

## APPENDIX 2

# Equality Impact Assessment



**APPENDIX 2 – Equality Impact Assessment**

<b>Doc. Name</b>		Amended Council Tax Support Scheme		
<b>Doc. Location:</b>				
<b>Author:</b>		<b>Owner:</b>		<b>Approving Officer:</b>
Sian Peters				
<b>Date:</b>	<b>Version:</b>	<b>Amended by:</b>	<b>Change / Reason for Change:</b>	<b>Approval status:</b>
18/12/2014	1.0		Update following consultation	Draft

**Signing off when assessment is complete**

Sign off by GM Cohesion and Equalities ..... Date

Sign off by OMT/Chair Departmental Equality Group ..... Date

Date published on the internet .....

**Review**

<p align="center"><b>Review date</b></p> <p>A date for a review is required for this EIA to be refreshed and reviewed.</p> <ul style="list-style-type: none"> <li>• This date will be captured corporately</li> <li>• You must ensure that this review is carried out in time to meet this date</li> </ul>	<p>Please indicate date below</p> <p><b>July 2015</b></p>
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## APPENDIX 2 – Equality Impact Assessment

### Step 1 - Scope of the equality Impact Assessments about your piece of work

1. Directorate	Finance and Resources
2. Policy / Strategy / Service to be assessed:	Council Tax Support Scheme
3. Lead Officer:	Sian Peters
4. Equality Impact Assessment Person / Team:	
5. Date of Assessment:	
6. The main purpose and outcomes of policy / strategy / service to be assessed:	<p>Council Tax Benefit was abolished from 01 April 2013. Section 9 of the Local Government Finance Act 1992 required each local authority to produce its own scheme to reduce the liability of persons it considers to be in financial need. We responded by implementing the default scheme drafted by the Secretary of State with amendments. The amended scheme became the London Borough of Barking and Dagenham’s Council Tax Support scheme which implemented a cap on the maximum reduction. This meant that everyone of working age would pay some Council Tax (at least 15%). This was viewed as a necessary measure to make adequate savings following the 10 per cent drop in central government funding.</p> <p>Almost two years on from the localisation of CTS (Council Tax Support), deepening cuts across all Council service sectors continue. This has pressed us to look at the effectiveness of our scheme and to find potential savings to aid the Council in meeting its savings target. While savings have been aimed towards ineffective areas of the scheme, these savings are not enough and therefore other undesirable cuts to the scheme are unavoidable.</p> <p>We have proposed to make the following changes to the current</p>

## APPENDIX 2 – Equality Impact Assessment

	<p>Council Tax Support Scheme:</p> <ul style="list-style-type: none"> <li>• Reduce the maximum support from 85% to 75%</li> <li>• Remove the discretion to backdate a reduction award</li> <li>• Abolish Second Adult Rebate (otherwise known as the Alternative Maximum Reduction)</li> <li>• Decrease the capital limit from £16,000 to £6,000.</li> </ul> <p>Barking and Dagenham Council has consulted on the principles of a draft local scheme proposed to begin from 1 April 2015. From 19<sup>th</sup> November 2014 online consultation started with a link hosted on the home page of the LBBB’s website. A press release was given in the local newspaper “The Post” with a shortened URL (link) to the online content. Further to this, letters going to 15,441 working age CTS claimants were sent on 21<sup>st</sup> November 2014 inviting them to participate in the consultation and online survey. In addition two public consultation meetings were held, on Thursday 4<sup>th</sup> and Thursday 11<sup>th</sup> December, which was attended in total by 48 residents. Attendees were asked to fill in a paper copy of the same survey, which have been collated with the online results received as of 20<sup>th</sup> December, which are analysed in this assessment. In total 147 consultation responses were received, and the results compiled and considered in the decision making process. Overall the consultation results were against LBBB’s proposed scheme of sharing the burden equally across working age. Concern was expressed about the impact on particular groups, especially the disabled and single parents. However this was roughly in line with the proportion from those groups that responded to the consultation, perhaps indicating some self-selection, and was outweighed by the overwhelming support for an even sharing of the shortfall.</p>
7. Groups who the piece of work should benefit or apply to, for	Council Tax Support claimants, their carers and families. Any

