau. <p>Due to a lower than expected response rate during the consultation window council staff actively approached customers in council reception areas to boost the number of paper surveys completed.</p> <p>A stakeholder consultation event aimed at local interest groups, voluntary sector organisations and those precepting authorities (including Brixham Town Council, Policy and Fire authorities) was held. The event took place on the 23 October 2012 and outlined what the proposals are and what the impact could be on their services. Attendance to the event was good with over 30 people attending representing 13 organisations, including Action for Children, Coalition of Disabled People, Children's Centre's and the Torbay and Southern Devon health and Care NHS Trust.</p> <p>The consultation activity was backed up by a general awareness campaign via press releases to obtain as much public interest as possible.</p>
<p>6. Outline the key findings</p>		<p>Helping you cope with the changes to Council Tax – Survey Results</p> <p>622 questionnaires were returned - 297 online and 325 paper. A full analysis of the results was undertaken in late October. The headline results are as follows: -</p> <p>Proposal One: Everyone should pay something towards their council tax</p> <ul style="list-style-type: none"> ● 56.1% agree with the proposal that everyone should pay something towards council tax. ● 44.7% agreed that everyone of working age should pay at least 25% of their council tax bill, while 43.2% disagreed. ● Nearly half (46.1%) of respondents said they would be affected by the proposal. <p>Proposal Two: Limiting the amount of Council Tax Support for working age people to a Band D charge</p> <ul style="list-style-type: none"> ● 59.8% of respondents agreed that people who live in higher band properties and claim Council Tax Benefit should pay more. ● 54.5% of respondents agreed that Council Tax Support should be capped to the level of Band D. ● Most respondents (85.2%) said they would not be affected by the proposal.

No	Question	Details
		<p>Proposal Three: Reduce the savings limit from £16,000 to £6,000 for working-age people</p> <ul style="list-style-type: none"> • 47.5% of respondents agreed with the proposal that Council Tax Support should not be paid to people with savings. • 44.8% of respondents agreed with reducing the savings limit to £6,000 from £16,000, while 42.1% disagreed. • Nearly all respondents (93.9%) said they would not be affected by this proposal. <p>Proposal Four: Removing the Second Adult Rebate</p> <ul style="list-style-type: none"> • 44% of respondents agreed with removing the Second Adult Rebate, while 32.9% disagreed with this proposal. • Nearly all respondents (92.1%) would not be affected by this proposal. <p>The full consultation results are available in a separate document.</p> <p>Changes to Council Tax Benefit Event – Stakeholder Event Feedback</p> <p>Key feedback from the event by proposal is as follows: -</p> <p>Proposal One: Everyone should pay something towards their council tax</p> <ul style="list-style-type: none"> • Greater expenditure and inability to pay the bill, given existing outgoings i.e. food utility bills. • Further changes to other benefits i.e. housing benefits which will place greater pressure on people. • Concern regarding mental health issues and stress this will place on families. • Concern that clients may not understand the information in the bills. <p>Proposal Two: Limiting the amount of Council Tax Support for working age people to a Band D charge</p> <ul style="list-style-type: none"> • Affect client weekly outgoings / greater expenditure. • Affect on larger families. <p>Proposal Three: Reduce the savings limit from £16,000 to £6,000 for working-age people</p> <ul style="list-style-type: none"> • Clients have little or no savings. • Affect on the ill / disabled who many have been left money, which they will have to use. • Penalising those who have saved. <p>Proposal Four: Removing the Second Adult Rebate</p> <ul style="list-style-type: none"> • Proposal is not likely to affect many clients. • Financial strain.

No	Question	Details
Page 385		<p>Other key issues included:</p> <ul style="list-style-type: none"> • Clients may hide / ignore their bills. • Demands placed on the Hardship Fund. • Clients with disabilities who are not able to work and cannot afford payments. <p>How the proposals will affect organisations:</p> <ul style="list-style-type: none"> • Increased demand for services, particularly those services which support families. • The proposals have the potential to create more vulnerable families that would need to be supported in budgeting and would need greater levels of family support. • One organization highlighted “<i>major impact on [our] budget and will result in many changes of circumstances needing to be completed</i>”. <p>How organisation will support their clients:</p> <ul style="list-style-type: none"> • Referring clients to the relevant departments and help them in finding out information regarding the Hardship Fund and how they can access this. • One organisation said they would review all of their working age clients to “<i>ensure their financial assessments are accurate in line with the new changes.</i>” • Continue to provide outreach support to share information and advice. <p>The full consultation results are available in a separate document.</p>
7.	<p>What amendments may be required as a result of the consultation?</p>	<p>As a result of the consultation activity detailed above the following amendments and actions have been made: -</p> <ul style="list-style-type: none"> • Reassessing Proposal Two – Limiting the amount of Council Tax Support for working age people to a Band D charge. • Ensure engagement with key agencies including the cascade of key information to allow for better signposting between organisations in order to protect vulnerable groups as far as possible. • Software changes to adapt information on bills so that they are more user friendly and includes key information to support clients. • Look into alternative ways for clients to pay their Council Tax including considering weekly or fortnightly payments as well as doorstep collections.

Positive and Negative Equality Impacts

		Details	
No	Question	Positive Impact	Negative Impact
8.	Identify the potential positive and negative impacts on specific groups	<p><i>It is not enough to state that a proposal will affect everyone equally. There should be more in-depth consideration of available evidence to see if particular groups are more likely to be affected than others – use the table below. You should also consider workforce issues. If you consider there to be no positive or negative impacts use the 'neutral' column to explain why.</i></p>	
	All groups in society generally	<p>Local schemes should follow the underlying principle as set out by the DCLG and deliver incentives at a local level to reduce benefits dependency and encourage the unemployed back to work.</p> <p>There are currently 18,126 households claiming Council Tax Benefit in Torbay. Of these, 9,866 (54.43%) are of working age and will be affected by the introduction of the new Council Tax Support scheme.</p> <p>The draft scheme includes a hardship fund that provides a safety net so that additional Council Tax Support can be awarded where there is exceptional need.</p>	<p>The scheme has to be taken into context with the wider welfare reform changes and the risks that with other cost of living increases and pressures on individuals and families within Torbay, people's ability to pay Council Tax may be compromised.</p> <p>There is also the risk that further burdens are placed on other council run services in relation to homelessness, child poverty, children's and adults social care as people within the community are put under extra financial strain.</p>
	Older or younger people	<p>Pensioners will continue to receive support as outlined in the draft regulations published by the DCLG. It is the Government's view low income pensioners would not be expected to work in order to increase their income and will be protected from any reduction in support as a result of this reform.</p> <p>In Torbay pensioners represent 23.6% of</p>	<p>The council will ensure equality of applying the new scheme to individuals of working age.</p> <p>The local scheme has been designed to meet the following key principles: -</p> <ul style="list-style-type: none"> ➤ Every working age adult should pay something (pensioners will be protected) ➤ Protection for vulnerable working age groups (in line with the current system) ➤ The scheme will incentivise work wherever possible ➤ The scheme will, as far as possible, allow for expected growth in demand ➤ A discretionary fund should be created to help protect the most vulnerable <p>In the wider context of welfare reform this will add further financial pressure on working age people that will receive Council Tax Support.</p> <p>There will be a negative impact for all working age households that are currently receiving Council Tax Benefit as there will be a reduction in their entitlement when the new scheme is implemented from April 2013.</p>

