

Community and Equality Impact Assessment

As an authority, we have made a commitment to apply a systematic equalities and diversity screening process to both new policy development or changes to services.

This is to determine whether the proposals are likely to have significant positive, negative or adverse impacts on the different groups in our community.

This process has been developed, together with **full guidance** to support officers in meeting our duties under the:

- Equality Act 2010.
- The Best Value Guidance
- The Public Services (Social Value) 2012 Act

About the service or policy development

Name of service or policy	Replacement Council Tax Support scheme 2024/25
Lead Officer	James Johnston (Service Manager) & Donna Radley (Head of Welfare)
Contact Details	James.johnston@lbbd.gov.uk Donna.radley@lbbd.gov.uk

Why is this service or policy development/review needed?

The Welfare Reform Act in 2012 abolished Council Tax Benefit (CTB) from April 2013 and, in its place, support took the form of a local Council Tax Support Scheme (CTS). The Local Government Finance Act 2012 contains provisions for the setting up of local support schemes.

The current scheme in Barking & Dagenham has been based around the default CTS scheme.

The CTS scheme helps residents on low incomes to pay their Council Tax. Under the current scheme, a working-age household (Working age is anyone under Pension Credit age) liable for Council Tax could get up to 85% of the charge paid through the scheme, resulting in a minimum payment of 15% for all claimants, dependent upon their circumstances.

The council must consider whether to revise or replace its CTS scheme each financial year, for working age recipients. However, it does not actually have to revise or replace its scheme and can choose to retain the scheme unchanged from the previous financial year.

Pensioners are protected under the nationally prescribed pension age CTS scheme and must be able to receive up to a 100% reduction under the national scheme rules and this cannot be varied at a local level. Prescribed regulation changes to the pension age scheme must be applied.

This EIA is required for the proposals to implement a replacement CTS scheme for the financial year 2024/25 for working age households.

A new simplified version of the scheme is being proposed changing the scheme from the current means tested default scheme to an income banded discount scheme.

The current scheme has a number of disadvantages which can be summarised as follows:

- Highly complex calculation of entitlement and legislative based assessment processes
- Reactive to minor changes in circumstances generating higher volumes of work, adjustments to awards and multiple Council Tax bill adjustments
- Complex administration for staff & complex for applicants to understand
- Difficult to simplify with little flexibility in the scheme available
- The impact of Universal Credit (UC) on administration and awards
- Difficult to vary and change the levels of support for different types of applicant

The current default CTS scheme is less compatible with UC.

Why is this service or policy development/review needed?

The impact of UC on the administration of the current CTS scheme can be summarised as follows:

- Lower entitlement (CTS award)
- A higher volume of changes

UC claimants on average have less entitlement to CTS than existing legacy benefit claimants due to the design of UC.

The current CTS scheme is highly reactive to change. Administration costs are higher for UC claimants due to the monthly re-assessment of UC awards requiring processing and the adjustment of CTS. This results in claimants receiving up to 12 revised Council Tax bills and adjustment notices in the financial year. This may impact on Council Tax collection with amended Council Tax bill's being issued with rescheduled instalments. This creates confusion for the Council taxpayer and may contribute to increased Council Tax arrears.

Managed migration of the existing legacy benefit case load (with some exceptions for claimants in receipt of Employment & Support Allowance (ESA) to UC is scheduled to be undertaken in 2024.

This will have a significant impact on the existing case load.

If the current scheme is retained, it may not adequately support residents and this may act as a disincentive/barrier to work.

The existing scheme is too reactive to change and may not be viable in the long term due to the migration to UC.

In view of the issues with the retaining of the current scheme and taking account of the drivers for change it is proposed that an alternative approach be taken for a replacement scheme in 2024/25.

The main objectives of this CTS scheme change can be summarised as follows:

- Is affordable and maintains a cost neutral position from natural increases in the cost of retaining the current scheme into 2024/25
- Simplifying the scheme making it easy for residents to understand and access
- Provide the maximum level of support for all low income households
- Remove the requirement to continually make changes in awards making support more consistent and provide stability on managing household budgets
- Improve how the scheme works with the UC system
- Create a scheme that remains fair and equitable to all residents, requiring a fair contribution from those who can pay while protecting the most vulnerable
- Encourages and incentivises employment
- Builds in capacity to better manage an increase in demand for the scheme (increased automation and more efficient administration)

An income banded discount scheme provides support based on bands of income and provides a percentage reduction off the Council Tax bill (the award). The number of discount bands, the level of discount and income thresholds can all be varied. Banded schemes vary in the types of income taken into account, what circumstances are considered and the % of the discount awarded. Income banded schemes can be designed to be as simple or as complex

Why is this service or policy development/review needed?

as desired, can be made more or less generous and designed to support protected groups if required. Re-assessment of cases will only be required if income crosses one of the income band thresholds.

This approach will fundamentally redesign the scheme.

Income banding has the following advantages:

- Simplified and easier for applicants to understand
- Removal of complex means testing
- Simplified administration
- Reduced requirement to report changes in circumstances for applicants (workload)
- Significantly reduced number of claim adjustments and therefore Council Tax bill changes
- Reduced print & post costs due to reduced numbers of changes
- Targeted support at the most vulnerable (or other priority groups) (flexible scheme design)
- Easier to automate changes through existing IT platforms
- More compatible with Universal Credit

The [B&D Joint Health and Wellbeing Strategy 2019-23](#) includes an outcome that when residents need help, they can access the right support, at the right time in a way that works for them.

As a simplified Scheme that is easier for applicants to understand with fewer barriers to access should support this outcome, since the proposed scheme is less reactive to minor changes in circumstances than the current Scheme, enabling residents with fluctuations in their household circumstances (e.g. to time off work for ill-health or caring) to financially plan.

This EIA will consider the impact of introducing a banded income discount scheme in 2024/25.

Note this decision has not been taken.

This EIA analysis is based on a proposed draft CTS scheme to be considered by Cabinet.

There are a number of mitigations as set out in the report to support those who may be impacted.

The Strategy team has reviewed this EIA.

- 1. Community impact (this can be used to assess impact on staff although a cumulative impact should be considered).**

What impacts will this service or policy development have on communities?
Look at what you know. What does your research tell you?

Please state which data sources you have used for your research in your answer below

Consider:

- National & local data sets
- Complaints
- Consultation and service monitoring information
- Voluntary and Community Organisations
- The Equality Act places a specific duty on people with 'protected characteristics'. The table below details these groups and helps you to consider the impact on these groups.
- It is Council policy to consider the impact services and policy developments could have on residents who are socio-economically disadvantaged. There is space to consider the impact below.

Overall borough wide demographics

- **Local communities in general**

Barking & Dagenham is a diverse borough with significant levels of deprivation as outlined by the following demographic trends below.

- **Population & Households**

Barking & Dagenham currently has a total population of 218,900.

The population size has increased by 17.7% from around 185,900 in 2011. This is higher than the overall increase for England of 6.6% and the 2nd highest in greater London and demonstrates the growth in population in the borough. Nearby boroughs such as Havering saw growth of only 10.4%.

In 2021 Barking & Dagenham ranked 80th for total population in Local Authority areas moving up 15 places since 2011.

There are currently 73,900 households in the borough.

This is broken down as follows:

- 1 person in household 23.7%
- 2 people in household 22.5%
- 3 people in household 18.9%
- 4 or more people in household 34.9% (London average 24.1%)

Single family households make up 62.9% of the household composition, higher than the London average of 58%.

The average household size is 2.96 the 4th highest average in England & Wales.

Barking & Dagenham therefore has a higher proportion of larger households and a higher proportion of single family households than the London average.

The population is expected to grow another 42% to 309,000 by 2041.

- **Age**

Of this population currently 57,150 are aged under 16. This is the highest proportion in England and Wales.

Of this population currently 142,700 are aged 16 – 64, and 19,050 aged over 65.

The largest age group bracket is age 35 – 39 with 8.5% (18,606) of the borough.

The average age in the borough is 33. This is lower than the London average of 35.

Barking & Dagenham has a significantly higher age profile between 0-19 than the London average.

The age profile has seen a decrease of 1.7% in people aged 65 and over, with an increase of 20.8% of people aged 15-64. The age profile for children under 15 has also increased by 17.3%.

57,100 (26.1%) of residents were aged under 16 on Census day, the highest proportion in England & Wales.

This demonstrates the changing profiles of the age of the population in Barking & Dagenham.

- **Disability**

Currently 13.2% of the population is registered as disabled under the Equality Act.

Barking & Dagenham currently has 4,790 people of working age (16-64) claiming Disability Living Allowance & 9,687 claiming Personal Independence Payment.

