

EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	New Council Tax Support scheme
DEPARTMENT:	Resources
TEAM:	Benefits (Customer Services Operations)
LEAD OFFICER:	David Oates
DATE:	09/10/2019

NB: Please ensure you have read the accompanying EA guidance and instructions in full.

SECTION A – INITIAL SCREENING

1. Please provide a description of the policy, proposal, change or initiative, and a summary its objectives and the intended results.

The current local Council Tax Support scheme has been in place since April 2013. It is proposed to introduce a new scheme from 2020/21.

Council Tax Support (CTS) is a local scheme determined by the Council which provides assistance with Council Tax liabilities to residents on low incomes. The objectives of the review are: -

- To design a scheme which is fair and simple to understand
- To design a scheme which is fit for future needs (in particular how residents in receipt of Universal Credit (UC) are treated)
- To address any elements of the current scheme which are unsustainable or undesirable
- To streamline administrative processes and reduce complexity for claimants

The scheme change is to be cost neutral in overall expenditure

2. Who may be affected by this policy or proposal?

Other than pensioners (who are protected by a prescribed national scheme) this proposal will affect those residents of working age who are currently eligible for Council Tax Support (approximately 17,000 current claimants).

3. Is there relevance to equality and the council's public sector equality duty? Please explain why. If your answer is no, you must still provide an explanation.

Yes. This proposal may have negative impacts on some groups with protected characteristics. A disproportionate impact cannot be ruled out.

The exact nature of the impacts will depend on the final design of the scheme, to be decided after the public consultation ends. This draft EA examines the impacts on claimants arising from the proposed scheme which is being put to public consultation.

4. Please indicate with an “X” the potential impact of the policy or proposal on groups with each protected characteristic. Carefully consider if the proposal will impact on people in different ways as a result of their characteristics.

Characteristic	IMPACT		
	Positive	Neutral/None	Negative
Age	X	X	X
Sex	X	X	X
Race	X	X	X
Disability	X	X	X
Sexual orientation		X	
Gender reassignment		X	
Religion or belief		X	
Pregnancy or maternity		x	
Marriage		X	

5. Please complete **each row** of the checklist with an “X”.

SCREENING CHECKLIST		
	YES	NO
Have you established that the policy or proposal <i>is</i> relevant to the council’s public sector equality duty?	X	
Does the policy or proposal relate to an area with known inequalities?		X
Would the policy or proposal change or remove services used by vulnerable groups of people?	X potentially	
Has the potential for negative or positive equality impacts been identified with this policy or proposal?	X	
If you have answered YES to ANY of the above, then proceed to section B. If you have answered NO to ALL of the above, then proceed straight to section D.		

SECTION B – IMPACTS ANALYSIS

1. Outline what information and evidence have you gathered and considered for this analysis. If there is little, then explain your judgements in detail and your plans to validate them with evidence. If you have monitoring information available, include it here.

The current scheme pays CTS entitlement based on a range of factors including age, disability, whether a claimant has dependent children or non-dependant adults in their household; level of income; size of property etc. It is a means-tested benefit, with a complex calculation. Detailed equalities analyses have previously been made for the current scheme and found that the scheme impacts are in general spread evenly across protected and non-protected groups.

The design of the new scheme requires similar factors to be considered in its design, and the intention once again is that impacts are not disproportionately felt by any particular group. This analysis considers the impacts of the proposed new scheme on groups of claimants with protected characteristics, and discusses the policy intentions behind the scheme design which may have resulted in these impacts, within the main part of the report and in its Conclusion.

There are two key aspects of the proposed new scheme:-

1. A discount is made to the claimant's Council Tax bill based on the net income of the claimant and the partner, set by where this falls within four income bands. (DWP, HMRC and Foster Carer's Allowance incomes are all disregarded); and
2. The discount payable (from stage (1) above) is reduced by a set amount of between £5 and £20 per week, for every other "non-dependant" adult living in the household.

There is also a discretionary element to the proposed scheme, whereby the Council Taxpayer's liability may be reduced further if they are experiencing exceptional hardship or are impacted by extraordinary circumstances.