No	Question	Details										
	<p>the population (Census 2011) and 45.57% of the current Council Tax Benefit caseload.</p> <p>Asking non-working households to make a contribution is in line with the main Government objectives of creating the right incentives to get more people into work by ensuring work always pays.</p>	<p>In this category the percentage of people currently claiming Council Tax Benefit aged between 20 and 64 (60.37%) is slightly higher than the Torbay population (55.3%)</p> <p>Restriction to Band D Case studies presented in the draft Council Tax Support Scheme highlight a disproportionate impact on households where a Band D restriction combined with the 75% limitation applies.</p> <p>There are currently 203 live cases that would be affected by this proposal, which consists of 113 owner occupiers and 90 households living in rented accommodation.</p> <table border="1" data-bbox="715 712 890 1178"> <thead> <tr> <th>Band</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>E</td> <td>158</td> </tr> <tr> <td>F</td> <td>36</td> </tr> <tr> <td>G</td> <td>9</td> </tr> <tr> <td>H</td> <td>0</td> </tr> </tbody> </table> <p>Unemployed single people and couples that do not fall into a vulnerable category will be affected more than any other group, with the loss of residual income relative to the property band charge.</p> <p>Reduction in capital/savings limit from £16,000 to £6,000 As a result of this change there could be a difference in the treatment of those receiving a passported benefit, paid by the DWP and standard cases, which are calculated by the council. There is a different treatment for those on passported benefits as their income is reduced to reflect capital over £6,000,</p>	Band	Number	E	158	F	36	G	9	H	0
Band	Number											
E	158											
F	36											
G	9											
H	0											

No	Question	Details
		<p>through tariff income calculations. It will be administratively prohibitive to re-verify the circumstances of all of those on passported benefits. It is also unusual for someone on a passported benefit to have in excess of £6,000.</p> <p>Mitigation could be focused on ensuring local skills and needs analyses are conducted; links are made between DWP and Adult Community learning and wider measures are taken to maximise opportunities for job search and creation, training and mentoring. However, these actions will need to be considered in light of the current economic climate.</p> <p>Documented evidence and research clearly demonstrates that child poverty has grown exponentially through recent years of austerity and may be further increased by the implementation of wider welfare reforms.</p> <p>From April 2013, there will be a 'cap' (a maximum limit) on the total amount of benefit paid, where benefit is restricted to £500 per week for couples and £350 for single people. In Torbay the DWP has identified 88 households that will be affected by this change. To mitigate the impact on those more severely affected by this change Discretionary Housing Payments can be considered.</p> <p>Feedback from the consultation stakeholder event held on the 23rd October 2012 also highlighted that adults aged 65 and under receiving care who may have to start paying a proportion of their Council Tax will need to</p>

Details	
No	Question
	<p>be re-assessed to take into account additional monetary outgoings. This may then mean a greater strain on the Adult Social Care budget.</p> <p>Data provided by the Family Resources 2009/10 Survey suggests that a proportion of people claiming social security benefits have at least one adult or child that are disabled, are carers, or requiring informal care.</p> <p>It also highlights that people receiving Council Tax Benefit may have caring responsibilities. Around 18% of under 65's report caring responsibilities with 17% of recipients under 65 with at least one adult requiring informal care.</p> <p>As disabled people's incomes reduce, their capacity to pay for social care is likely to be impacted which will have a knock on effect on carers. Many carers work part time but access to Working Tax Credit is now reduced and the hours of work required have increased so any further reduction in income will have a disproportionately negative impact on this group.</p> <p>It is acknowledged that disabled people are historically disadvantaged and face greater barriers when accessing services and therefore consider households to be more vulnerable than other households.</p> <p>People with a disability often need more money for basic living needs due to the nature of their illness or disability, therefore without any protection for this group the impact of a reduction to their benefit will be significant in many cases.</p>
	<p>People with caring responsibilities</p> <p>Protection for those receiving a carers allowance will be in line with the existing Council Tax Benefit scheme.</p> <p>In Torbay there are currently 828 working age households currently claiming Council Tax Benefit and receiving a carers allowance or underlying entitlement to a carers allowance, which is just over 8% of the caseload.</p>
	<p>People with a disability</p> <p>Protection for disabled people will be in line with the current Council Tax Benefit scheme. Disability benefits, such as Disability Living Allowance, will continue to be fully disregarded as well as the associated personal allowances and premiums that are currently awarded to people with disabilities.</p>

No	Question	Details
		<p>The Family Resources Survey 2009/10 indicates that 48% of people under 65, receiving Council Tax Benefit in England have at least one adult or child who is disabled.</p> <p>In Torbay there are currently 3,754 working age households that have a disability, consisting of passported and standard cases receiving Council Tax Benefit. There are also 375 households receiving Council Tax Benefit that have a disabled child.</p> <p>From April 2013 the Personal Independence Payment (PIP) will replace Disability Living Allowance. Nationally this is likely to lead to approximately 500,000 people who currently receive DLA, either losing eligibility completely or facing a reduction in entitlement. These impacts will be further compounded if there is reduction in household income for disabled people and their carers via any reduced levels of Council Tax Benefit.</p> <p>Consultation with our stakeholders highlighted the potential negative impact on people with mental health illnesses or potential for increases in people with mental health issues. Agencies describe the impact of changes to council tax support together with utility bill and general cost of living increased will put an additional strain on individuals and families within the Bay. As a result anxiety, depression and risk of suicides may increase.</p>