29.8% of households have at least one person who identifies as disabled, the highest proportion in London.

The [B&D Joint Strategic Needs Assessment](#) highlight that people with a disability are at particular risk of disadvantage in all its forms, as they are more likely to be living on a low income, be unemployed or in unsuitable housing, putting their health at additional risk of further decline

(DWP Stat-Xplore - 31.05.2022)

(Census 2021)

- **Gender reassignment**

9 in 10 Barking & Dagenham residents' gender identity was the same as sex registered at birth (90.4%)

Of all English & Welsh local authorities, Barking & Dagenham had the:

- highest proportion of trans women (0.25%)
- 3rd highest proportion of trans men (0.24%)
- 5th highest proportion of people whose gender identity was different but no specific identity given (0.64%)
- 17th highest who did not answer the gender identity question (8.4%)

- **Marriage & civil partnership**

Barking & Dagenham currently has 42.8% of the population married or in a civil partnership, up from 42.1% in 2011. The number of people who were married increased and fell across England.

41.8% of the population were never married or registered in a civil partnership.

8.1% are divorced or in a dissolved civil partnership.

12.8% of households were lone parents with dependant children the highest proportion in England & Wales.

(Census 2021)

- **Pregnancy & maternity**

There are currently 64.2 births per 1000 women of childbearing age the highest in London.

Barking & Dagenham saw England's joint second largest % rise in the proportion of households including a couple with dependant children from 20.9% in 2011 to 24.1% in 2021.

There are 9,4000 (12.8%) lone parent households with dependent children, the highest proportion in England & Wales.

Teenage pregnancy rates are 16.1 per 1000 females aged 15-17.

(Census 2021)

(Borough data explorer)

- **Race and ethnicity**

The proportion of the borough population identifying as coming from black and minority ethnic backgrounds has increased from 19.1% to 50.5% between the 2001 and 2011 censuses, and is now at 69.1%, the 10th highest in the country.

In 2021 25.9% of residents identified their ethnic group as Asian, Asian British or Asian Welsh, up from 15.9% in 2011. This 9.9% increase was the largest increase among high level ethnic groups in this area.

44.9% of residents identified as white compared with 58.3% in 2011.

21.4% of residents identified as Black, Black British, Black Welsh, Caribbean of African compared to 20% in 2011.

Ethnic diversity has increased between 2011 and 2021 with the percentage of non-white British residents rising by 18.6% over the decade.

The most common language of residents whose main language is not English is Romanian (4.8%) followed by Bengali (3.1%).

2 in 5 residents were born outside of the UK.

Barking & Dagenham has become increasingly ethnically diverse in the last 10 years.

(Census 2021)

- **Religion**

45.4% of the population identify as Christian, down from 56% in 2011.

18.8% identify with no religion.

24.4% of residents identify as Muslim, up from 13.7% in 2011. This rise of 10.7% was the largest increase in religious groups in Barking & Dagenham.

These groups are the predominant religion in the borough with the next highest identifying as Hindu at 3%.

(Census 2021)

- **Sex/Gender**

Currently 51.3% of the borough's residents are female, and 48.7% are male.

This is broken down by population:

- Male – 106,548
- Female – 112,202

(Census 2021)

➤ **Sexual orientation**

Nearly 9 in 10 Barking & Dagenham residents described their sexual orientation as Straight or Heterosexual (88.6%

Of all English & Welsh local authorities, Barking & Dagenham had the:

- 4th highest proportion who described their sexual orientation as all other sexual orientations (0.07%)
- 23rd highest proportion who described their sexual orientation as Pansexual (0.38%)

➤ **Socio-economic disadvantage (deprivation in the borough)**

In April 2023 the updated poverty indicator tracker for Barking & Dagenham held the:

- 34th (worst) average rank (combining the 10 indicators of poverty) against all 309 English Local Authorities
- 32nd highest unemployment rate
- 5th highest rate of Universal Credit claimants in employment (previously 5th in the 2021 census)
- 7th highest proportion of households claiming Housing Benefits
- 70th highest proportion of households living in fuel poverty
- 63rd highest proportion of children under 16 living in relative low income families.

This compared to April 2022:

- 18th (worst) average rank (combining the 10 indicators of poverty) against all 309 English Local Authorities
- 2nd highest unemployment rate
- 2nd highest rate of Universal Credit claimants in employment (previously 5th in the 2021 census)
- 5th highest proportion of households claiming Housing Benefits
- 17th highest proportion of households living in fuel poverty
- 34th highest proportion of children under 16 living in relative low income families.

This showed a:

- Falling unemployment rate
- Reduction in fuel poverty (data remains pre cost of living crisis)

- Reduction in children living in relative low-income families

Within London the borough has the highest rates of:

- Universal Credit claimants in employment

The 3rd highest rate of

- Children aged under 16 living in relative low income families.

The 4th highest rate of:

- Households living in fuel poverty
- Income Support claimants

Barking & Dagenham has dropped from the 18th lowest (worst) to 34th lowest (worst) combining the 10 indicators of poverty. This is the first time Barking & Dagenham has:

- Featured outside of the top 20 (worst) Local Authorities since February 2020
- Not been the most impoverished borough (3rd)

Although these poverty indicators have improved Barking & Dagenham remains a very impoverished borough.

The 2021 census also provided data on poverty indicators:

- 46,100 (62.4%) of households have at least one measure of deprivation.
- 46% of children are estimated to live in poverty the 3rd highest in England & Wales.
- The borough also had an economically inactive rate of 35.9%, higher than the London average of 33.8%.
- 7% of the population were providing unpaid care.
- 58.5% of residents are economically active in employment, lower than the London average of 61.4%.
- 16.1% were employed in professional occupations with 15.9% employed in elementary occupations.
- The largest socio-economic classification was lower managerial, administrative and professional occupations at 15.3%, lower than the London average of 20.6%.

- 11.4% of the population were engaged in part time work of 15 hours a week or less, higher than the London average of 10.7%.
- 22.7% of the population hold no formal qualifications, higher than the London average of 16.2%.
- The number of residents renting privately has increased by 412% since 2001.
- 18,100 (24.5%) of households rent from the Council, the 3rd highest in England & Wales.
- 17.8% of households are living in a property without enough bedrooms, the 2nd highest proportion in England & Wales.

Income (and debt) is the greatest determinant of health, in a positive way enabling people to afford factors that support healthy living (e.g. diet, physical activity, housing, etc.) and in a negative way driving poor health (e.g. mental health, unhealthy behaviours, etc.).

The proposed Council Tax Support Scheme 2024/25 should have an overall positive impact on health and wellbeing and the reduction of health inequalities, including for those with health issues or barriers.

The socio-economic indicators in the borough highlight high levels of deprivation, poverty and issues with housing and present a challenging outlook for the Council.

Council Tax Support - Case load and demographics:

Case load:

There are currently 15,126 live CTS cases¹:

- 10,625 working age (16-64) (70.24%)
- 4501 pension age (65+) (29.76%)

The CTS working age caseload is currently 7.4% of the working age population of the borough.

The CTS pension age caseload is currently 23.6% of the pension age population of the borough.

Case load breakdown by demographic types²:

The CTS case load can be broken down by age, household size and other characteristics such as disability.

*Case load statistics may vary dependent upon the date of the data set.

¹ CTS case load extraction June 2023

² Policy & Practice localised CTS Final Report

Age range	CTS claimants (main claimant)	Claims with disability (PIP/DLA/LCW)	Carers (receiving carers allowance)	Claims by household type			
				All claimants	Total	Single no children	Couple no children
16-24	187	21	16	53	7	88	39
25-34	1,888	479	304	349	20	531	988
35-44	2,959	912	569	501	37	610	1,811
45-54	2,861	1,383	549	1,085	188	578	1,010
55-65	2,897	2,082	453	2,037	464	245	151
66+	4,496	1,559	255	3,624	811	39	22

3

Age band	Barking & Dagenham population 2021	% of total population by age bracket	Council Tax Support claimants	% of total
0-9	35,536	16.25%	0	0%
10-19	33,328	15.24%	6	0.01%
20-29	28,435	13.00%	824	2.89%
30-39	36,691	16.77%	2672	7.28%
40-49	31,986	14.62%	2891	9.03%
50-59	25,140	11.49%	2793	11.10%
60 -69	14,536	6.65%	2568	17.66%
70-79	8,027	3.67%	2203	27.44%
80+	5,071	2.32%	1457	28.73%

CTS expenditure (cost):⁴

CTS expenditure for the financial year 2023/24 is currently £16,081,826.87

³ Policy & Practice localised CTS Final Report

⁴ CTS expenditure extraction June 2023

CTS expenditure by age:

Of this expenditure £10,722,852.64 (66.67%) is against working age claimants and £5,358,974.33 (33.33%) is against pension age claimants.