The Benefits Service possess a range of data regarding Benefit claimants and partners including several protected characteristics, as detailed in the list below: -

- Age
- Sex
- Disability
- Ethnicity (optional declaration by claimant)

Data is not collected on the following characteristics which therefore makes it impossible to undertake an EA on these grounds: -

- Sexual orientation
- Gender reassignment
- Religion or belief
- Pregnancy or maternity
- Marriage or civil partnership

In addition, the Service holds limited information (primarily concerning income) relating to other adults in the claimant's household (known as "non-dependants"), which is relevant to the proposed scheme.

2. For each "protected characteristic" provide details of all the potential or known impacts identified, both positive and negative, and explain how you have reached these conclusions based on the information and evidence listed above. Where appropriate state "not applicable".

The relevant data for this EA is attached in the Annexes to this report.

In Annex A, the working age caseload is divided into the four discount bands in the proposed scheme, and subdivided by each of the protected characteristics where this data exists. This impact assessment has been undertaken by reviewing the distribution of the protected characteristic across the discount bands, and identifying and explaining any outliers.

At Annex B, the impact on the whole working age caseload is set out, at increments of £2 for both increases and decreases to the award, comparing the current and proposed schemes, and displays the distribution of changes graphically.

Annex C sets out the impact in increases and decreases between old and new schemes, subdivided by each of the protected characteristics under the Equalities Act.

Comparing the current and new schemes against each other should be treated with some caution, as the results will potentially be skewed due to:-

- Many claimants receive 100% discount under the current scheme; as it is impossible to increase this award, only decreases and "no changes" will be recorded, perhaps giving the impression that the new scheme is less generous;
- Comparing the two schemes will naturally mean that any anomalies in the current scheme are magnified (and apparently reversed) in the change to the new scheme. (For example, if a particular group is disproportionately over-represented in the current scheme, but the new scheme treats this group more equitably in comparison with the rest of the caseload, it could appear that this group is a "loser" under the change, when in fact its treatment under the new scheme may actually be fairer than previously.

Despite these caveats, the comparison between old and new schemes has been undertaken as it is likely that this will be most claimants' focus in the first instance, regardless of whether the new scheme is more or less fair than the current one.

From Annex C, it can be seen that over half (52%) of claimants have either no change or a change in entitlement of less than +/- £4.00 per week, and over 80% of claimants have a change of + / - £8.00 per week.