No	Question	Details	
	Women or men	<p>A significant challenge for Torbay is to get people off benefits and back into work in the current economic climate. According to the Labour Supply survey 2011-2012 (source ONS annual population survey) Torbay has an unemployment rate of 8.7%, the highest in the South West and higher than the national rate (8.1%)⁴. However, there are no significant differences between the unemployment rate of males (8.4%) to females (8.2%).</p> <p>Analysis of the data shows that there is a higher percentage of working age females claiming Council Tax Benefit (59.62%) compared to their representation in the Torbay population (51.75%). However, there is one claim submitted on behalf of the household and the impact of changes would extend to the whole household which will frequently include people of both genders.</p> <p>Furthermore, the representation working age women who are lone parents, which totals 2,832 (93.68%) compared to 191 males is disproportionate.</p> <p>The overall percentage of working age lone parent households currently claiming Council Tax Benefit is 30.64%</p> <p>Key reports identify two groups who will be specifically negatively affected by welfare changes - people with disabilities and women (and therefore, by definition, couple and lone parent families).</p>	<p>There is no impact on gender. Current income disregards, which tend to favour more women than men, such as child benefit disregards will continue to be a feature of the new Council Tax Support scheme.</p>

⁴ ONS annual population survey (Apr 2011-Mar 2012), Model Based Unemployment rate

Details	
No	Question
	<p>People who are Black or from a Minority Ethnic background (BME)</p> <p>The CTS scheme does not preclude people from receiving support based on their BME background. Under the scheme, entitlement is solely based on the household income, composition and liability to pay Council Tax.</p> <p>Torbay's BME population has increased in recent years. The BME population includes all but the White British population. In 2009 7.8% of the population were black or from a minority ethnic background.</p> <p>Facilities are available for those where the spoken or written English is either not available or a second language.</p>
	<p>Religion and Belief</p> <p>The CTS scheme does not preclude people from receiving support based on their religion or belief. Under the new scheme, entitlement is solely based on the household income, composition and liability to pay Council Tax.</p> <p>According to the 2011 ONS Census 76.19% of the Torbay population were Christian. Facilities are available for those where the spoken or written English is either not available or a second language.</p> <p>Same sex couples and civil partnerships will be recognised under the new scheme in the same way as heterosexual couples and marriages.</p>
	<p>Claimants from BME communities may be more likely to be from large or multigenerational households and could be affected by the Band D restriction as they are more likely to be living in large properties.</p>
	<p>The design of the Torbay Council Tax Support scheme will not directly discriminate against people from BME communities. However, we do not currently hold any additional data at caseload level on regarding BME background for CTB claimants.</p>
	<p>Claimants from Torbay communities where their religious beliefs mean they may be more likely to be from larger or multigenerational households could be affected by the Band D restriction as they are more likely to be living in large properties.</p>
	<p>The design of the Torbay Council Tax Support scheme will not directly discriminate against people based on their religion or belief. However, we do not currently hold any additional data at caseload level on regarding a person's religion or belief for CTB claimants.</p>
	<p>People who are lesbian, gay or bisexual</p> <p>The design of the Torbay Council Tax Support scheme will not directly discriminate against people based on their sexual orientation. The council</p>

Details	
No	Question
	<p>does not keep case level data on a person's sexual orientation as it would not be relevant to the calculation of Council Tax Benefit.</p> <p>The design of the Torbay Council Tax Support scheme will not directly discriminate against people who have undergone gender reassignment.</p> <p>National data shows that transgender people experience higher levels of disadvantage and social/financial exclusion than other groups.</p>
	<p>The scheme will not directly impact on those having gone through gender reassignment. Provision can be made for those undergoing the gender reassignment process with regard to their ability to access services during this period.</p> <p>Married couple and civil partnerships are recognised equally in the current Council Tax Benefit scheme. The equal and fair treatment of couples will continue under the proposed new scheme.</p> <p>The treatment of income and savings of women expecting children is a feature of the current Council Tax Benefit scheme and will continue under the proposed new scheme.</p>
	<p>People who are transgender</p> <p>People who are in a marriage or civil partnership</p> <p>Women who are pregnant / on maternity leave</p>

9. Is there scope for your proposal to eliminate discrimination, promote equality of opportunity and/or foster good relations?

As part of its approach with other Devon authorities a Council Tax Support Scheme Vulnerability Policy has been developed to ensure that vulnerable groups are protected as far as possible. Other than statutory protection for low income pensioners the Government has not prescribed for the other groups that local councils support. Therefore Torbay Council has tailored its scheme to take account of the various statutes that currently protect vulnerable groups.

In Torbay the following groups are defined as vulnerable and will be protected in line with the current Council Tax Benefit scheme: -

Group	Legislation
Couples with children and lone parents	Child Poverty Act 2010
Disabled persons	Disabled Persons Act (Services, Consultation & Representation) Act 1986
Homelessness	Housing Act 1996
Carers	Equalities Act 2010
War pensioners (under pensionable age)	Armed Forces Covenant (Local)

The table below shows the distribution of claimants where the 'local' definition of vulnerability is applied:

Claimant Group	Number of Cases	Percentage
Working age – vulnerable	5,341	54.14%
Working age – non-vulnerable	4,525	45.86%
Total	9,866	100%

The purpose of the Vulnerability Policy is for Torbay Council to set out its approach to define and assist those deemed as vulnerable. In doing so it seeks to: -

- Protect those who are of state pension credit age.
- Help those who are trying to help themselves.
- Encourage and support unemployed people into employment.

In order to ensure that all customers have equal access to Council Tax Support, the council has adopted a communications strategy which aims to reach all vulnerable and hard to reach customers in our communities. In doing this, we will ensure that: -

- All information about Council Tax Support is available in alternative formats and languages on request.
- Application forms for Council Tax Support will be available online or by visiting one of our Connections offices.
- Customers can contact us by telephone or email.
- Additional information about Council Tax Support will be available on our website and will be publicised in leaflets.

- We will work closely with welfare groups and other agencies that support customers to ensure they can access the Council Tax Support they are entitled to.

Torbay Council's Council Tax Support scheme will maintain the key elements of the Council Tax Benefit scheme and, as such, provides protection in the overall calculation of support for disabled customers. Our support scheme will not include income received specifically relating to disability in the financial assessment, as is the case currently. This means that all income received from Disability Living Allowance and Personal Independence Payments will be disregarded. The effect of this is that more disability related income will be retained before disabled customer's Council Tax Support is reduced.

In addition to this, the calculation of support will also include all of the premiums which existed under Council Tax Benefit, i.e. Disability Premium, Severe Disability Premium, Enhanced Disability Premium, work related activity component and support component.

The council also recognises the importance of maintaining the components within the Council Tax Benefit scheme which afford additional protection to families. These allow for the following income types to be disregarded in the financial assessment of Council Tax Support: -

- All Child Benefit
- All Child maintenance
- All other income payable to dependant children *there may be some, very rare, exceptions
- Up to £175.00 per week for one child and £300.00 per week for two or more children towards childcare payments, for working families.