Working age claimants currently make up 65.10% of the population and account for 70% of the CTS caseload and 66.67% of the total CTS expenditure.

Pension age claimants currently make up 8.70% of the population and account for 30% of the CTS caseload and 33.33% of the total CTS expenditure.

CTS case load by gender:

The current case load is split as follows⁵:

Male – 5,105 cases (33.12%)

Female – 10,309 cases (66.88%)

CTS case load by ethnicity & race:

The Council does not collect this information about this characteristic as it is not a mandatory requirement for the processing of CTS.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by race or ethnicity.

CTS case load by religion:

The Council does not collect this information about this characteristic as it is not a mandatory requirement for the processing of CTS.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by religion.

CTS case load by sexual orientation:

The Council does not collect this information about this characteristic as it is not a mandatory requirement for the processing of CTS.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by sexual orientation.

CTS case load by Gender reassignment:

The Council does not collect this information about this characteristic as it is not a mandatory requirement for the processing of CTS.

⁵ CTS case load extract September 2023

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by gender reassignment

CTS case load by Marriage and civil partnership:

The Council does not collect this information about this characteristic as it is not a mandatory requirement for the processing of CTS.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by marriage and civil partnership.

CTS case load by Pregnancy and maternity:

The Council does not collect this information about this characteristic as it is not a mandatory requirement for the processing of CTS.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by pregnancy.

Maternity can only be identified by those claimants in receipt of a Maternity Allowance benefit from the DWP. This will not account for claimants on paid maternity leave, in receipt of other benefits, or neither.

Potential impacts	Positive	Neutral	Negative	What are the positive and negative impacts?	How will benefits be enhanced and negative impacts minimised or eliminated?
Local communities in general					-
Age				<p>Working age claimants will be affected by the proposed replacement scheme. Some claimants may have increased awards and some claimants may see reduced awards.</p> <p>Although the impacts may differ by age group the calculation of CTS is not related to a person's age for the working age scheme.</p>	<p>It is not feasible to mitigate any potential adverse impacts on the basis of age alone.</p> <p>The following mitigations are in place to support claimants adversely affected by the proposed changes:</p> <ul style="list-style-type: none"> Resident consultation <p>Consulting residents about the proposed changes and</p>

		<p>A claimant must be of working age to be affected by the scheme change.</p> <p>Any differences in entitlement will be as a result of other factors such as differences between the current means test and the new proposed income band thresholds, or the introduction of a flat rate non-dependant charge.</p> <p>No scheme changes are proposed for the pension age scheme which remains centrally prescribed.</p> <p>Pension age claimants are protected and will continue to receive full support, inclusive of outreach services.</p>	<p>asking for their views on how to mitigate any impact.</p> <p>Public forums will be available to residents at various locations for face to face surgeries.</p> <p>The LA will also look at what contact it can make with those financially impacted by the proposed scheme (this excludes pension age as there is no impact) to look at income maximisation option, better off calculations for UC, referrals into Work and Skills & discretionary funding opportunities.</p> <ul style="list-style-type: none"> • Council Tax Discretionary relief (CTDR) <p>Maintaining a discretionary Council hardship fund open for applications from all residents and ensuring this is promoted so residents are aware of the scheme.</p> <p>Section 13A of the Local Government Finance act 1992).</p> <ul style="list-style-type: none"> • Government funded hardship schemes and local welfare assistance <p>If applicable - Maintaining an open application process for all residents for the Household Support Fund (HSF) and any other government funded discretionary schemes, including Council funded schemes, to support the wider costs of living for</p>
--	--	--	--

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

					<p>vulnerable residents, helping to assist with financial support and therefore the payment and collection of Council Tax.</p> <ul style="list-style-type: none"> • The Homes & Money HUB & Welfare Service <p>Services supporting vulnerable residents to maximise their income including welfare benefit take up, advice and support on debts and budgeting</p> <ul style="list-style-type: none"> • Applying the Council's debt management policy <p>Ensuring the fair and ethical collection of Council Tax and assisting residents who are experiencing financial difficulty.</p>
-					
Disability	X	X	X	<p>Working age claimants with disabilities will be affected by the proposed replacement scheme. Some claimants may have increased awards, some claimants may see reduced awards and some claimants will have no change to their existing award.</p> <p>The proposed income banded scheme will continue to disregard income received from qualifying disability benefits (DLA or PIP). This will mirror the current scheme and will protect disabled claimants.</p>	<p>It is not feasible to mitigate any potential adverse impacts for claimants with disability on this basis alone.</p> <p>The following mitigations are in place to support claimants adversely affected by the proposed changes:</p> <ul style="list-style-type: none"> • Resident consultation <p>Consulting residents about the proposed changes and asking for their views on how to mitigate any impact. We will be reaching out to voluntary organisations such</p>

		<p>The current scheme provides additional premiums for some claimants in receipt of qualifying disability benefits. Premiums allow a claimant to have a higher level of income before the means test taper is applied to reduce the CTS award based on household income.</p> <p>The proposed income banded scheme does not contain premiums. As a consequence claimants with a qualifying disability who would have been entitled to a disability premium may see a reduced award as more of their income will be taken into account to calculate the CTS award.</p> <p>This will primarily affect claimants with qualifying disability benefits with higher incomes in receipt of existing legacy benefits. This may affect claimants in work or with other benefits such as Carers Allowance.</p> <p>The loss of disability premiums may detrimentally affect claimants with qualifying disability benefits under the new scheme.</p> <p>Premiums are not contained within UC and therefore claimants in receipt of this type of benefit will not be affected.</p> <p>Disabled claimants in receipt of legacy benefits are likely to be disproportionately affected as these claims may have disability premiums currently awarded.</p> <p>This may affect claimants in work or with other benefits such as Carers Allowance.</p> <p>Disabled claimants currently in receipt of the maximum award under the current scheme due to</p>	<p>as the DADB to engage them to work directly with disabled residents. Outreach activities are planned as well as open days at the BLC and Dagenham and community hubs.</p> <p>Public forums will be available to residents at various locations for face to face surgeries.</p> <ul style="list-style-type: none"> • Council Tax Discretionary relief (CTDR) <p>Targeted work could be added, dependant on budget available specifically to mitigate this impact The LA can undertake its own outreach & work with the DADB, CAB and other voluntary organisations to target specific cohorts of residents.</p> <p>Such an approach could take account for those who lose a high proportion of their award or those with certainly characteristics such as disability.</p> <p>If applicable - Maintaining a discretionary Council hardship fund open for applications from all residents and ensuring this is promoted so residents are aware of the scheme.</p> <p>Section 13A of the Local Government Finance act 1992.</p> <ul style="list-style-type: none"> • Government funded hardship schemes and local welfare assistance
--	--	---	--

		<p>low incomes are likely to remain in band 1 under the proposed scheme and would therefore remain unchanged.</p> <p>Some disabled claimants will benefit from the proposed change.</p> <p>Claimants in receipt of UC will not lose out due to a loss of disability premiums.</p> <p>The limited capacity to work element of UC and the Carers element are disregarded as income and not counted. This helps to support disabled claimants who are often in receipt of these additional awards.</p> <p>Disabled claimants in receipt of UC who are in employment may benefit from more generous awards for the calculation of household income for UC employed earners under the proposed scheme.</p> <p>The scheme also proposes to implement flat rate non-dependant deductions of £7.50 per week. The proposed scheme will continue to disregard these deductions where a claimant or partner are in receipt of a qualifying benefit (DLA or PIP at the middle of higher rates) ensuring the protections that were previously in place under the current scheme will remain.</p> <p>2,807 households have at least 1 non-dependant charge. Of these 1,570 are exempt from deductions due to receipt of disability benefits and will remain protected.</p> <p>There will therefore be no negative impact from the change to a flat rate non-dependant</p>	<p>If applicable - Maintaining an open application process for all residents for the Household Support Fund (HSF) and any other government funded discretionary schemes, including Council funded schemes, to support the wider costs of living for vulnerable residents, helping to assist with financial support and therefore the payment and collection of Council Tax.</p> <ul style="list-style-type: none"> • The Homes & Money HUB & Welfare Service <p>Services supporting vulnerable residents to maximise their income including welfare benefit take up, advice and support on debts and budgeting</p> <ul style="list-style-type: none"> • Applying the Council's debt management policy <p>Ensuring the fair and ethical collection of Council Tax and assisting residents who are experiencing financial difficulty.</p>
--	--	---	---

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

			<p>charge for claimants in receipt of qualifying disability benefits.</p> <p>Claimants not in receipt of qualifying disability benefits could be affected by this change.</p> <p>The implementation of a capital limit of £6,000 may impact on a disabled claimant with capital over this threshold.</p> <p>No scheme changes are proposed for the pension age scheme which remains centrally prescribed.</p> <p>Pension age claimants are protected and will continue to receive full support, inclusive of outreach services.</p>
--	--	--	---

Disability analysis:

Internal modelling against the current financial year (2023/24)⁶ has considered the impact of the proposed scheme on claimants with a qualifying disability benefit (PIP/DLA).