AGE																																					
Details of impacts identified	<p><u>Pensioners</u> (those at state pension age) Pensioners are a protected group (prescribed by central government) for the purposes of the council tax support scheme so will not be financially affected; all changes in CTS entitlement affect only working age claimants.</p> <p><u>Working age</u></p> <p>Annex A gives the full detail of how ages are reflected across the different discount bands, summarised below:</p> <p style="text-align: center;">Equalities: Age</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>Overall</th> <th>100% Award</th> <th>80% Award</th> <th>50% Award</th> <th>30% Award</th> </tr> </thead> <tbody> <tr> <td>18 – 25</td> <td>3%</td> <td>3%</td> <td>2%</td> <td>2%</td> <td>1%</td> </tr> <tr> <td>26 – 35</td> <td>15%</td> <td>13%</td> <td>15%</td> <td>21%</td> <td>21%</td> </tr> <tr> <td>36 – 45</td> <td>29%</td> <td>23%</td> <td>35%</td> <td>39%</td> <td>44%</td> </tr> <tr> <td>46 – 55</td> <td>31%</td> <td>31%</td> <td>35%</td> <td>30%</td> <td>27%</td> </tr> <tr> <td>56+</td> <td>22%</td> <td>29%</td> <td>13%</td> <td>9%</td> <td>6%</td> </tr> </tbody> </table> <p>Broadly speaking, the age of claimants in each of the four income bands matches the profile of that age group across the whole caseload.</p> <p>So, 3% of the caseload are aged 18 -25. The range of claimants in each of the four income bands is 1 – 3%. As such, this age group is represented consistently across the income bands.</p> <p>15% of the caseload are aged 26 – 35. The range of claimants in each of the four income bands is 13% - 21%. Although the range is wider here, the representation is within 8 percentage points and therefore it is not of significant concern.</p> <p>29% of the caseload are aged 36 – 45. The range is 23% - 44%. However, the outlier here is those 23% of 26 – 45-year-old customers who fall into the 100% award category, as without this group the range would be 35% to 44%. In other words, 31% of the caseload are aged 46 -55, and the reasonable range across the income bands is 27% to 35%.</p> <p>The 26 – 45-year-old age group is less likely to receive a 100% discount than other age groups. This can be accounted for by fewer</p>		Overall	100% Award	80% Award	50% Award	30% Award	18 – 25	3%	3%	2%	2%	1%	26 – 35	15%	13%	15%	21%	21%	36 – 45	29%	23%	35%	39%	44%	46 – 55	31%	31%	35%	30%	27%	56+	22%	29%	13%	9%	6%
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	<p>customers in that age group being solely reliant on state benefits, and not working, than older – or younger - claimants. They are also more likely to be established in a career or work pattern than those younger than them.</p> <p>22% of the caseload are aged 56 or over. The range is 6% - 29%, showing the most uneven spread of any of the age groups. The inconsistent instance here is those in the 100% award group at 29%. Without this outlier the range is 6% - 13%. A suggested reason for this is those in the highest age group are more likely to be out of work for longer, due to illness or otherwise finding it more difficult to gain employment. It is a positive, however, that these claimants, who are more financially vulnerable, are more generously supported in the proposed scheme – as per the policy intention.</p> <p><u>Comparison – current to new scheme:</u></p> <p>In Annex C, it can be seen that 27% of the caseload see no change in entitlement, 31% see a decrease and 41% see an increase in entitlement.</p> <p>Annex C sets out the increases and decreases in entitlement, at £2 intervals, by protected equalities categories (where data for these is held).</p> <p>It can be seen from Annex C that all the £2.00 divisions of increases and decreases, the distribution between the age group categories is generally consistent and within narrow ranges, indicating that there are few disproportionate impacts for any particular cohort, in terms of the change in entitlement between the old and the new schemes.</p> <p>There are some outliers to this, though these are few and relatively small differences. Most significant are:</p> <ul style="list-style-type: none">• 37% of the 56+ age group see no change in entitlement, compared to a range between 20% and 29% for other categories. This is chiefly because the largest number of current 100% discount cases fall into this category, as they do under the new scheme – as one might expect, there being more likelihood of sole dependency on state benefits, including disability, and less likelihood of higher paid work, within this group• The occurrence of 18-25 year olds seeing an increase in award of £2-£4 or £4-£6 is disproportionately high (as is the proportion of 26-35 year olds seeing an increase of £4-£6). This is due to the volume of single non-working claimants in these categories (i.e. on Job Seekers Allowance or Universal Credit), and therefore on the lowest possible state income (£73.10 for living costs). These claimants currently have to
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	<p>pay a minimum contribution of 20% towards their Council Tax out of their JSA or UC, but under the new scheme will receive a 100% discount.</p> <p><u>Non-dependants (new charges)</u></p> <p>In the 1829 households where one or more non-dependant members of the household live there is a broadly consistent split between instances where the award increases and decreases in comparison to the current scheme:</p> <table border="1" data-bbox="488 622 1203 987"> <thead> <tr> <th></th> <th>Number</th> <th>Increased Award</th> <th>Decreased Award</th> <th>Increased award %</th> <th>Decreased award %</th> </tr> </thead> <tbody> <tr> <td>Over all</td> <td>1829</td> <td>772</td> <td>1057</td> <td>42%</td> <td>58%</td> </tr> <tr> <td>18-24</td> <td>4</td> <td>1</td> <td>3</td> <td>25%</td> <td>75%</td> </tr> <tr> <td>25-34</td> <td>46</td> <td>24</td> <td>22</td> <td>52%</td> <td>48%</td> </tr> <tr> <td>35-44</td> <td>235</td> <td>126</td> <td>109</td> <td>54%</td> <td>46%</td> </tr> <tr> <td>45-54</td> <td>690</td> <td>299</td> <td>391</td> <td>43%</td> <td>57%</td> </tr> <tr> <td>55+</td> <td>854</td> <td>322</td> <td>532</td> <td>38%</td> <td>62%</td> </tr> </tbody> </table> <p>As one might expect, the data indicates that households in which the claimant is over 45 are far more likely to have non-dependant adults in them, and due to the design of the scheme, more likely to see an increase in non-dependant deductions between the old and the new schemes.</p> <p>Particularly worthy of note is the 55+ age group, in which there is shown to be a higher amount of cases in which the award decreases where there is one or more non-dependants present.</p> <p>This is in line with a design principle of the proposed scheme – that any protection against non-dependant deductions will not be carried over into the new scheme. As such, the 55+ age group which has the most non-dependants relatively, and which would more likely have had a protection against a deduction due to (the claimant's) disability previously, will now have a deduction made (the amount of deduction depending on the non-dependant's income).</p>		Number	Increased Award	Decreased Award	Increased award %	Decreased award %	Over all	1829	772	1057	42%	58%	18-24	4	1	3	25%	75%	25-34	46	24	22	52%	48%	35-44	235	126	109	54%	46%	45-54	690	299	391	43%	57%	55+	854	322	532	38%	62%
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DISABILITY																																											
Details of impacts identified	<p>The caseload has been analysed to identify all those claimants (or their partners) in receipt of at least one of the following benefits:</p> <ul style="list-style-type: none"> • Disability Living Allowance (Care or Mobility component) • Personal Independent Payment • Employment & Support Allowance (Care component) 																																										