The council will ensure that any applicant who is found to be unintentionally homeless as part of our duty will be encouraged and supported in their application for Council Tax Support, once they have secured accommodation. The council will ensure that any applicant at risk of homelessness and who is vulnerable is assisted with any application for Council Tax Support.

Applicants or partners in receipt of War Disablement Pension or War Widows payment will have this payment disregarded in the calculation of income when assessing entitlement to Council Tax Support. This mirrors the provisions of the local scheme within Council Tax Benefit.

The council is keen to support applicants back into work. The Council Tax Support scheme does this in supporting all customers on a low income, not just those in receipt of benefits.

The council is retaining core elements of the Council Tax Benefit scheme. This means support is reduced based upon a 20% withdrawal rate. Where a customer's income exceeds their living allowance a deduction of 20p for every £1 will be made from Council Tax Support

[Please refer to the Draft Council Tax Support Scheme Vulnerability Policy for more detail]

		<p>The creation of a Hardship Fund meets the council's obligations under the Equalities Act. We recognise the importance of protecting our most vulnerable customers and also the impact these changes have. We have created the fund to ensure that we protect and support those most in need that will enable the customer to make alternative arrangements.</p> <p>The council's Hardship Fund will;</p> <ul style="list-style-type: none"> • Allow a short period of time for someone to adjust to unforeseen short-term financial circumstances and to enable them to "bridge the gap" during this time • Support people in managing their finances • Help customers through personal crises and difficult events that affect their finances • Prevent exceptional hardship • Support vulnerable young people in the financial transition to adult life. • Help those who are trying to help themselves financially • Alleviate poverty • Sustain tenancies and prevent homelessness. • Keep families together • Encourage and support people to obtain and sustain employment • Give support to those who are financially vulnerable <p><i>[Please refer to the Draft Exceptional Hardship Fund Policy for more detail]</i></p>
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Section 3: Steps required to manage the potential impacts identified

No	Action	Details
10.	Summarise any positive impacts and how they will be realised most effectively?	<p>To conclude, it is our view that the proposed scheme does not impact on any group with protected characteristics based on current evidence pending the outcome of the consultation exercise. During the development of a local scheme we have tried hard to balance the reality of a significant cut in central Government funding to protecting the most vulnerable members of our community as far as possible. The scheme that being proposed acknowledges that recipients of benefits need to contribute more to meet the shortfall but also looks to protect people with protected characteristics as much as possible.</p> <p>Overall, the main feature of the scheme protecting pensioners from the changes positively impacts on this group. Other than that we have tried to mirror as much of what currently exists in the national Council Tax Benefit system into the local CTS scheme. Different favourable treatment of income and allowances of disabled people and women with children are carried over into our local scheme so it is our view that there is no adverse or disproportionate impact on any of the groups with protected characteristics.</p>

<p>11. Summarise any negative impacts and how these will be managed?</p>	<p>The financial implications on households must be considered against the wider context of current austerity and the impact of current and impending welfare reform i.e. reduced eligibility for working tax credit; benefit cap; changes to disability benefits, along with the well documented wider disproportionate impacts, particularly on disabled and carer households and those with children under five.</p> <p>As mentioned elsewhere in this document the government has suggested that councils should consider designing schemes that protect vulnerable groups beyond pensioners. The Council regards CTB claimants as some of the very poorest of our citizens and therefore by definition all CTB claimants are vulnerable. Furthermore, the Council already has statutory duties in relation to children, disabled people and homelessness prevention. Also, as pensioners are protected from the changes the loss of funding will disproportionately impact on working age households currently claiming Council Tax Benefit, where the reduction in support will be much greater than 10%.</p> <p>The Council's Vulnerability Policy and the Hardship Fund are mitigating features of the development of the local scheme to manage any potential negative impacts as mentioned above. Further to this, restricted benefits based on Council Tax bands (i.e. Proposal Two – Limiting the amount of Council Tax Support for working age people to a Band D charge) has been delayed for 12 months as it may disproportionately affect people with large families, disabled people and others who are vulnerable. This proposal will be reviewed in 2013 for potential implementation in 2014/15 thereby giving those affected households time to look into alternative options.</p>
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Section 4: Course of Action

No	Action	Details
<p>12.</p> <p>[please refer to action plan on page 26]</p>	<p>State a course of action</p>	<p>The analysis contained within this impact assessment regarding the development of the localised Council Tax Support Scheme for Torbay Council has concluded with the following outcome: -</p> <p>Outcome 2: Adjustments to remove barriers – Action to remove the barriers identified in relation to equalities have been taken or actions identified to better promote equality.</p> <p>The following mechanisms and action plan has been put in place to ensure all impacts are monitored – please refer to Section 5.</p>

Section 5: Monitoring and Action Plan

13

Outline plans to monitor the actual impact of your proposals

Reports will be run on a quarterly basis showing the breakdowns of Council Tax Support claimants to see if there are any significant changes in trend of those claiming entitlement and at what rate. An analysis of the type of claimants awarded Hardship Fund payments will also enable us to consider further changes to the scheme in the following years.

The following indicators will be monitored by each of the equality characteristics to assess the impact of the new Council Tax Support scheme;

- Number of claimants
- Claimants that previously received full rate benefit
- Collection rates
- Number of missed/defaulted payments
- Percentage of Council Tax collected
- Take up of Hardship Fund
- Special arrangements

Action Plan – Draft Council Tax Support Scheme

No.	Action	Reason for action / contingency	Resources	Responsibility	Deadline date
1	Finalise Hardship Fund Policy and confirm details.	To implement a Hardship Fund that recognises the importance of protecting our most vulnerable customers and also the impact these changes have. The fund will support those most in need and is a short-term emergency fund used whilst the customer seeks alternative solutions.	Office time	Revenue and Benefits Team	6 December 2012
2	Ensure engagement with key agencies including the cascade of key information.	Continuous engagements with key agencies will allow for better signposting between organisations in order to protect vulnerable groups as far as possible.	Office time	Revenue and Benefits Team	Commence 1 January 2013
3	Software changes to adapt information on bills	To ensure Council Tax bills are more user friendly that includes key information to support clients.	Office time	Revenue and Benefits Team	Commence 1 January 2013
4	Look into alternative ways for clients to pay their Council Tax.	Supporting Council Tax payers, especially those finding themselves having to pay for the first time, with a variety of payment options, including considering weekly or fortnightly payments as well as doorstep collections.	Office time	Revenue and Benefits Team	Commence 1 January 2013
5	Set up monitoring mechanisms: - <ul style="list-style-type: none"> • Number of claimants. • Claimants that previously received full rate benefit • Non collection rates. • The number of missed payments. • Percentage of Council Tax collected. • Take up of Hardship Fund. • Special arrangements Including breakdown by protected characteristic where applicable.	The impact of proposals is not often felt until several months into the new scheme. These indicators will ensure any potential impact on particular groups is highlighted in a timely manner and is then actioned appropriately.	Office time	Revenue and Benefits Team	1 April 2013 commence monitoring

6	<p>Review and reassess Proposal Two – Limiting the amount of Council Tax Support for working age people to a Band D charge.</p>	<p>This proposal has been delayed for 12 months as it may disproportionately affect people claiming support. This proposal will be reviewed during 2013 for implementation 2014/15 thereby giving those affected households sufficient time to make alternative arrangements.</p>	Office time	Revenue and Benefits Team	Commence 1 April 2013
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Case Study – Pension Age

Pensioner - Couple

Claimant aged 75 and partner 77.