Figures are considered to indicative only and are not a precise measurement of impact.

Household type	Worse off Cases	Total £	Average Per case
Working Age - Non-Passported - Couple	84	£43,948.74	£523.20
Working Age - Non-Passported - Single	135	£48,261.78	£357.49
Working Age - Non-Passported - Couple & 1 Child +	16	£5,816.62	£363.54
Working Age - Non-Passported - Couple & 2 Child +	88	£59,461.47	£675.70
Working Age - Non-Passported - Single & 1 Child +	45	£16,280.40	£361.79
Working Age - Non-Passported - Single & 2 Child +	94	£45,073.23	£479.50
Working Age - Passported - Other	1	£250.98	£250.98

⁶ Appendix 2 – Internal modelling (financial and impact analysis) (Capita system)

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

463

£219,093.22

£473.20

A total of 463 cases were identified as potentially having lower awards with a qualifying disability benefit on the claim. The average lost award was £473.20 per year.

	Better off Cases	Total £	Average Per case
Working Age - Non-Passported - Couple	29	£5,896.98	£203.34
Working Age - Non-Passported - Single	55	£19,079.34	£346.90
Working Age - Non-Passported - Couple & 1 Child +	19	£7,257.38	£381.97
Working Age - Non-Passported - Couple & 2 Child +	50	£18,060.68	£361.21
Working Age - Non-Passported - Single & 1 Child +	39	£10,893.01	£279.31
Working Age - Non-Passported - Single & 2 Child +	71	£14,233.48	£200.47
Working Age - Passported - Other	112	£57,153.20	£510.30
	375	£132,574.07	£353.53

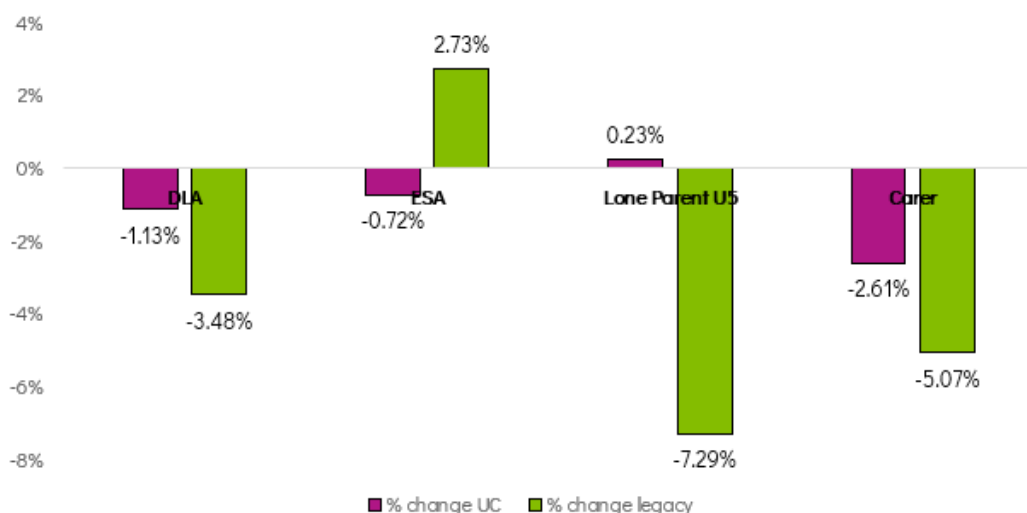
A total of 375 cases were identified as potentially having higher awards with a qualifying disability benefit on the claim. The average increased award was £353.53 per year.

Although only indicative this modelling demonstrates the potential impacts on applicants with disability and protected characteristics from the proposed scheme and should be noted.

Policy & Practice⁷ have modelled the impact analysis for 2024/25 of the proposed scheme on claimants with barriers to work.

⁷ Appendix 1 – Policy & Practice localised CTS Final Report

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by barriers to work



Modelled scheme: change in average CTS award, by barriers to work

This demonstrates overall a slight reduction in the CTS award as an average for claimants in receipt of qualifying disability benefits (DLA/PIP). This may be due to some of the reasons as outlined above.

Legacy benefits as a whole are generally disproportionately affected with a greater loss.

The financial impact of these changes on the CTS award is relatively small and demonstrates a marginal impact as an overall average⁸.

Within this average change of the CTS award some claimants will see greater or smaller losses with this replicating for those that gain.

Barriers to work	Current scheme 2024/25	Income banded scheme 2024/25
DLA or Similar	£22.52	£22.03
ESA or similar	£22.08	£22.33
LP child under 5	£19.71	£19.55
Carer	£23.54	£22.66

⁸ Appendix 1 – Policy & Practice localised CTS Final Report

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

Gender reassignment		X	<p>There is no CTS data held for this specific category.</p> <p>The scheme will not treat people of different genders any differently.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on people who are proposing to undergo, is undergoing, or has undergone a process (or part of a process) to re-assign their gender.</p>	<p>No impact.</p> <p>No mitigations are required.</p>
Marriage and civil partnership		X	<p>There is no CTS data held for this specific category.</p> <p>The scheme will not treat people either married or in a civil partnership any differently.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on people who are married or in a civil partnership.</p>	<p>No impact.</p> <p>No mitigations are required.</p>
Pregnancy and maternity		X	<p>There is no CTS data held for this specific category.</p> <p>Pregnancy does not affect the claimant's assessment of CTS unless there is a change in financial circumstances.</p> <p>The scheme will only treat people who are on maternity leave differently in so far as considering a change in their circumstances for income & household with regards to the income band discount awarded.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on women who</p>	<p>No impact.</p> <p>No mitigations are required.</p>

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

				<p>are pregnant or recently had a baby.</p>	
<p>Race (including Gypsies, Roma and Travellers)</p>		X		<p>There is no CTS data held for this specific category.</p> <p>There are ethnic inequalities in health, some of which are associated to economic deprivation.</p> <p>The scheme will not treat people of different ethnicity or race any differently.</p> <p>A claimant's entitlement to CTS is decided in accordance with set criteria such as recourse to public funds and immigration status.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on people because of their race or ethnicity.</p>	<p>No impact.</p> <p>No mitigations are required.</p>
<p>Religion or belief</p>		X		<p>There is no CTS data held for this specific category.</p> <p>The scheme will not treat people of different religion any differently.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on people because of their religion or belief.</p>	<p>No impact.</p> <p>No mitigations are required.</p>
<p>Sex</p>	X	X		<p>Working age claimants will be affected by the proposed replacement scheme. Some claimants may have increased awards and some claimants may see reduced awards.</p>	<p>It is not feasible to mitigate any potential adverse impacts on the basis of sex alone.</p> <p>The following mitigations are in place to support claimants</p>

		<p>Although the impacts may differ by sex the calculation of CTS is not related to a person's gender for the working age scheme.</p> <p>Any differences in entitlement will be as a result of other factors such as differences between the current means test and the new proposed income band thresholds, or the introduction of a flat rate non-dependant charge.</p> <p>This information is recorded within a claimant's personal details.</p> <p>The case load is 33.12% male and 66.88% female for the lead claimant. Any changes that sees reduced awards will disproportionately affect female claimants as they are the majority.</p> <p>Changes in the proposed scheme are not gender specific. The same income threshold and discounts apply to all claimants.</p> <p>Childcare could be a potential barrier for a single parent looking to secure employment or increase their hours and may disproportionately affect woman.</p> <p>By disregarding the childcare element of UC the proposed scheme will support claimants and this may proportionately benefit female claimants.</p> <p>Childcare payments made through the childcare element of Child Tax Credits cannot be disregarded in the proposed scheme. This creates an inequitable approach with childcare elements disregarded for UC and not for existing legacy benefits.</p>	<p>adversely affected by the proposed changes:</p> <ul style="list-style-type: none"> Resident consultation <p>Consulting residents about the proposed changes and asking for their views on how to mitigate any impact.</p> <p>Public forums will be available to residents at various locations for face to face surgeries.</p> <ul style="list-style-type: none"> Council Tax Discretionary relief (CTDR) <p>Maintaining a discretionary Council hardship fund open for applications from all residents and ensuring this is promoted so residents are aware of the scheme.</p> <p>(Section 13A of the Local Government Finance act 1992).</p> <ul style="list-style-type: none"> Government funded hardship schemes and local welfare assistance <p>If applicable - Maintaining an open application process for all residents for the Household Support Fund (HSF) and any other government funded discretionary schemes, including Council funded schemes, to support the wider costs of living for vulnerable residents, helping to assist with financial support and therefore the payment and collection of Council Tax.</p>
--	--	--	---