It is feasible that there are other disabled claimants not in receipt of these particular benefits within the caseload, although these cannot be separately identified. Nevertheless, the cohort selected by the above method identifies a substantial sample size of 5647 claimants with a disability (32% of the working age claimant caseload).

From the Disability summary, it can be seen that 32% of the overall working age caseload is identified as disabled.

Annex A shows profile of customers with / without a disability across the income bands (summarised below).

	Overall	£0-80	£81- £110	£111 - £150	£151 - £250
		100% award	80% award	50% award	30% award
Disabled	32%	46%	4%	5%	4%
Not	68%	54%	96%	96%	96%

As can be seen, although 32% of the caseload is classed as disabled, disproportionately more disabled people (46%) will receive the maximum 100% award, with only small numbers in the other award categories – due to the latter claimants having additional income to their state benefits, or non-dependants in their household.

A design principle of the scheme was that protections for claimants with disabilities should be removed as an absolute criterion for receiving a higher award, and rather the resident's ability to pay would be used as a condition. However, it was also a design principle that those disabled claimants on the lowest incomes would retain their 100% award.

Comparison of current vs. new scheme

Annex C sets out the increases and decreases in entitlement, at £2 intervals, by disability. It can be seen that all the £2.00 divisions of increases and decreases, the distribution between disabled and non-disabled claimants / partners is generally consistent and within a narrow range, in terms of the change in entitlement between the old and the new schemes.

The main differences are that 65% of disabled claimants' entitlement will stay the same, compared to 15% of non-disabled claimants. This is in line with the policy intention that those claimants relying solely on state benefits receive the highest (100%) discount. The majority of disabled claimants fall into this category.