They are owner occupiers and live in Torquay.

The property is a Band F property (£2,159).

The couple receive state pensions, a private pension and have savings of £9,000.

Council Tax Benefit is paid at £37.00 per week.

July 2012:

Household Weekly Income		Household Weekly Outgoings	
State pensions	£240	Council Tax (£2,159)	£42
Private Pension	£25		
Council Tax Benefit	£37		
Total Weekly Income	£302	Total Weekly Outgoings	£42
		Residual Income	£260

April 2013:

Household Weekly Income		Household Weekly Outgoings	
State pensions	£240	Council Tax (£2,159) (Less CT Support £1,924)	£5
Private Pension	£25		
Council Tax Benefit	£0		
Total Weekly Income	£265	Total Weekly Outgoings	£5
		Residual Income	£260

No change to income as pensioners are protected

Case Study – Limit Maximum Level of Support to 75%

Working Age – Working Single Person

Claimant aged 37 and lives alone.

The property is a one bedroom flat in Paignton which is rented at £105.00 per week.

The Council Tax Banding is A with a single person discount (£747).

Currently employed and earns £400.00 net per month. There are no savings.

Housing Benefit is paid at £70.00 per week.

Council Tax Benefit is paid at £11.00 per week.

July 2012:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£92	Council Tax (£996 less 25% £249)	£14
Housing Benefit	£70	Rent	£105
Council Tax Benefit	£11		
Total Weekly Income	£173	Total Weekly Outgoings	£119
		Residual Income	£54

April 2013:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£92	Council Tax (£996 less 25% £249) (Less CT Support £394)	£7
Housing Benefit	£70	Rent	£105
Council Tax Benefit	£0		
Total Weekly Income	£162	Total Weekly Outgoings	£112
		Residual Income	£50

£4 per week worse off (7%)

Case Study – Limit Maximum Level of Support to 75%

Working Age – Couple

Claimant and partner, both are aged 20 and have no children.

The property is a one bedroom flat in Torquay which is rented at £600.00 per calendar month.

The Council Tax Banding is C (£1,329).

The claimant currently works 16 hours a week at £10 per hour (£160 per week net).

Housing Benefit is paid at £70.00 per week.

Council Tax Benefit is paid at £18.00 per week.

July 2012:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£160	Council Tax (£1,329)	£26
Housing Benefit	£70	Rent	£138
Council Tax Benefit	£18		
Total Weekly Income	£248	Total Weekly Outgoings	£164
		Residual Income	£84

April 2013:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£160	Council Tax (£1,329) (Less CT Support £588)	£14
Housing Benefit	£70	Rent	£138
Council Tax Benefit	£0		
Total Weekly Income	£230	Total Weekly Outgoings	£152
		Residual Income	£78

£6 per week worse off (7%)

Case Study – Limit Maximum Level of Support to 75%

Working Age – Unemployed Single Person

Claimant aged 56 and lives alone.

The property is in Torquay and owned by the claimant.

The Council Tax Banding is B with a single person discount (£872).

Currently unemployed and receives Job Seekers at £71.00 per week.

Council Tax Benefit is paid at £17.00 per week.

July 2012:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£71	Council Tax (£1,163 less 25% £291)	£17
Council Tax Benefit	£17		
Total Weekly Income	£88	Total Weekly Outgoings	£17
		Residual Income	£71

April 2013:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£71	Council Tax (£1,163 less 25% £291) (Less CT Support £654)	£4
Council Tax Benefit	£0		
Total Weekly Income	£71	Total Weekly Outgoings	£4
		Residual Income	£67

£4 per week worse off (6%)

Case Study – Limit Maximum Level of Support to 75%

Working Age – Lone Parent

Claimant aged 39, no partner with a 15 year old son.

The property is a two bedroom semi-detached house in Torquay which is rented at £625.00 per calendar month.

The Council Tax Banding is C with a single person discount (£996).

Currently works 16 hours a week at £7 per hour (£112 per week net).

Also receives Child Benefit at £20.30 and Tax Credits at £160.00 per week. Has £1,500 in savings.

Housing Benefit is paid at £82.00 per week.

Council Tax Benefit is paid at £4.00 per week.

July 2012:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£292	Council Tax (£1,329 less 25% £332)	£19
Housing Benefit	£82	Rent	£144
Council Tax Benefit	£4		
Total Weekly Income	£378	Total Weekly Outgoings	£163
		Residual Income	£215

April 2013:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£292	Council Tax (£1,329 less 25% £332) (Not entitled to CT Support)	£19
Housing Benefit	£82	Rent	£144
Council Tax Benefit	£0		
Total Weekly Income	£374	Total Weekly Outgoings	£163
		Residual Income	£211

£4 per week worse off (2%)

Case Study – Limit Maximum Level of Support to 75%

Working Age – Disabled Couple

Claimant aged 46 and partner 47.

The property is a two bedroom flat in Torquay which is rented at £103.00 per week.

The Council Tax Banding is B (£1,162).

The claimant receives an occupational pension £511 per month.

Also receives Disability Living Allowance totaling £132 and Incapacity Benefit at £113 per week.

The partner receives a Carers Allowance of £58 per week. There are no savings.

Housing Benefit is paid at £51.00 per week.

Council Tax Benefit is paid at £6.00 per week.

July 2012:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£421	Council Tax (£1,162)	£22
Housing Benefit	£51	Rent	£103
Council Tax Benefit	£6		
Total Weekly Income	£478	Total Weekly Outgoings	£125
		Residual Income	£353

April 2013:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£421	Council Tax (£1,162) (Less CT Support £52)	£21
Housing Benefit	£51	Rent	£103
Council Tax Benefit	£0		
Total Weekly Income	£472	Total Weekly Outgoings	£124
		Residual Income	£348

£5 per week worse off (1%)

Case Study – Limit Maximum Level of Support to 75%

Working Age Couple with Disabled Child

Claimant aged 41 and partner 39 with three children, one disabled, aged between 13 and 16.