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

			<p>The full migration of the remaining legacy benefit claims to UC will remove this inequality.</p> <p>Woman are also more likely to be carers, either unpaid or in receipt of Carers Allowance. The proposed scheme will disregard the Carer element of Universal Credit which will help to support these claimants.</p> <p>There is no disregard for Carers Allowance benefit in the current scheme or the proposed scheme.</p> <p>The loss of carer premiums through receipt of Carers Allowance may detrimentally affect legacy benefit claimants under the new scheme.</p> <p>Premiums are not contained within UC and therefore claimants in receipt of this type of benefit will not be affected.</p> <p>Pension age claimants are protected and will continue to receive full support, inclusive of outreach services.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on people because of their sex or gender.</p>	<ul style="list-style-type: none"> • The Homes & Money HUB & Welfare Service <p>Services supporting vulnerable residents to maximise their income including welfare benefit take up, advice and support on debts and budgeting</p> <ul style="list-style-type: none"> • Applying the Council's debt management policy <p>Ensuring the fair and ethical collection of Council Tax and assisting residents who are experiencing financial difficulty.</p>
Sexual orientation		X	<p>There is no CTS data held for this specific category.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on people because of their sexual orientation.</p>	<p>No impact.</p> <p>No mitigations are required.</p>

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

Socio-economic Disadvantage	X	X	X	<p>Working age claimants will be affected by the proposed replacement scheme. Some claimants may have increased awards, some claimants may see reduced awards and some claimants will see their awards unchanged.</p> <p>Any differences in entitlement will be as a result of factors such as differences between the current means test and the new proposed income band thresholds, or the introduction of a flat rate non-dependant charge.</p> <p>1,501 (14%) households have lower awards in the model (2024/25).</p> <p>1,597 (14%) households have higher awards in the model.</p> <p>7,631 (72%) households will see their awards remain unchanged.</p> <p>The proposed scheme is as an average more beneficial for claimants on UC than existing legacy benefits, recognising the planned migration for all remaining legacy benefits to UC in 2024.</p> <p>There remains a risk that any delay to managed migration to UC would see some legacy benefit claimants lose support until migrated to UC.</p> <p>Some claims will retain lower levels of support even after migration to UC.</p> <p>There are currently 2,807 households with a non-dependant deduction under the current scheme 2023/24.</p> <p>1,570 households remain exempt from the charge due to receipt of</p>	<p>It is not feasible to mitigate any potential adverse impacts on the basis of socio-economic disadvantage alone.</p> <p>The following mitigations are in place to support claimants adversely affected by the proposed changes:</p> <ul style="list-style-type: none"> • Resident consultation <p>Consulting residents about the proposed changes and asking for their views on how to mitigate any impact.</p> <p>Public forums will be available to residents at various locations for face to face surgeries.</p> <ul style="list-style-type: none"> • Council Tax Discretionary relief (CTDR) <p>If applicable maintaining a discretionary Council hardship fund open for applications from all residents and ensuring this is promoted so residents are aware of the scheme.</p> <p>Section 13A of the Local Government Finance act 1992.</p> <ul style="list-style-type: none"> • Government funded hardship schemes and local welfare assistance <p>If applicable - Maintaining an open application process for all residents for the Household Support Fund (HSF) and any other government funded discretionary schemes, including Council funded</p>
------------------------------------	---	---	---	---	--

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

			<p>disability benefits. This will be mirrored under the proposed scheme and this protection will remain.</p> <p>Of the remaining 1,237 households 890 will have higher deductions from the introduction of a flat rate deduction and 347 will have lower deductions.</p> <p>Flat rate non-dependant deduction changes will affect all household types and economic status.</p> <p>The overall impact of the scheme change is positive with 86% retaining the same level or an increased level of support but there remains some households who will lose support, and some will lose up 100% of their current award.</p> <p>No scheme changes are proposed for the pension age scheme which remains centrally prescribed.</p> <p>Pension age claimants are protected and will continue to receive full support, inclusive of outreach services.</p>	<p>schemes, to support the wider costs of living for vulnerable residents, helping to assist with financial support and therefore the payment and collection of Council Tax.</p> <ul style="list-style-type: none"> • The Homes & Money HUB & Welfare Service <p>Services supporting vulnerable residents to maximise their income including welfare benefit take up, advice and support on debts and budgeting</p> <ul style="list-style-type: none"> • Applying the Council's debt management policy <p>Ensuring the fair and ethical collection of Council Tax and assisting residents who are experiencing financial difficulty.</p>
--	--	--	---	--

Appendix 1 provides analysis of the impact of the proposed replacement CTS scheme.

CTS is in the main targeted at low income households that are financially disadvantaged to support the payment of Council Tax and therefore any change to the scheme will impact these households with some gaining support and some losing support.

Model 1 is a banded income discount scheme which takes into account all household income and household size (restricted to 2 children).

The scheme considers the total income of the household to calculate the level of Council Tax discount applied.

Some incomes are disregarded from overall household income and are not counted such as Disability Living Allowance, Personal Independence Payment and some elements of Universal Credit such as Limited Capacity for work, Carer Element, Disabled Child Element and Child Care Element. Child Benefit and war pensions are also not counted as income.

These incomes must be deducted from the household income used to calculate the band and discount. An additional allowance is granted for children in the household. In line with national welfare policy this is restricted to a maximum of +2 children. Any household with more than +2 children will not receive any additional allowances which will be restricted to a maximum of +2 children.

Non-dependant adults in the household are charged a flat rate deduction of £7.50 per adult irrespective of their status or income. This reflects that most non-dependants have income either through employment or welfare benefits. It also reduces the requirement for applicants to provide evidence of the status of household members.

Current protections against non-dependant deductions for disabled households in receipt of Personal Independence Payments and Disability living Allowance (for care at the middle or higher rate) remain resulting in no deductions being applied for these households.

Non-dependant partners and full-time students will also not be subject to a deduction mirroring the current scheme.

A capital limit of £6,000 is being proposed. This reduces the limit from £10,000 under the current scheme. Any resident with capital over £6,000 will not be eligible for the scheme.

The scheme proposes the following income thresholds (bands) £.

Income banding table

Band	Discount	Single (Weekly net income)	Couple (Weekly net income)	Single 1+ children addition	Single 2+ children addition	Couple 1+ children addition	Couple 2+ children addition
1	85%	£0-£96	£0-£164	£0 - £184	£0 - £284	£0 - £252	£0 - £352
2	70%	£96 - £140	£164 - £208	£184 - £228	£284 - £338	£252 - £296	£352 - £406
3	55%	£140 - £168	£208 - £238	£228 - £262	£338 - £382	£296 - £334	£406 - £456
4	40%	£168 - £188	£238 - £260	£262 - £296	£382 - £426	£334 - £370	£456 - £506
5	25%	£188 - £208	£260 - £282	£296 - £320	£426 - £460	£370 - £396	£506 - £542
6	15%	£208 - £240	£282 - £316	£320 - £376	£460 - £506	£396 - £452	£542 - £605

The impact of the proposed model as a comparison with the current scheme if retained into 2024/25

Band	No. households	% households	Average weekly CTS Model 1 2024/25	Average weekly CTS Current scheme in 2024/25
1	8,829	82.3	£22.22	£22.10
2	301	2.8	£19.17	£15.60
3	556	5.2	£16.15	£11.03
4	489	4.6	£11.42	£9.68
5	213	2.0	£7.24	£10.22
6	150	1.4	£4.39	£11.89

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

No longer eligible	169	1.6	£0	£14.55
Total	10,729			

The model increases the average level of support for 10,175 households (94%) of the caseload demonstrating its overall positive impact between bands 1-4 for residents with the lowest incomes.

The main reductions in support are for those claimants in higher bands (5-6) with higher household incomes. These see more significant drops in support.