	<p>This large majority disproportionately remaining on 100% discount is offset by the relatively few disabled claimants (198) who will see an increase of up to £6.00 per week; obviously those already on 100% discount cannot see an increase. Viewing the “no change” and “<£6pw increases” together shows 68% of disabled claimants in this cohort as opposed to 57% of non-disabled, which puts this data in a more meaningful context.</p> <p>However, there are a number of disabled claimants who either have additional income other than state benefits, or have non-dependants in their household, and as a result may see an increase or decrease in their entitlement; these increases and decreases are broadly similar to those of non-disabled claimants, with no significant variances.</p> <p><u>Non-dependants</u></p> <p>Of the households with the claimant or partner recorded as having a disability, 754 have one non-dependant or more living with them. Of these 643 will have a decreased award in comparison to their current entitlement. This is because the proposed scheme asks every non-dependant household member to pay some contribution regardless of the claimant’s circumstances. As such, some households which have been ‘protected’ against non-dependant deductions in the past (due to the claimant or partner being exempt through disability, even though the non-dependant was not), will no longer be protected in this way.</p> <table border="1" data-bbox="488 1176 1402 1301"> <thead> <tr> <th></th> <th>Number</th> <th>Increased Award</th> <th>Decreased Award</th> <th>Increased Award %</th> <th>Decreased Award %</th> </tr> </thead> <tbody> <tr> <td>Disabled</td> <td>754</td> <td>111</td> <td>643</td> <td>15%</td> <td>85%</td> </tr> <tr> <td>Not disabled</td> <td>1075</td> <td>661</td> <td>414</td> <td>61%</td> <td>39%</td> </tr> </tbody> </table>		Number	Increased Award	Decreased Award	Increased Award %	Decreased Award %	Disabled	754	111	643	15%	85%	Not disabled	1075	661	414	61%	39%
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Disabled	754	111	643	15%	85%														
Not disabled	1075	661	414	61%	39%														
RACE																			
Details of impacts identified	<p>All claimants are asked to declare their ethnicity when they claim Council Tax Support, however this is not mandatory and therefore at present only 42% of cases hold an ethnic indicator. However, this is still a substantial enough sample to provide a statistically significant analysis. The caseload has been analysed by the following broad ethnicity indicators: -</p> <ul style="list-style-type: none"> • Arabic • Asian • Black • White • Mixed ethnicity • Other 																		

A further breakdown of ethnicity by 22 sub-divisions is also available if required but is less helpful for comparative purposes as this makes some of the categories very small and not statistically significant.

For the purpose of this analysis the above categories have been compared to the overall impacts on the cohort of claimants where ethnicity has been declared (as opposed to the total claimant population). Also any impacts on the “other” group have been disregarded as the sample (5 cases) is not statistically significant.

At Annex A, the comparison of the spread across the income / discount bands is for the most part consistent.

	Overall	£0-80	£81-£110	£111 - £150	£151 - £250
		100% award	80% award	50% award	30% award
White	35%	39%	30%	26%	28%
Black	30%	32%	33%	29%	19%
Asian	19%	16%	23%	23%	31%
Mixed	7%	7%	6%	6%	7%
Arab	9%	6%	8%	16%	16%
Other	0%	0%	0%	0%	0%

There are however some anomalies to highlight.

- White claimants are slightly more over-represented in the 100% discount band
- Black claimants appear in a lesser proportion in the 30% award category. In the first three income bands, the spread is between 29% - 33%. However, only 19% appear in the highest income band, attracting a 30% CTS award.
- Asian claimants appear in a higher proportion in the 30% award category, with 31% of Asian claimants; and at a slightly lower proportion (16%) in the 100% award category. The middle two income bands both represent 23% of the Asian claimants.

- Arabic claimants are more disproportionately weighted towards the 50% and 30% bands, compared to their overall representation in the caseload (of those declaring their ethnicity)

It will also be noted that ethnic indicators are not held for 58% of the caseload.

The reasons for these apparent anomalies lie in the distribution of in-work and out-of-work claimants across the overall benefits caseload. In other words, white and black households are more likely to be on out-of-work benefits or working on a low wage. Arabic and Asian households are more likely to be working on a (relatively) higher wage. As the proposed scheme is based on ability to pay, it is therefore an outcome of the policy intention that the higher awards are directed slightly more disproportionately towards white and black households.

Comparison of current to new scheme

Annex C sets out the increases and decreases in entitlement, at £2 intervals, by ethnic indicator (where this exists). (It will be noted that claimants of declared Arabic background, and mixed heritage, make up only 9% and 6% of the declared ethnic origins, and the “other” category less than 1%, so the figures should be treated with some caution.)