## APPENDIX 2 – Equality Impact Assessment

<p>example:</p> <ul style="list-style-type: none"> <li>• Service users</li> <li>• Staff</li> <li>• Other internal or external stakeholder</li> </ul> <p>(Will the piece of work be delivered in partnership with another agency?)</p>	<p>residents applying for Council Tax Support.</p>
<p>8. Any associated strategies or guidelines i.e. legal / national / statutory</p>	<p>The Government has stated that local Council Tax Support schemes must include:</p> <ul style="list-style-type: none"> <li>• <b>Protection of current support levels for pensioners.</b> Residents who receive state pension credit (pensioners) must be protected from any cuts so that their benefit is unchanged.</li> <li>• <b>The new scheme should encourage people to work and should not act as a disincentive to working.</b> The Coalition Government is keen to ensure that people of working age are encouraged to work rather than claim benefits.</li> <li>• <b>The impact on the most vulnerable residents should be considered when designing the new scheme.</b> This means that the council has discretion to design a scheme that protects some additional groups from cuts but this will result in unprotected groups having to suffer bigger cuts to their benefit, or else cuts would need to be made to front-line services.</li> </ul>

### Step 2 - Gathering Information

#### 1. Who should be served by the policy / strategy / piece of work?

The main stakeholders are the local residents currently entitled or who become entitled to CTS, groups include the disabled, young

## APPENDIX 2 – Equality Impact Assessment

and single mothers, children and teenagers in families receiving CTS, unemployed and low income households.

<b>2. What relevant information do you have about the people who this piece of work is aimed at? (please complete the boxes below)</b>		
<b>Equality Groups</b>	<b>Information (research / data)</b>	<b>Known or potential inequalities</b>
Ethnicity	2011 Borough Community Mapping	Community Mapping shows that residents of the borough consider themselves as; White - 65.56%; Asian - 15.26%; and Black – 17.63%.
Gender (including transgender)	2013 Population Mid Year Estimate	In 2013 there were approximately 95,000 males and 99,000 females in the borough showing that females make 51% of the population
Disability	Annual population survey (Jul 2010-Jun 2011)	27,300 residents have a stated disability representing 23.5% of the population. This is higher than the London-wide figure of 17.4% of the population.
Age	2013 Population Mid Year Estimate	The 5-19 age group represents 22.1% of the population (London average 17.2%); 20-64 year olds represent 57.7% of the population (London average 63.9%); 65+ represent 10% of the population (London average 11.4%).
Religion and Belief	2011 Borough Community Mapping	Christianity is the predominate religion of the borough covering 69% of residents. Muslims make up 4.4% and Sikhs and Hindus make up 1.1% each. 15.3% state they have no religion while 8.4% did not say.
Sexual Orientation	2011 Borough Community Mapping	It is estimated that between 5-7% of the population identifies themselves as

## APPENDIX 2 – Equality Impact Assessment

Maternity and Nursing Mothers	2011 Borough Community Mapping	lesbian, gay, bisexual or transgender. The borough had 3,729 pregnant or nursing mothers in 2010 representing 2.07% of the population.
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Do you have enough information about the different groups to inform an EIA? If not, this area should be addressed in your action plan.	<b>Yes</b>
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<p><b>3. Do you have monitoring data or consultation findings specific to your area of work? If yes, list the sources of evidence here &amp; go to Step 3. If no, list the actions required to get more data (which should be included in the action plan).</b></p> <p>2011 Borough Community Mapping 2011 Population Mid Year Estimate 2013 Population Mid Year Estimate Council Tax Caseload data (22/12/14) Council Tax claimant ethnicity report (22/12/14) Public consultation on proposed Council tax Scheme (19/11/14-20/12/14)</p>	
What consultation activity has taken place / will be taking place on this piece of work and the EIA?	<b>See Summary</b>

### Step 3 - Assessing Impact

1.	What does your monitoring data on your service users tell you? Are any groups under or over represented compared to what you would expect to see. Please give details below.	
	Ethnicity	Consultation showed that those that indicated their ethnic origin were; White 77.21%; Asian 6.63%; Black 5.2%
	Gender (including transgender)	There are 16,113 claimants recorded as female representing 66% of the total claimant caseload. This is 14.4% higher than the population average of 51.6%
	Age	Pensioners account for 30.5% of claimants which is higher than

## APPENDIX 2 – Equality Impact Assessment

		the population average of 10%. However, the Government has stated that claimants who are state pension credit age (pensioners) must be protected from any cuts so that their support is unchanged. Therefore there will be no adverse affect on this group of claimants when implementing the amended Council Tax Support scheme.	
	Disability	5,626 of current claimants state they have a disability. However, 3,515 of these are over pensionable age so are protected from any cuts. The remaining 2,111 represent 12.8% of the adjusted claimant case load which is lower than the population average of 23.5%	
	Sexual Orientation	There is no monitoring data available to distinguish claimants by sexual orientation.	
	Religion and Belief	There is no monitoring data available to distinguish claimants by religion or belief.	
	Pregnant and Nursing Mothers	There is no monitoring data available to distinguish claimants by pregnant and nursing mothers. however those with children under the age of 5 are recorded. There are 2900 lone parents of working age with children under the age of 5 representing 23% of claimants.	
	Socio Economic	As Council Tax is a means tested benefit, all qualifying claimants will be in lower socio-economic categories	
	Carers		
2.	Based on the evidence gathered have you identified any potential differential impact for any of the equality groups? Step 2. What are the potential access issues or barriers for people in each of the equality groups		
	<b>Group</b>	<b>Positive</b>	<b>Negative</b>
	Ethnicity	The changes to the Council Tax Support system will bring no positive changes for this group.	The negative impact of the changes to the Council Tax Support system should have no disproportionate impact on this group.
	Gender (including transgender)	The changes to the Council Tax Support system will bring no positive	The negative impact of the changes to the Council Tax Support has a greater