The property is a three bedroom terraced house in Paignton which is rented at £606 per calendar month.

The Council Tax Banding is C (£1,329).

Claimant currently works 30 hours a week at £7 per hour (£210 per week net). The partner has a part time job, working 5 hours a week at £7 per hour (£35 per week net).

Receives Child Benefit at £47.10 and Tax Credits at £193.00 per week

Also receives a Carer's Allowance for their disabled child at £58.00 per week. Has £1,600 in savings.

Housing Benefit is paid at £110.00 per week.

Council Tax Benefit is paid at £16.00 per week.

July 2012:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£543	Council Tax (£1,329)	£26
Housing Benefit	£110	Rent	£140
Council Tax Benefit	£16		
Total Weekly Income	£669	Total Weekly Outgoings	£166
		Residual Income	£503

April 2013:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£543	Council Tax (£1,329) (Less CT Support £520)	£16
Housing Benefit	£110	Rent	£140
Council Tax Benefit	£0		
Total Weekly Income	£653	Total Weekly Outgoings	£156
		Residual Income	£497

£6 per week worse off (1%)

Case Study – Reduce Upper Savings Limit from £16,000 to £6,000

Working Age – Couple

Claimant aged 35 and partner aged 31, with no children.

They are owner occupiers and live in Brixham.

The Council Tax Banding is D (£1,524).

The claimant currently works 30 hours a week at £8 per hour (£240 per week net).

Also receives Tax Credits totaling £30 per week.

The partner receives a Disability Living Allowance at £54 per week.

They have £7,045 in savings.

Council Tax Benefit is paid at £13.00 per week.

July 2012:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£324	Council Tax (£1,524)	£29
Council Tax Benefit	£13		
Total Weekly Income	£337	Total Weekly Outgoings	£29
		Residual Income	£308

April 2013:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£324	Council Tax (£1,524) (Not entitled to CT Support)	£29
Council Tax Benefit	£0		
Total Weekly Income	£324	Total Weekly Outgoings	£29
		Residual Income	£295

£13 per week worse off (4%)

Case Study – Reduce Upper Savings Limit from £16,000 to £6,000

Working Age – Lone Parent

Claimant aged 56, with two children.

The property is a three bedroom terraced house in Torquay which is rented at £660 per calendar month.

The Council Tax Banding is B (£1,163).

The claimant is currently unemployed but does receive Job Seekers Allowance.

Child Tax Credit at £244 per week.

Also receives Child Benefit at £20.30 per week, Disability Living Allowance at £20.55 per week and Employment and Support Allowance at £71.00 per week.

One child is 22 and is unemployed and is treated as a non dependant (no deduction applicable)

She has £13,970 in savings.

Housing Benefit is paid at £155.00 per week.

Council Tax Benefit is paid at £20.00 per week.

October 2012:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£366	Council Tax (£1,163)	£22
Housing Benefit	£155		
Council Tax Benefit	£20		
Total Weekly Income	£541	Total Weekly Outgoings	£22
		Residual Income	£519

April 2013:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£366	Council Tax (£1,163) (Not entitled to CT Support)	£22
Housing Benefit	£155		
Council Tax Benefit	£0		
Total Weekly Income	£521	Total Weekly Outgoings	£22
		Residual Income	£499

£20 per week worse off (6%)

Case Study – Band D Restriction and 75% Limitation

Working Age – Unemployed Single Person

Claimant aged 48 and lives alone.

The property is in Torquay and owned by the claimant.

The Council Tax Banding is F with a single person discount (£1,619).

Currently unemployed and receives Job Seekers at £71.00 per week.

Council Tax Benefit is paid at £31.00 per week.

July 2012:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£71	Council Tax (£2,159 less 25% £540)	£31
Council Tax Benefit	£31		
Total Weekly Income	£102	Total Weekly Outgoings	£31
		Residual Income	£71

April 2013:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£71	Council Tax (£2,159 less 25% £540) (Based on Band D £1,495 less 25% £374) (Less CT Support £841)	£15
Council Tax Benefit	£0		
Total Weekly Income	£71	Total Weekly Outgoings	£15
		Residual Income	£56

£15 per week worse off (21%)

Case Study – Band D Restriction and 75% Limitation

Working Age – Unemployed Couple

Claimant aged 40 and partner aged 37, with no children.

The property is in Torquay and owned by the claimant.

The Council Tax Banding is E (£1,827).

Currently unemployed and receives Job Seekers Allowance at £111.00 per week.

Council Tax Benefit is paid at £35.00 per week.

October 2012:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£111	Council Tax	£35
Council Tax Benefit	£35		
Total Weekly Income	£146	Total Weekly Outgoings	£35
		Residual Income	£111

April 2013:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£111	Council Tax (£1,827) (Based on Band D £1,495) (Less CT Support £1,121)	£14
Council Tax Benefit	£0		
Total Weekly Income	£111	Total Weekly Outgoings	£14
		Residual Income	£97

£14 per week worse off (13%)

Case Study – Band D Restriction and 75% Limitation

Working Age – Disabled Couple

Claimant aged 59 and partner aged 57, with no children.

The property is in Paignton and owned by the claimant.

The Council Tax Banding is F (£2,159).

Currently unemployed and receives Income Support at £155.00 per week.

Claimant receives a Carer's Allowance at £34

Partner receives Disability Living Allowance High Care at £77 per week and Disability Living Allowance (Mobility) at £54 per week.

Council Tax Benefit is paid at £41.00 per week.

October 2012:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£320	Council Tax	£41
Council Tax Benefit	£41		
Total Weekly Income	£361	Total Weekly Outgoings	£41
		Residual Income	£320

April 2013:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£320	Council Tax (£2,159) (Based on Band D £1,495) (Less CT Support £1,121)	£20
Council Tax Benefit	£0		
Total Weekly Income	£320	Total Weekly Outgoings	£20
		Residual Income	£300

£20 per week worse off (6%)

Case Study – Band D Restriction and 75% Limitation

Working Age – Working Couple

Claimant aged 55 and partner aged 57, with no children.

The property is in Brixham and owned by the claimant.

The Council Tax Banding is G (£2,539).

The claimant currently works 30 hours a week at £16 per hour (£372 net).

Council Tax Benefit is paid at £2.00 per week.