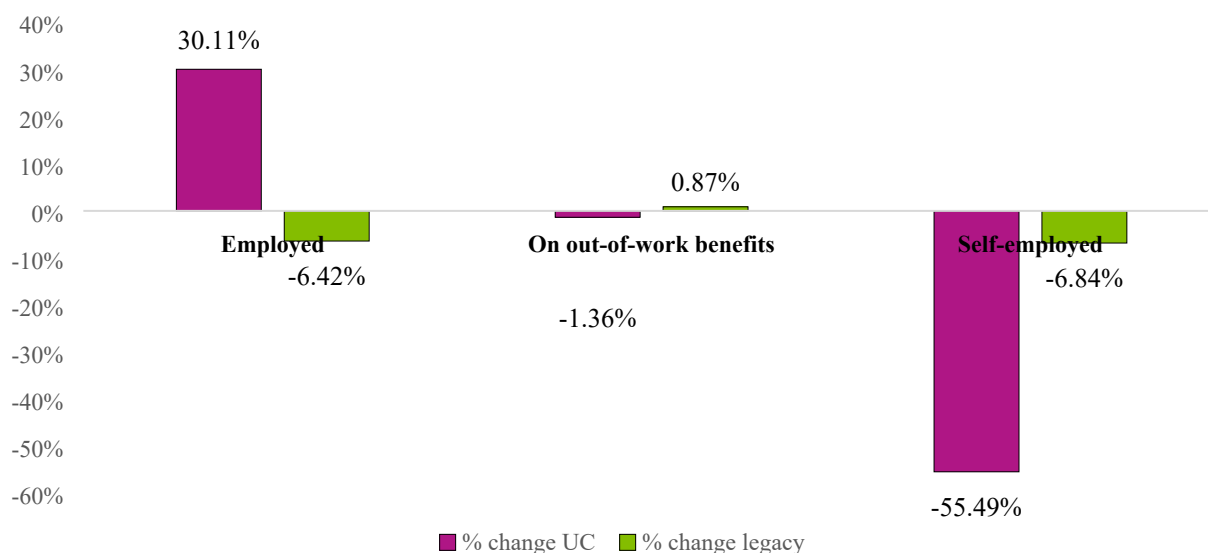
169 households lose 100% of their current award. This will be a substantial impact for these claimants with potentially large financial losses.

For households that lose out the majority are due to falling into income bands that give an award lower than the earnings taper in the current scheme (employed), as well as due to the introduction of flat rate non-dependant deductions.

The restriction of the children addition to two children will also impact households with larger families and result in lower awards.

This impact can also be modelled against employment status:

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by economic status



This modelling demonstrates a positive impact of the new scheme on UC claimants in employment against the retention of the current scheme.

Employed households under the old legacy benefits lose out. This is because of a different calculation of household income under the income band for these cases and may also be due to non-dependant deductions.

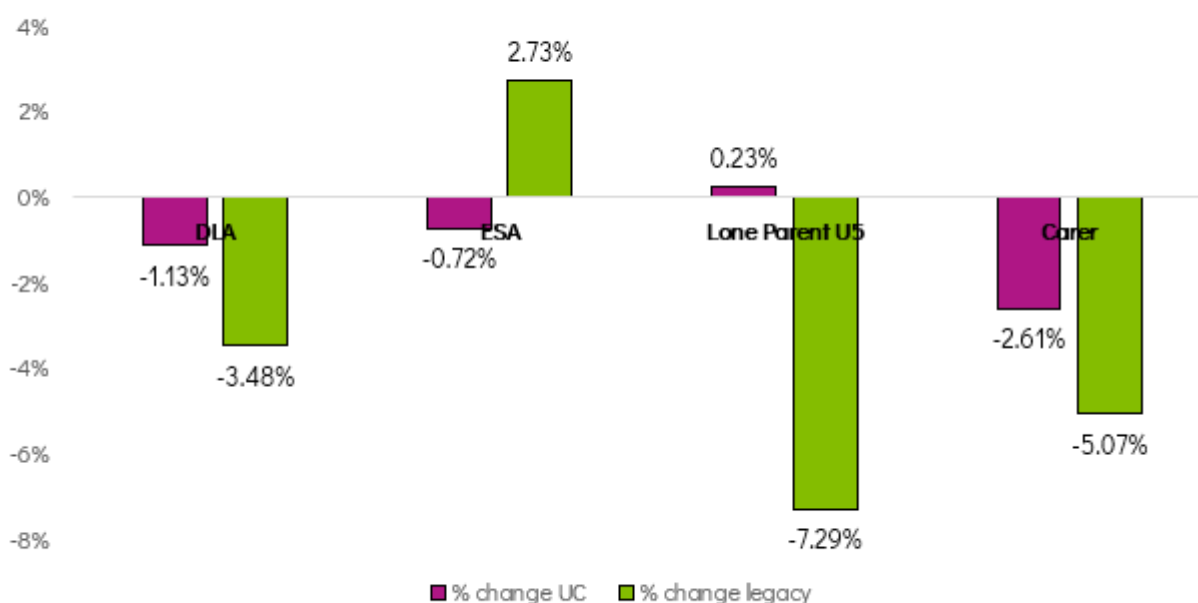
These awards are evened out in the model, meaning UC households gain more compared to the current scheme in 2024/25.

The proposed scheme provides better support for employed earners on UC than the current scheme and therefore supports employment and does not disincentivise work.

This is important in the context of managed migration of the remaining legacy benefit case load to UC which is due to commence in 2024.

The data set identified for self-employed claims on UC is very small due to the way UC is reported. The large drop in support for these households is skewed by the small sample size and is not taken as representative.

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by barriers to work



Modelled scheme: change in average CTS award, by barriers to work

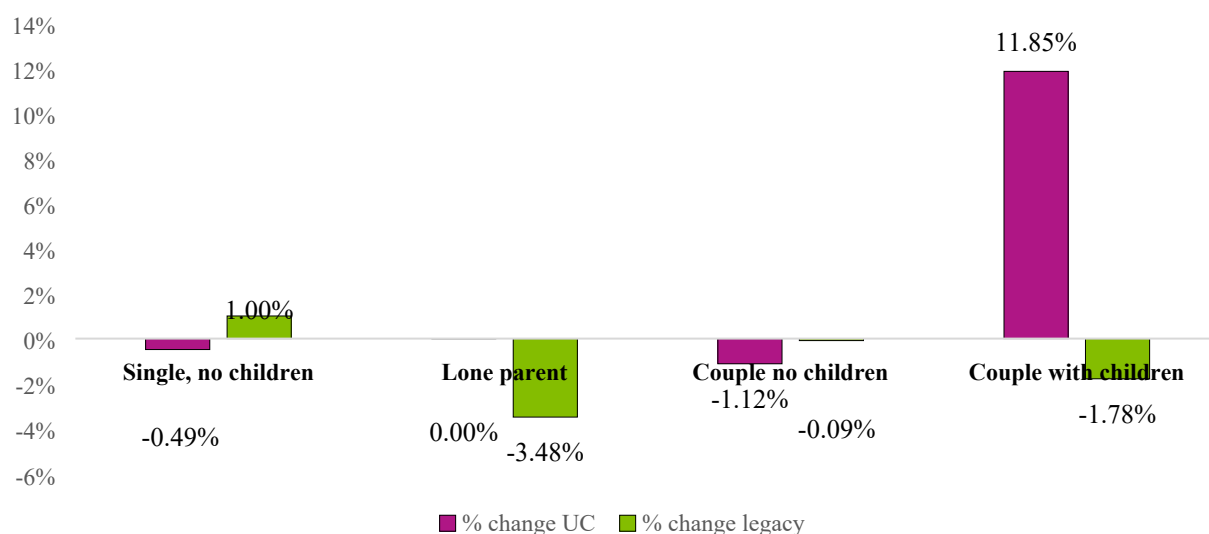
Disabled claimants (DLA) see a slight reduction as an average. This can be attributed to a loss of disability premiums from the current scheme that are not contained in Model 1 and a difference of support from the income band threshold against the current means test.

The proposed scheme protects the level of support (band 1) where some claimants with barriers to work fall, compared to the current scheme.

Reductions in support can also be attributed to non-dependant deductions for households not in receipt of qualifying disability benefits that were not previously payable now being applied due to the change to a flat rate deduction.

Legacy benefits are again more adversely affected than UC maintaining this trend as an average.

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by household type



The modelling demonstrates a broadly flat impact on most households with small variations as an average percentage change to the CTS award.

Couples with children on UC are benefiting. These households tend to be in employment and will benefit from more generous awards as UC employed.

A scheme that better supports UC claimants is recommended due to the managed migration of the remaining legacy benefit case load to UC, due to commence in 2024. However should the migration be delayed some legacy benefit claimants may see reduced awards.

