



Equality Impact Assessment (EIA)

Title of policy/process under consideration

Treatment of capital

Lead department

Corporate affairs

Is this policy/process? (Please tick)

New Existing Revised

Is this a full EIA? (Please tick)

Yes No

Please state the reasons for the above decision.

The ILF Trust Deed and Conditions of Grant Agreement state that the ILF should calculate capital in accordance with section 135 of the Social Security Contributions and Benefits Act 1992 and regulations 17 to 22A income support regulations. This reflects the intended purpose of the ILF to focus limited resources upon those citizens that most require assistance. It also ensures that the ILF rules regarding capital are closely aligned to those used by the ILF's sponsor department the Department of Work and Pensions (DWP) when calculating means tested benefits. Whilst ILF funding is not a benefit it supplements certain disability benefits, it is therefore logical that it is closely aligned to these when calculating capital.

Where the ILF's Trust deed has been modified to differ from Income support regulations, such as in respect of the disregard for earnings, it is usually more

lenient in the treatment of capital than the regulations.

A full EIA has not been completed as the ILF has always been aligned with income support capital rules and these are not within the ILF's authority to consider.

What are the policy/process objectives and aims?

The Independent Living Fund (2006) was set up to provide means tested payments to individuals to meet the costs of care and support. As such the ILF has always had a capital limit and a tariff income. The principle behind this is that where people have substantial savings or other capital and have sufficient capital to meet their care and support costs they should draw on these resources before looking to the taxpayer for support, particularly as many taxpayers themselves have savings well below these limits¹.

Whilst the ILF largely follows the income support regulations there are some exceptions that reflect the context in which the ILF operates. These include:

Capital limits

Initially the Capital limit used by the ILF was tied to income support rates (currently £16,000 with a tariff on savings in excess of £8,000), following the recommendations of the last two reviews of the ILF in (2001 and 2007), this has been brought into line with Department of Health Guidance (CRAG), operated by local authorities in assessing charges for residential care (and most nonresidential services).

Where a group 2 user did not meet these limits it would be unlikely that they would be eligible for ILF funding as they would not be in receipt of substantial local authority funded support.

Disregard on earnings

The ILF fully disregards earnings of the user or their partner; this reflects the purpose of the ILF in enabling users to live fully inclusive and independent lives within their communities.

Trust Funds

The ILF will normally take into account Capital held in trust for users who applied after 01 April 2008. This reflect the fact that personal injury compensation invariably takes into account the future costs of care and

¹ <http://www.dwp.gov.uk/docs/ucpbn-3-capital.pdf>

support

The ILF disregards any vaccine damage payments regardless of whether these are held in trust.

Disability related expenditure

5) Any capital set aside for impending disability-related purchases, provided that the period of any such set aside has not (unless expressly approved by the servants or agents of the Trustees) exceeded 6 months.

Please state the reasons why the changes are taking place.

There have been no recent significant changes to the ILF policy.

Changes to the capital policy have been based upon recommendations made following the Review of the ILF in 2007 further to public consultation. These changes brought the ILF into line with Local authority practice. In addition the ILF policy on Trust Funds was revised in 2008.

Key			
-2	Significant negative impact	+1	Mild/moderate positive impact
-1	Mild/moderate negative impact	+2	Significant positive impact
0	Neutral impact		
Group	Impact	Notes	
Age	0	The ILF policy is universally applied and is broadly based upon income support rules. There is no direct impact relating to age.	
Disability	+1	The ILF policy is universally applied and is broadly based upon income support rules. In addition to income support regulations the ILF disregards capital that is earmarked for disability related expenditure and any vaccine damage payments.	
Gender	0	The ILF policy is universally applied and is broadly based upon income support rules. There is no direct impact relating to gender.	
Gender reassignment	0	The ILF policy is universally applied and is broadly based upon income support rules. There is no direct impact relating to gender reassignment.	
Marriage and civil partnership	0	It is noted that D of H guidance disregards capital of partners. The ILF policy is based on DWP Capital rules is universally applied and is broadly based upon income support rules. There is no direct impact relating to marriage and civil partnership.	
Pregnancy and maternity	0	The ILF policy is universally applied and is broadly based upon income support rules. There is no direct impact relating to pregnancy and maternity.	
Race	0	The ILF policy is universally applied and is broadly based upon income support rules. There is no direct impact relating to race.	
Religion or belief	0	The ILF policy is universally applied and is broadly based upon income support rules.	

		There is no direct impact relating to religion of belief.
Sexual orientation	0	The ILF policy is universally applied and is broadly based upon income support rules. There is no direct impact relating to sexual orientation.

What alternative policy/process options have been considered to reduce or alleviate any identified impact?

The 2007 review of the ILF recommended that the ILF disregard the capital of users partners. This would have brought the ILF into line with department of health guidance, but out of line with statutory means tested benefits. This change was not implemented, as there would have been cost implications because of an increase in the number of people who would have been eligible for funding.

What research has been gathered/considered when making decisions regarding the Protected Characteristics?

- ILF (2006) trust deed
- ILF 2006 Conditions of Grant
- Income support regulations
- Charging for Residential Accommodation Guide (CRAG) 2011 - Department of Health
- LAC(DH)(2011)1

Are any future actions required for example monitoring or review?

The policy is subject to regular reviews as it relates to both Income support regulations and Department of Health guidance. The Department of Health intends to consider the level of the capital limits in the context of the next local government finance settlement in the autumn of 2012.

EIAB comments/recommendations

The EIAB reviewed the EIA on 10 July 2012 and subject to the minor amendments detailed in the minutes of 10 July 2012 the board agreed to the EIA.

Date form completed 26 June 2012

Signature of EIAB chair Jesse Harris

Date 26 July 2012

Subsequent amendments to policy/process

Date of amendment	September 2013
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Details of amendment
Following the permanent closure of the ILF to new applicants from June 2010 the policy has been amended to remove reference to applicants and to update terminology.

Reason why a new EIA is not required
There has been no actual change to the policy as the ILF is no longer open to new applicants.

Date of amendment	
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Details of amendment

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