Nevertheless, it can be seen from Annex C that all the £2.00 divisions of increases and decreases, the distribution between broad ethnic categories is consistent and within a narrow range, indicating that there are no disproportionate impacts for any particular cohort, in terms of the change in entitlement between the old and the new schemes.

Non-dependants

Of the 653 cases where a claimant’s ethnicity is recorded for those households with one or more non-dependant adults also resident, an overall 52% will receive an increased award in the new proposed scheme, with 48% receiving a lesser award. Although there is a slight variance across the ethnic groups, these are not significant:

	Total	Increased Award	Decreased Award	Increased Award %	Decreased Award %
Overall	652	337	315	52%	48%
Asian	159	71	88	45%	55%
Arab	24	12	12	50%	50%
Mixed	32	16	16	50%	50%
Black	225	122	103	54%	46%
White	212	98	114	46%	54%

SEX																									
Details of impacts identified	<p>Although it is not possible to identify same-sex couples from the Benefits database, anecdotally this is thought to be very low. It is a reasonable assumption that the majority of couples will be male / female and therefore the impacts on most couples will impact on males and females equally. For the purposes of this analysis, therefore, claimant couples have been disregarded and the impacts on single males and females analysed.</p> <p>Of these, single female claimants are far more likely to be single parents (93% of single parents are women), whereas single men are more likely not to have dependent children in their household. (57% of single claimants with no dependants are male).</p> <p>Single parents are also far more likely to be working than single people with no dependants. This may be because single parents have a higher weekly income from state benefits than childless single people, and therefore are more likely to have their HB or UC capped by the overall benefit cap if they do not work at least 16 hours per week.</p> <p>These factors are relevant when viewing the scheme's impact on both groups.</p> <p>93% of single parents within the CTS caseload are female. The single parent analysis in Annex A shows a very consistent and narrow range across all four discount bands – 92-95% for female and 5-8% for male across the four discount bands.</p> <p>However, the picture for single claimants without children is more variable (see summary below).</p>																								
	<table border="1"> <thead> <tr> <th style="background-color: #e67e22; color: white;">Single without dependants</th> <th style="background-color: #e67e22; color: white;">Overall</th> <th style="background-color: #e67e22; color: white;">£0-80</th> <th style="background-color: #e67e22; color: white;">£81-£110</th> <th style="background-color: #e67e22; color: white;">£111 - £150</th> <th style="background-color: #e67e22; color: white;">£151 - £250</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td style="text-align: center;">100% award</td> <td style="text-align: center;">80% award</td> <td style="text-align: center;">50% award</td> <td style="text-align: center;">30% award</td> </tr> <tr> <td style="background-color: #e67e22; color: white;">Male</td> <td style="text-align: center;">63%</td> <td style="text-align: center;">61%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">41%</td> </tr> <tr> <td style="background-color: #e67e22; color: white;">Female</td> <td style="text-align: center;">37%</td> <td style="text-align: center;">39%</td> <td style="text-align: center;">30%</td> <td style="text-align: center;">30%</td> <td style="text-align: center;">59%</td> </tr> </tbody> </table>	Single without dependants	Overall	£0-80	£81-£110	£111 - £150	£151 - £250			100% award	80% award	50% award	30% award	Male	63%	61%	70%	70%	41%	Female	37%	39%	30%	30%	59%
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	Female	37%	39%	30%	30%	59%																			
<p>Here, two thirds of single claimants without children are male, with one third being female. Other than the maximum 100% band, which reflects the overall split, the distribution across the discount bands shows that males are disproportionately highly represented in the 80% and 50% bands, with females disproportionately highly represented in the 30% band. This reflects the fact that, within the Brent caseload, single women are more likely to be in (slightly) better paid work than men.</p>																									