The proposed scheme mirrors welfare reform and UC by restricting the allowance for dependant children to two.

The Welfare Reform bill implemented a two child restriction from the 6 April 2017 where families were limited to financial support to their first two children.

The government’s reasoning for limiting support to the first two children in a family is that those claiming benefits should face the same financial choices about having children as families who are supporting themselves solely through work.

The current scheme currently treats legacy benefit claimants differently to UC claimants. Restrictions on the child allowance applied within the UC award are also applied within the means test restricting the allowance unless exemptions are granted within the UC award.

Legacy benefit claimants do not currently have any restriction and are granted an allowance for all household dependants.

This has created an inequitable system where claimants are treated differently depending on the type of benefit they receive in the current scheme.

A restriction of the allowance to the first two children will disproportionately affect remaining legacy benefit claimants who are not subject to the restriction however this will align the scheme to how UC claimants are currently treated.

Children allowances have been set at £88 for the first child and £100 for the second child. A higher amount of Child Benefit is awarded for the first child and is disregarded in the scheme. Reducing the allowance for the first child and increasing it for the second child aligns the overall incomes received consistently.

The child element in UC is currently £62.26 per week. By setting the children allowances at a higher level although restricted to two children for one child the allowance is higher and for two children is equivalent to three children within a UC award.

This alleviates some of the impact of restricting the allowance to two children.

Barking & Dagenham has demographics in which 34.9% of households have four or more people in the household.

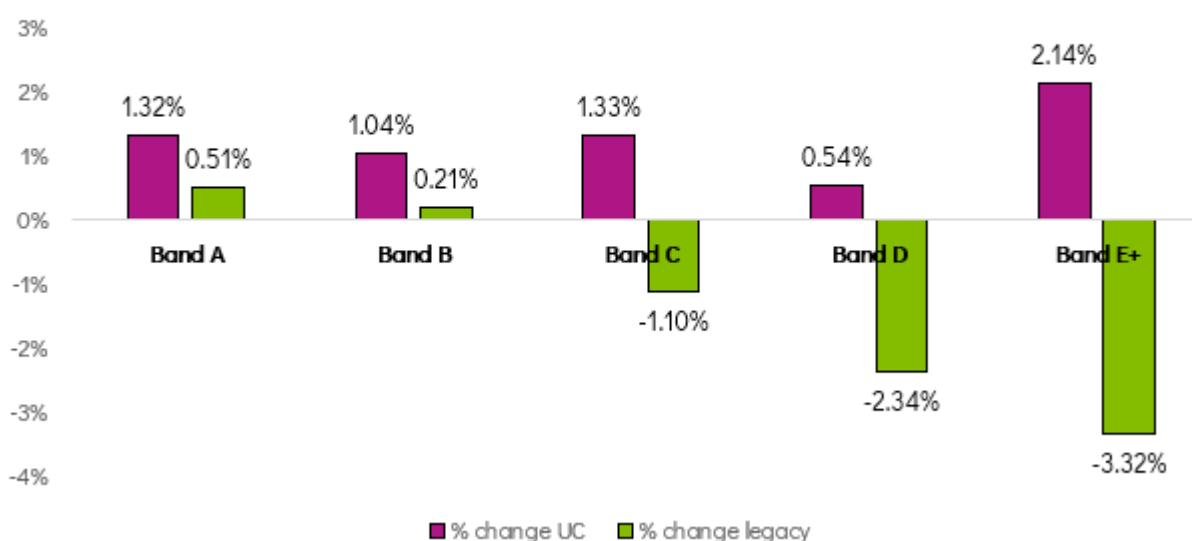
However the average household size in Barking & Dagenham is 2.96 residents per household which remains lower than the restriction to a couple and two children (four person).

It is acknowledged that due to a number of larger families in the borough that are not currently subject to a restriction through receipt of legacy benefits there may be an impact through lower awards due to this restriction being applied, and this may also impact larger families on UC as an ongoing concern.

Some household with three or more children may see significant losses of awards, in some cases this may result in 100% of an award being lost and is raised as a risk.

A removal of this restriction would have significant financial implications for the overall affordability of the proposed scheme.

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by council tax band



Legacy benefit claimants lose out based on their Council Tax band which reflects overall lower levels of support for legacy benefit claimants.

UC claimants see a positive impact.

Introducing flat rate non-dependant deductions

The current practice of means-testing all non-dependants is inefficient with significant amounts of information required from claimants, and ongoing reviews to ensure accuracy and changes in circumstances are applied.

Introducing a flat rate non-dependant charge reduces administration by simplifying the process and requires less information from the resident.

Currently households with non-dependants in receipt of UC (without earnings) have no deduction while non-dependants in receipt of comparable legacy benefits have a deduction creating an inequitable system. A change to the scheme requiring a fair contribution is recommended.

A majority of households that currently have a non-dependant charge have no deduction or a minimum deduction of £4.60. Deductions are prescribed and applied in line with yearly regulatory updates to the current 'default' CTS scheme and have not been set by the Council.

Any increase in the minimum deduction will therefore affect a majority of the deductions currently applied.

As a majority of deductions are at the minimum rate a means test to establish the correct deduction rate is only required for a smaller number of claims.

As a consequence the means testing of non-dependant income is significantly inefficient in its administration of the scheme.

There are 2,807 households in the caseload that have at least one non-dependant. Of these 1,570 are exempt from non-dependant deductions as they receive a qualifying disability benefit. The scheme will continue to disregard these deductions where a claimant or partner are in receipt of DLA or PIP at the middle or higher rates as a qualifying benefit, ensuring the protections that were previously in place will remain.

Protections also remain for non-dependants who are full time students and partners of a non-dependant are also not charged a separate deduction. This mirrors the current scheme.

Of the remaining 1,237 households, 890 households will have higher deductions and 324 will have lower deductions after the introduction of a flat rate deduction of £7.50 per week.

The average increase in deductions is £5.60 per week, whilst the average decrease in deductions is £5.49 per week.

Total number of new deductions

Weekly non-dependant deduction	Number of households
£7.50	985
£15	216
£22.50	34
£30	2

Households with an increase in deduction of £5 per week or more:

Household type	Number of households
Couple with children	46
Couple without children	38
Lone parent	171
Single	194

Economic status	Number of households
Employed	75
out of work benefits	352
Self-employed	22

The implementation of flat rate non-dependant charges will see a majority have increased charges and will affect all household types and economic status.

Single claimants and out of work households are the largest demographic type to see an increase in deductions.

Households losing out

Working age claimants will be affected by the proposed replacement scheme. Some claimants may have increased awards and some claimants may see reduced awards. Many claimants will see their award unchanged.

Any differences in entitlement will be as a result of factors such as differences between the current means test and the new proposed income band thresholds, or the introduction of a flat rate non-dependant charge.

1,501 households have lower awards in the proposed model than the current scheme in 2024/25 (with a tolerance of a difference in award of 10p).

749 households lose support due to having higher non-dependant deductions.

There are currently 10,729 households resulting in 14% of households losing support.

169 households lose all support with 51 of these due to having capital over the reduced capital threshold of £6,000.

Economic status	Number of households	Average loss of support £ per week
Employed	557	£7.18
Out of work	770	£6.62
Self-employed	174	£8.06

The largest majority of households that will lose support are households out of work.

Of the households losing out that are employed, the majority lose out due to falling into income bands that give an award lower than the earnings taper in the current scheme, as well as due to the introduction of flat rate non-dependant deductions.

Of those out of work, the majority is due to the introduction of flat rate non-dependant deductions.

Household type	Number of households	Average loss of support £ per week
Couple with children	341	£8.07
Couple without children	105	£8.57
Lone parent	609	£6.92
Single	446	£5.90

Lone parent households are the largest household overall that loses support.

169 households losing all support (100% of their current award)

Economic status	Number of households	Average loss of support £ per week
Employed	105	£11.28
Out of work	49	£20.20
Self-employed	15	£18.97

Household type	Number of households	Average loss of support £ per week
Couple with children	39	£15.03
Couple without children	15	£14.43
Lone parent	72	£13.79
Single	43	£15.41

The impact of losing all support is considerable and should be noted.

Employed households are the largest household to lose all support.

However this represents only 1.57% of the total case load.

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

The implementation of an income banded CTS scheme in replacement for the current means tested scheme will always result in winners and losers. It is not possible to exactly replicate a means tested scheme while removing the element of means testing.

Income band thresholds and the discounts granted will differ resulting in differences in the new CTS award.

The council has sought to mitigate the impact of the change through the design of the scheme to reduce the overall number of claimants who will lose against their current award.