October 2012:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£372	Council Tax	£49
Council Tax Benefit	£2		
Total Weekly Income	£374	Total Weekly Outgoings	£49
		Residual Income	£325

April 2013:

Household Weekly Income		Household Weekly Outgoings	
Total Income	£372	Council Tax (£2,539) (Based on Band D £1,524) (Less CT Support £0.00)	£49
Council Tax Benefit	£0		
Total Weekly Income	£372	Total Weekly Outgoings	£49
		Residual Income	£323

£2 per week worse off (less than 1%)

**Overview
& Scrutiny**
Confidence in your Council



**Council Tax Support Scheme
Report of the Overview and Scrutiny Board**

1. Background

- 1.1 Council Tax Benefit (CTB) is designed to provide help to those with low income and with few savings to either fully cover or effectively reduce a household's council tax liability.
- 1.2 Torbay Council's Revenue and Benefits Service currently administers CTB in accordance with national criteria set by the Department of Work and Pensions. The Council is reimbursed in full by the DWP for CTB awarded, therefore the risk of increasing claim numbers is met in full by Central Government.
- 1.3 As part of the Comprehensive Spending Review in 2010, the Government announced that it would localise support to help meet the costs Council Tax from 2013-14 and reduce Government expenditure by 10 per cent through a reduction in the grant paid to Councils.
- 1.4 The Welfare Reform Act contained provisions to abolish the existing Council Tax Benefit scheme and the Local Government Finance Bill contains provisions for the establishment of a localised Council Tax Support Scheme.
- 1.5 From 1 April 2013 the provision of the Council Tax Support Scheme and the associated funding will be transferred to local authorities via the Department for Communities and Local government (DCLG) rather than the Department for Work and Pensions (DWP) as now.
- 1.6 The new scheme must be in place by 31 January 2013 or the Government default scheme (which is modelled on the current Council Tax Benefit scheme) will be imposed which would have no scope for making the required savings. This would cost Torbay Council approximately £1.6 million which equates to a 10% reduction in the grant paid by Government (it should be noted that this figure does not take into account increases in demand or Council Tax levels from April 2013).

2. The Government proposals for the new scheme

- 2.1 Localising support for Council Tax is part of the Government's wider policy of decentralisation – giving councils increased financial autonomy and a greater stake in the economic future of their local area.

2.2 The main principles of the new scheme are that local authorities will have a duty to run a scheme to provide support for council tax in their area which meets the following principles:

- Pensioners should see no change in the current level of awards as a result of this reform
- Local authorities should also consider ensuring support for other vulnerable groups
- Local schemes should support work incentives, and in particular avoid disincentives to move into work

Support for Pensioners and Vulnerable groups

2.3 As the Government propose to prescribe its own criteria to guarantee protection for low income pensioners this will need to be taken into account within the local scheme.

2.4 Local authorities already have clearly defined responsibilities in relation to vulnerable groups other than pensioners under the following:

- Child Poverty Act 2010 – imposes a duty on local authorities and their partners to reduce and mitigate the effects of child poverty
- Disabled Persons (Services Consultation and Representation) Act 1986 and Chronically Sick and Disabled Persons Act 1970 – which include a range of duties relating to welfare needs of disabled people
- Housing Act 1996 - which gives local authorities a duty to prevent homelessness with special regard to vulnerable groups.

2.5 When designing the local scheme it will need to comply with the public sector duty in Section 149 of the Equality Act 2010 and will need to be assessed against our standard Equality Impact Assessment (EIA).

2.6 These various “protections” will result in a disproportionate impact on those that are not protected such as those in low paid employment.

Work Incentives

2.7 Localism of support for council tax is part of the wider set of changes to reform the welfare system. The Government principles are:

- People should get more overall income in work than out of work
- People should get more overall income from working more and earning more

- People should be confident that support will be provided whether they are in work or out of work and will be timely and correct

2.8 The 10 per cent cut in funding is likely to result in a cut to support for single people and couples of working age who are low paid. This would be seen as supporting the government's work incentives contained in the Universal Credit.

3. Development of Torbay Council's Council Tax Support Scheme

3.1 The Overview and Scrutiny Board, at its meeting on 3 October 2012, received a report which set out how the Council had worked with other Devon local authorities to establish a common framework for the new Council Tax Support Scheme. It was noted that the Council was proposing to adopt the existing Council Tax Benefit Scheme but, in order to make up the losses from the reduction of the grant subsidy, there would need to be changes to some elements of the scheme.

3.2 The proposals which had been subject to consultation were:

- Limit the maximum level of support to 75% of their Council Tax Liability
- Restrict the maximum level of support to a Band D charge.
- Withdraw the second adult rebate
- Reduce the upper capital/savings limit from £16,000 to £6,000

3.3 The Council consulted with residents, especially those who will be affected by the proposal, through a survey which had been developed in conjunction with other Devon authorities. The consultation had run for eight weeks until 1 October 2012 and had been available in a variety of forms. A draft Impact Assessment had also been drafted which would be reviewed and updated following the consultation feedback and then used to inform the final recommendations which would be considered by the Council at its meeting in December 2012.

4. Initial Findings from the Overview and Scrutiny Board

The Proposed Scheme and its Impact

4.1 The Board heard that there were just over 65,000 Council Tax banded properties in Torbay with approximately 2000 of these exempt for one reason or another meaning that there were around 63,000 properties in Torbay in respect of which Council Tax was due. Of these households, approximately 45,000 pay the full liability.

4.2 It was clarified that the single person rebate (whereby a single person occupying a property was eligible for a 25% discount) would continue under the new Council Tax Support Scheme. The proposals in relation to

withdrawing the Second Adult Rebate refers to the rebate that claimants may get if they share their home with another person who is:

- not their partner or civil partner
- aged 18 or over
- not paying the claimant rent
- not paying Council Tax themselves
- on a low income

- 4.3 Within Torbay, it was noted that there were currently 145 people claiming Second Adult Rebate of which 87 were of working age (the other 58 were pensioners).
- 4.4 Each of the four options (set out in paragraph 3.2) for the new Council Tax Support Scheme could be implemented although it was recognised that the first option would generate the highest level of saving (£2.2 million based on current data) which would be used to offset the reduction in the Government grant.
- 4.5 It was noted that the reduction in the grant that the Council received from Government (which equated to £1.6 million in Torbay) would ultimately be a reduction of money could have previously been spent within the private sector. It was noted that, combined with forthcoming Housing Benefits changes, there would be a significant impact on the local economy. The Strategic Welfare Group (under the chairmanship of Interim Chief Operating Officer) aim to gain an understanding of the cross cutting impacts of the range of benefit changes. The Director of Children's Services also sat on this Group and would provide a link to the newly formed Child Poverty Commission.
- 4.6 Members questioned whether research had been commissioned on the numbers of families with children who would be impacted by the introduction of a local Council Tax Support Scheme.
- 4.7 It was reported that a recent Institute of Fiscal Studies Briefing Note¹ set out:
- “the estimated impacts on household incomes of tax and benefit reforms due to be implemented in 2012–13. These amount to a net ‘takeaway’ of about £4.1 billion (an average of £160 per household) in that year, rising to about £9.8 billion (£370 per household) in 2013–14 once all the revenue from tax liabilities accruing in 2012–13 has been collected and once the full-year effects of changes to fuel duties and Child Benefit (in August 2012 and January 2013 respectively) are felt.”
- 4.8 **The Board recognised that the Government requirement to introduce a Local Council Tax Support Scheme (taken with other**