	<p><u>Current vs new scheme comparison</u></p> <p>Overall, 27% of the overall caseload sees no change in entitlement in the change to the new scheme, but from the gender summary in Annex C, but the percentage is disproportionately high for single women without children (39%), single men without children (42%) and couples without children (53%, albeit on a small cohort), and low for lone parents and couples with children (17% and 20% respectively).</p> <p>Regarding increases and decreases in entitlement, these are far more proportionately spread between males and females, with only a couple of anomalies:-</p> <ul style="list-style-type: none"> • An above average proportion of single men without children (23%) will see an increase of between £2-£4 per week, due to more of this cohort being solely in receipt of state benefits, and therefore moving from an 80% to a 100% discount under the new scheme • A below average proportion of couples with dependent children (9%) will see an increase of between £4-£6 per week. • An above average proportion of single women (without children or lone parents) and male single parents will see an award decrease of between £6-£8 per week. (Between 9-11% compared to 3-5% for other groups). For single parents this is likely to be due to the increased likelihood of them working to avoid the Overall Benefit Cap (otherwise their family size would be likely to take their benefit entitlement over the cap) and thus have additional income which will be taken into account in their CTS calculation. <p>The reasons for these impacts are that the new scheme is specifically focused on each household's <i>ability to pay</i> Council Tax. Generally speaking, claimants with dependants living with them (whether the claimant has a partner or is a single parent) have a higher income than single people with no dependants, therefore the change to the new scheme is more likely to be beneficial to claimants without dependent children living with them than to families.</p> <p>However, this difference is in reality marginal, and indeed within the policy intent of the scheme (that those households with more income pay more Council Tax); and, even allowing for a slightly less generous CTS award, households consisting of a family, especially one where the claimant or partner is working, still have considerably more income than single claimants or non-working households.</p>
SEXUAL ORIENTATION	

Details of impacts identified	There is no evidence at this stage of an impact.
PREGANCY AND MATERNITY	
Details of impacts identified	There is no evidence at this stage of an impact.
RELIGION OR BELIEF	
Details of impacts identified	There is no evidence at this stage of an impact
GENDER REASSIGNMENT	
Details of impacts identified	There is no evidence at this stage of an impact
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	There is no evidence at this stage of an impact

3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

No, because any apparent disproportionate impacts on particular groups with protected characteristics are appropriate and reasonably necessary in order to realise policy intentions (i.e. that the scheme is based on the relative income levels of claimants with different circumstances and that the income of the whole household is taken into account in determining the final award).

4. Were the participants in any engagement initiatives representative of the people who will be affected by your proposal and is further engagement required?

Yes, directly as part of the overall consultation exercise on the council's budget proposals. Secondly as part of a 12-week public consultation which includes contact with all current benefit claimants as well as other residents, voluntary groups and stakeholders.

The feedback and findings from the consultation exercise will be published in a report to Full Council on 25 November 2019.

5. Please detail any areas identified as requiring further data or detailed analysis.

Prior to Full Council determining the final scheme design in November 2019, the EA will be reviewed and updated if appropriate.

6. If, following your action plan, negative impacts will or may remain, please explain how these can be justified?

As detailed above, any negative impacts are relate to key policy intentions; specifically, making the scheme proportionate to the income available to the claimant (having disregarded income specifically intended for their basic needs, or for any specific additional costs such as dependent children or a disability), and taking into account the income of all adults in the household when making the award.

This might mean, for example, that older working-age claimants are more likely to have other adults (i.e. grown-up children) living in their household because older people are less likely to still have dependent children – and this will mean that those non-dependent adults are expected to contribute towards the Council Tax by means of a deduction to the claimant's CTS entitlement. This is considered to be justified, because it is a policy intention of the scheme that those households that are better able to pay the Council Tax, do so in order that the available funding can help those claimants with less ability to pay.

In addition, it should be noted that the proposed scheme includes a discretionary element which can be utilised over and above the prescribed award calculation to assist claimants who find themselves in hardship or having exceptional difficulties in paying their Council Tax. Impacts will be particularly closely monitored in the first year of the new scheme to make sure that claimants do not suffer unforeseen consequences from the change to the new scheme.