The highest level of discount (band 1) has been protected at 85% to continue to ensure the lowest income households retain the highest level of support compared to the current scheme.

A total of 1,597 households will benefit from an increased award with an average weekly increase of £7.03.

This is balanced against 1,501 household who lose on average £6.99 per week.

Based on this outcome the scheme change will be neutral or beneficial to 86% of the current case load.

Any community issues identified for this location?		X		No issues recognised	No impact
---	--	---	--	----------------------	-----------

2. Consultation.

Provide details of what steps you have taken or plan to take to consult the whole community or specific groups affected by the service or policy development e.g. on-line consultation, focus groups, consultation with representative groups.

If you have already undertaken some consultation, please include:

- Any potential problems or issues raised by the consultation
- What actions will be taken to mitigate these concerns

Prior to the implementation of any change to the CTS scheme the Council is required to consult with the residents of the borough. The guiding principles that have been established through case law for fair consultation are as follows:

- The consultation must be carried out at an early stage when the proposals are still at a formative stage.
- Sufficient information on the reasons for the decision must be provided to enable the consultees to carry out a reasonable consideration of the issues and to respond.
- Adequate time must be given for consideration and responses to be made.
- The results of the consultation must be properly taken into account in finalising any decision.

There is also a duty to consult with the major precept authorities who are statutory consultees.

The aims of any consultation should be to:

- Inform residents and help them understand the impact of the proposals.
- Confirm why the proposals are being made.
- Detail any alternative proposals.
- Give purposeful consideration to realistic alternative proposals presented.
- Obtain feedback on whether residents support the proposals.

The Council will be required to consult extensively on the proposals to change the CTS scheme due to the significant change to the scheme proposed.

The consultation will be primarily web based through an online survey form.

The survey will inform residents of the proposals to change the scheme and ask residents and stakeholders their opinions and views on:

- Replacing the current scheme with an income banded discount scheme for 2024/25 (Model 1)
- Retaining the current scheme unchanged.
- Any other comments

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

Provide details of what steps you have taken or plan to take to consult the whole community or specific groups affected by the service or policy development e.g. on-line consultation, focus groups, consultation with representative groups.

If you have already undertaken some consultation, please include:

- Any potential problems or issues raised by the consultation
- What actions will be taken to mitigate these concerns

The survey will be run through the Citizens Alliance website and will require promotion across the Council webpages, social media channels, E-newsletter, press releases & CTS award notification letters.

Current CTS claimants affected by the proposals will be contacted directly to explain possible changes to their award (before/after) due to the changed scheme for 2024/25, to invite consultation and feedback on the proposed changes.

It is also anticipated that public workshops will be held at various sites throughout the borough, supported by outreach officers, to enable residents and stakeholders to engage with the proposals in person and these sessions will need to be widely promoted to ensure visibility and attendance.

Consideration will be given to the communication strategy for inclusion to ensure all residents have equal access and uptake given the links between exclusion in respect to communication given the link between exclusion and poor health (e.g. digital exclusion, non-English speakers, those engaged with community groups but not statutory authorities, etc.).

Direct engagement with voluntary partners and stakeholders will be required with the support of the relevant internal teams to ensure a broad section of these partners are engaged in the consultation process.

CTS scheme consultations historically have poor response rates from residents and the Council will need to ensure it widely promotes the consultation to ensure engagement in the proposals.

The outcome of the consultation will be reported to Cabinet.

3. Monitoring and Review

How will you review community and equality impact once the service or policy has been implemented?

*These actions should be developed using the information gathered in **Section 1 and 2** and should be picked up in your departmental/service business plans.*

Action	By when?	By who?
Impact of change monitoring by reviewing Council Tax collection rates and the number of CTS claims made and ongoing expenditure against the CTS scheme.	Ongoing	James Johnston
Regular monitoring based on performance frameworks	Ongoing	James Johnston

4. Next steps

It is important the information gathered is used to inform any Council reports that are presented to Cabinet or appropriate committees. This will allow Members to be furnished with all the facts in relation to the impact their decisions will have on different equality groups and the wider community.

Take some time to summarise your findings below. This can then be added to your report template for sign off by the Strategy Team at the consultation stage of the report cycle.

Implications/ Customer Impact

The current CTS scheme has numerous ongoing issues with its administration that highlights the need for the Council to consider a replacement scheme in order to effectively administer and provide support to residents through the core support of the CTS scheme.

The requirement to consider a replacement CTS scheme means the Council should now consider the implementation of an income banded discount CTS scheme to address some of the issues that arise with the retention of the current CTS scheme.

An income banded discount scheme provides support based on bands of income and provides a percentage discount off the Council Tax bill (the CTS award). The number of discount bands, the level of discount and income thresholds can all be varied. Income banded discount schemes can be designed to be as simple or as complex as desired, can be made more or less generous and designed to support protected groups if required. Re-assessment of cases will only be required if income crosses one of the income band thresholds.

An income banded CTS scheme can be designed to assist households with low incomes and ensure that their Council Tax liability is manageable and fair.

It is difficult to vary the current CTS scheme to adopt or target different levels of support at a range of applicants. An income banded discount scheme gives the Council the opportunity to vary support based on a targeted approach to residents in line with Council objectives and Borough manifestos.

The draft proposed replacement income banded discount CTS scheme for 2024/25 can be summarised to have the following equality impacts on current CTS claimants:

- **Age** - Scheme changes will affect all working age claimants but are not related to a person's age beyond the criteria to be working age.
- **Disability** – Some claimants will be better off and some worse off. Legacy benefit claimants are more likely to be affected. Protections against non-dependant deductions remain. The EIA highlights negative impacts on this group.
- **Gender re-assignment** – No impact
- **Marriage and civil partnership** – No impact
- **Pregnancy and maternity** – No impact
- **Race (including Gypsies, Roma and Travellers)** – No impact
- **Religion or belief** – No impact
- **Sex** – Impacts may differ by sex but the calculation of CTS is not related to a persons gender.
- **Sexual orientation** – No impact
- **Socio-economic Disadvantage** – Some claimants will see increased awards, some

reduced award and some will see awards unchanged. All types of household and income status will be affected. The impact of the changes will not always be consistent.

The replacement CTS scheme will help the Council to meet key objectives contained in its corporate plan 2023 to 2026 which can be summarised as follows:

- **Putting residents at the heart of what we do**
 - Delivery on a new CTS scheme
 - Creates a scheme that remains fair and equitable to all residents, requiring a fair contribution towards Council Tax from those who can pay while protecting the most vulnerable.
 - Simplifies the scheme making it easy for residents to understand and access when/if required.
 - Looking at our risk management while we consider replacing our scheme
 - Making every contact count (reducing avoidable contact & providing better customer service)
 - Innovation to meet the challenges of today and tomorrow
 - Provides the borough with a CTS scheme that has recognised the need for change and provided a scheme that is fit for purpose into the future
 - Building service capacity for the future and Improving the efficiency of support available
 - Making it easier to get support
 - Being evidence lead and data driven on why we are changing our scheme
 - Providing value for money in how we administer our scheme
 - Cost neutral helping to support our medium term financial strategy and wider Council budgets and therefore does not require cuts to additional services to fund its cost.
 - Help to improve Council Tax collection rates
 - Reductions in printing/post costings

- **Support the big issues of poverty, unemployment, debt & inequalities**
 - Provides and protects the maximum level of support for all low income households.
 - Supporting residents through the cost of living crisis
 - Better financial resilience, stability and security
 - Support against unsustainable debt
 - Supporting the most vulnerable residents
 - Supporting, encouraging & incentivising employment and a return to employment
 - Help to live independent lives

- **Equality, diversity and inclusion at heart of decision making.**
 - Fundamental to how we approach a change in our scheme with a responsibility to the Equality Act.
 - Completing an EIA to assess the impact of our decisions on those with protected characteristics and to implement mitigations for adverse impacts where possible. EIA at the heart of decision making.

This EIA demonstrates a variable impact of the proposed draft CTS scheme change against

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

equalities, diversity and the protected characteristics from the Equalities Act.

Some groups with protected characteristics will be affected and lose support.

Some low income groups will be affected and lose all support.

The level of losses is variable on each case.

Some groups will be better off from the change and this will benefit all types of characteristics.

Overall the impact of the scheme for 86% of current claimants is either neutral or positive.

5. Sign off

The information contained in this template should be authorised by the relevant project sponsor or Divisional Director who will be responsible for the accuracy of the information now provided and delivery of actions detailed.

Name	Role (e.g. project sponsor, head of service)	Date
Donna Radley	Head of Welfare	28/09/2023