¹ “Tax and benefit reforms due in 2012-13, and the outlook for household incomes.”
Institute of Fiscal Studies Briefing Note BN126 (Robert Joyce) (March 2012)

welfare reforms) was likely to have a substantial, adverse impact on the local economy and that awareness of this should be raised by a range of different means.

- 4.9 **In understanding the impact, it would be helpful for a view to be taken on the areas of Torbay in which the residents lived who would, if the proposals was implemented, be required to meet at least 25% of their Council Tax liability.**
- 4.10 **In addition, the specific impact that the introduction that the Local Council Tax Support Scheme will have on children in Torbay be considered and that the Strategic Welfare Group and the Child Poverty Commission be urged to continue to work together to mitigate this impact.**
- 4.11 The Board considered the impact that the introduction of the Scheme may have on the Council's collection rate for Council Tax. The Council currently collects approximately 96.5% of its Council Tax in the year to which it relates. Overall, the collection rate is around 98-99%. The Council has a responsibility to collect any charge that it sets and the process for collecting unpaid Council Tax would remain the same when the new Scheme is introduced. However, as the Council would be collecting from some people who have never paid Council Tax, there was an increased risk that this collection rate would fall.
- 4.12 The impact on the council's collection fund would be considered as part of the budget round for 2013/2014 with the risk of a decreased collection rate being shared(proportionately) with Devon and Cornwall Police Authority and Devon and Somerset Fire Authority. (As Brixham Town Council is classed a local precepting authority, it would not be a risk due to non-collection).
- 4.13 Ultimately any reduction in income would have a knock-on effect on the Council's budget.
- 4.14 **The Board has every expectation that residents will pay their Council Tax and will recognise that the Council is being required to make these changes as a result of Government legislation. Equally, the Board endorse the need for there to be robust procedures in place to collect Council Tax. There will, however, be a need to assess the impact on the Collection Fund as the Local Council Tax Support Scheme is implemented.**
- 4.15 In considering which other options were explored before the proposals for the local scheme were put forward for consultation, the Board heard that various options had been considered both locally, in different Devon authorities and across the Country as a whole.

The Consultation and Equality Impact Assessment

- 4.16 The consultation on the proposed scheme had been available in a number of ways:
- All working age customers had been sent a letter advising them of the forthcoming changes and the consultation
 - Surveys had been sent to a random sample of both Council Tax Benefit claimants and Council Tax payers
 - Additional letters were hand delivered to claimants by Visiting Officers
 - The questionnaire was available via the Council's website
 - Paper surveys were available in libraries and Connections offices
 - Customer Service Advisors directed customers to the survey
 - The ViewPoint panel were invited to take part in the consultation
 - Councillors were made aware of the consultation via the Members Information Bulletin and were able to distribute them to their constituents
 - Leaflets and posters were sent to a variety of agencies including Westcountry Housing, Sanctuary Housing and Citizen's Advice Bureau
- 4.17 A 5% response rate had been achieved for the consultation. In analysing the results of the consultation, answers from claimants and non-claimants would be able to be separated. Preliminary results had been reviewed on 18 September. However between that date and the meeting of the Overview and Scrutiny Board, the response rate had doubled and therefore it was not a fair reflection to share those results.
- 4.18 **The Board congratulated the officers involved in undertaking the consultation but were disappointed at the response rate. It was felt that, whilst various means of raising awareness with the public of the consultation had been pursued, those means may not have been wide enough.**
- 4.19 The Equality Impact Assessment had been used to identify gaps in the consultation process. The consultation document had asked for views on the impact of the proposed changes and the responses to these questions would be fed back into the Equality Impact Assessment and be used to determine mitigating actions such as signposting to other means of support.
- 4.20 It was accepted that some of the proposals in the Local Scheme would have a disproportionate impact on some groups within the community. Some mitigating support would be made available. The establishment of a Hardship Fund had been accepted although the level of funding available and the criteria against which applications would be judged was still to be determined. The level of the Fund would need to be considered against other priorities within the Council's revenue budget for the forthcoming year and would also need to be considered alongside other schemes such as Discretionary Housing Payments and "Section 17" payments which could be made by Children's Services.

- 4.21 **The Board felt that the broader details of the Hardship Fund needed to be defined prior to the final Council Tax Support Scheme being agreed and that, in order for proper consideration to be given these criteria, those groups of people who will be disproportionately affected need to be identified.**

5. The Final Proposals

- 5.1 The Overview and Scrutiny Board gave their final consideration to the proposed Council Tax Support Scheme which was presented alongside the results of the consultation and the final Equalities Impact Assessment.
- 5.2 In response to questioning, the Board heard that the technical discounts which the Council could apply to Council Tax were being actively considered and any changes would be proposed when the Council Tax Base was considered by the Council. **It was suggested that this information could be modelled and provided alongside the Council Tax Support Scheme.**
- 5.3 It was noted that the Equalities Impact Assessment had highlighted a disproportionate impact on households where a Band D restriction combined with the 75% limitation applies and that, as a result, it was being recommended that this proposal be delayed for the first year of the scheme to enable affected customers to consider alternative arrangements.
- 5.4 It was also noted that it was proposed that a Hardship Fund of £80,000 be established but that the details of how the Fund would operate were currently being developed. Similarly a Vulnerability Policy was being developed that this had not been available for consideration alongside the Scheme.
- 5.5 In considering the reports before it and the answers received at its meeting, the Board made the following comments:

Given the potential impact on vulnerable people, as identified in the Equalities Impact Assessment, the Council should look to continue to provide a proactive system of managing the impact of the Council Tax Support Scheme rather than a reactive system. The Overview and Scrutiny Board is concerned that there may not be the capacity within the relevant teams to respond to concerns identified via (amongst other things) the Council's automated systems. To mitigate these fears, the draft Hardship Scheme and Vulnerability Policy should be provided to the Council when it considers the Council Tax Support Scheme.