## APPENDIX 2 – Equality Impact Assessment

		changes for this group.	impact on this group which is over represented by 9%, however consultation showed little concern for a disproportionate impact across gender, as only 0% of responses wrote that women were likely to be negatively impacted as a group.
	Disability	The changes to the Council Tax Support system will bring no positive changes for this group.	Public consultation showed disproportionate concern for the impact on disabled people. Written responses highlighted that this was because they could not work, or found it harder to do so, and so were more dependent on council support. However, the negative impact of the changes to the Council Tax Support system should have no disproportionate impact on this group over claimants that are fully dependent on benefit support.
	Age	The impact on pensionable age claimants will be neutral.	The impact on working-age claimants will see them lose out on the maximum available support they would be eligible for. In the case of working age groups that have capital above £6,000 or receiving Second Adult Rebate, they will not longer receive any support. However, these groups of working-age are deemed to be able to be able to afford the shortfall either because they have sufficient capital or income to pay their full bill.

## APPENDIX 2 – Equality Impact Assessment

Religion and Belief	The changes to the Council Tax Support system will bring no positive changes for this group.	The negative impact of the changes to the Council Tax Support system should have no disproportionate impact on this group. There was no concern expressed that any religious group would be disproportionately affected during the public consultation.
Sexual Orientation	The changes to the Council Tax Support system will bring no positive changes for this group.	The negative impact of the changes to the Council Tax Support system should have no disproportionate impact on this group. There was no concern expressed during the public consultation that people of any particular sexual orientation would be disproportionately affected.
Pregnant and Nursing Mothers	The changes to the Council Tax Support system will bring no positive changes for this group.	The negative impact of the changes to the Council Tax Support system should have no disproportionate impact on this group. It may have a disproportionate impact on lone parents with children under 5 when taking into account other welfare benefit changes such as reductions in tax credits. There was no concern expressed during the public consultation that pregnant or nursing mothers would be disproportionately affected.
Socio Economic	The changes to the Council Tax Support system will bring no positive changes for this group.	As Council Tax Support is means tested, there will be a disproportionate impact across socio economic groups. This concern was expressed during

## APPENDIX 2 – Equality Impact Assessment

			public consultation, with 8% of respondents naming those on low income as a group at particular risk. As changes are being forced by central government to a means tested benefit this is unavoidable, but the council is limiting the negative impact as far as serious budget constraints allow.
	Carers	The changes to the Council Tax Support system will bring no positive changes for this group.	The negative impact of the changes to the Council Tax Support system should have no disproportionate impact on this group. Only 4% expressed a concern that carers would be disproportionately affected by the proposed changes, despite 35.37% of respondents identifying themselves as carers.
<p>Is the differential impact as a result of indirect or direct discrimination? <b>No</b></p> <p>Can any differential impact be justified or proportionate in meeting legitimate aims, if yes, please provide details?</p> <p><b>If these changes are not made the saving required will need to be found by cutting other services. It is arguable that ensuring a reduction is made from all groups is 'fairer' overall.</b></p>			

### Step 4 - Promoting Equality

1.	<p>What has been done to promote equality in this piece of work?</p> <p>This includes measures you've put in place to:</p> <ul style="list-style-type: none"> <li>• Improve the accessibility of your service</li> <li>• Improve the quality of outcomes for people from different groups</li> </ul>
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## APPENDIX 2 – Equality Impact Assessment

	<ul style="list-style-type: none"> <li>• Make your service / policy / strategy more inclusive</li> <li>• Ensure staff are trained appropriately</li> <li>• Promote community cohesion or good relationships between different groups of people.</li> </ul> <p>(Think about physical access, communications needs, staff awareness and partnership working)</p>
Ethnicity	Changes have been publicised to all groups – assistance will be offered by front line offices, Children’s Centres and the Revs & Bens service.
Gender	
Disability	Examples of help are payment arrangements to help clear outstanding debt, signposting to skills training or job opportunities and debt advice.
Age	
Religion and Belief	
Sexual Orientation	
Socio Economic	
Pregnant and Nursing Mothers	Disabled people were identified as a group of concern in the consultation process. Possibly directly inform organisations relevant to disabled people in the borough so that they are able to understand the changes, and help disabled people to understand the transition if they are asked. Similarly it may be helpful to send information to relevant community groups e.g. voluntary, children’s, or faith organisations, as they are used to acting as a point of contact for individuals who may not be in regular contact with the council.
Carers	
2.	What further actions are required?
	<b>None</b>
3.	How have you consulted on this Equality Impact Assessment?
	<b>No</b>
4.	How will the outcomes from this EIA be managed and monitored? All of the proposed equality outcome should be managed through the service plans.
	<b>Ongoing monitoring of claimants making and/or renewing claims</b>

### Summary

Please provide a summary document / storyboard of the findings of your EIA (including best practice what we do well, our challenges, our opportunities and what we planned to do. This will be used for publication on the internet.

#### **What is changing?**

After the abolition of Council Tax Benefit from April 2013 each council was expected to put a new scheme in place for working age people to continue to offer some support to those in need. Barking and Dagenham Council lost about £2 million Government funding for than previous years. As of April 2014, no further funding from Central Government is offered. The Council has identified a £54m budget shortfall. We need to find a way to save this amount over the next 3 years by cutting services including the support provided through the Council Tax Support Scheme.

We predict that those residents currently entitled to Council Tax Support will see it taken away or reduced. This could mean an average loss of £91 over the course of a year leaving people £7-8 worse off a month but actual amounts are dependent upon a claimant's individual circumstances.

Only pensioners will be protected from these new changes. 6,800 pensioner households in the borough will continue to receive Council Tax Support at current levels.

We have prepared a draft amended scheme and this has not been easy. We recognise that these are challenging times and the reduction in support will impact on some of our most vulnerable residents.

#### **Our draft scheme**

We are proposing to use the majority of the existing Council Tax Support Scheme for working age people as the basis for our amended local Council Tax Support Scheme from 1 April 2015. This will include some changes to help make up the shortfall in the Council's budget over the next 3 years.

The current scheme is already widely understood by residents, professional and voluntary organisations and other service users.

This will hopefully make the changes easier to understand.

### **Our draft scheme:**

Amend the existing Council Tax Support Scheme which reduces the maximum level of support available for working age people to 75% of their eligible Council Tax. Abolish the backdate discretion; this will now only be available to those that qualify for a discretionary reduction under the new policy. Second Adult Rebate to be abolished and the Capital Limit reduced to £6,000.

The changes we are proposing in our draft scheme are based on the following principles:

**Principle 1:** The core of the amended scheme will remain mostly the same as the current scheme

**Principle 2:** Every working age adult must pay an increased contribution towards their Council Tax to cover further Government cuts. These increased contributions must be applied equally with a minimum 25% contribution subject to every working age adult

**Principle 3:** The “Alternative Maximum Reduction” (Second Adult Rebate) helps those that have already been deemed to have sufficient means to pay their Council Tax

**Principle 4:** Those with capital above £6,000 should now be expected to pay their full Council Tax charge

**Principle 5:** Applying for support has been made so accessible and easy to do through multiple channels, backdating can be justifiably, although not desirably, removed from the scheme. The most exceptional cases will be able to obtain further support via a discretionary scheme.

**Principle 6:** The revised scheme needs to be more effective in only aiding those that are “in financial need”.

This amended scheme continues to share the burden of the cut across all working age people in receipt of support. The extra amount that each person would have to pay depends on the Council Tax band that their property is in and their individual circumstances affecting the amount of Council Tax Benefit they receive. Those living in higher band properties will pay more.

The amended scheme will continue to be means tested, so the amount of help someone gets depends on their family size and their weekly income. Each year the government publish standard weekly rates to show what individuals and families could reasonably be expected to live on. These figures are known as applicable amounts or a needs allowance.

## APPENDIX 2 – Equality Impact Assessment

To work out how much benefit someone should get we compare their actual weekly income to the published applicable amounts. If their income is the same as (or less than) the applicable amount; that person will get the maximum help that applies to their circumstances. If their income (as calculated according to government guidelines) is higher than the applicable amount, we charge them 20% of the extra income (“excess income”) they have above the maximum amount of help that would apply to their circumstances. If 20% of their excess income is higher than their applicable amount they would not receive any Council Tax Support.

Under the proposed new support scheme we would calculate someone’s entitlement in the same way but the benefit will be based on 75% of the amount of Council Tax they are due to pay and therefore they will have to pay the first 25% themselves before we calculate any Council Tax Support.