7. Outline how you will monitor the actual, ongoing impact of the policy or proposal?

CTS caseload and expenditure will be monitored monthly during 2020/21.

Impacts on groups with protected characteristics will be monitored quarterly.

The Council is required to review its CTS scheme each year and to agree its scheme for the following year by 11 March of the preceding financial year. The scheme review for 2021/22 will include a full refresh of the EA to establish whether there have been any unforeseen impacts which require addressing for 2021/22.

SECTION C - CONCLUSIONS

Based on the analysis above, please detail your overall conclusions. State if any mitigating actions are required to alleviate negative impacts, what these are and what the desired outcomes will be. If positive equality impacts have been identified, consider what actions you

can take to enhance them. If you have decided to justify and continue with the policy despite negative equality impacts, provide your justification. If you are to stop the policy, explain why.

The main impacts of the proposed scheme are as follows:-

Age

- The 26 – 45-year-old age group is less likely to receive a 100% discount than other age groups. This can be accounted for by fewer customers in that age group being solely reliant on state benefits, and not working, than older – or younger - claimants. They are also more likely to be established in a career or work pattern than those younger than them.
- Claimants aged 56 or over are more likely to receive a 100% discount. Claimants in this age group are more likely to be out of work for longer, due to illness or otherwise finding it more difficult to gain employment. However, this age group also tend to have the most non-dependant adults living in their households, and therefore non-dependant deductions applied to their awards.

Disability

- 32% of the overall working age caseload is identified as disabled, as defined by being in receipt of Disability Living Allowance (Care or Mobility component), Personal Independent Payment or Employment & Support Allowance (Care component). 67% of these customers will receive a 100% award, much more than the corresponding proportion of non-disabled claimants.
- Of the households with the claimant or partner recorded as having a disability, 1220 have one non-dependant or more living with them. Of these 817 will have a decreased award in comparison to their current entitlement, due to the introduction of non-dependant charges for the first time for this cohort.

Ethnicity

- 42% of current CTS claims hold an ethnic indicator (which is not a mandatory field when claiming benefit). Of these, White and Black claimant households are more likely to be on out-of-work benefits or working on a low wage than the overall claimant population. Arabic and Asian households are more likely to be working on a higher wage. As a result, White and Black claimant households are slightly more likely to receive 100% or 80% discounts, while Arabic and Asian claimant households are more likely to receive 50% or 30% discounts.

Gender

- 93% of single parents within the CTS caseload are female, and 7% male. These proportions are mirrored very closely across all four discount bands, with no disproportionate impacts.
- An above average proportion of single women (without children or lone parents) and male single parents will see an award decrease of between £6-£8 per week. (On average 9.3% compared to the average of 4.1% of claimants falling outside these

groups.) For single parents this is likely to be due to the increased likelihood of them working to avoid the Overall Benefit Cap (otherwise their family size would be likely to take their benefit entitlement over the cap) and thus have additional income which will be taken into account in their CTS calculation. Also, as examined earlier, single female claimants without children are more likely to be working in slightly better paid jobs than their male counterparts.

- Single men without children are more likely to be in the 80% and 50% discount bands, and single women without children in the 30% band, indicating that, apart from claimants relying solely on state benefits or very low paid work (who will receive 100% discount), single women receiving CTS tend to be in slightly better paid work than single men.

These impacts are all related to the policy intentions behind the proposed scheme, in particular:-

- the scheme being based on *ability to pay* Council Tax;
- claimants on state benefits having the least amount of available income with which to pay their Council Tax;
- the requirement that a contribution should be expected from non-dependant adults living in all claimant households;
- the relative likelihoods of different ethnic groups to be on out-of-work benefits; and
- the impacts of other welfare reforms (especially the Overall Benefit Cap) on claimant behaviours in certain groups; i.e. requiring those claimants with larger families (and thus higher benefits income) to find work to avoid having their Housing Benefit (HB) or Universal Credit capped.

Differences between the current and new schemes

With regard to the impact of moving from the current scheme to the new scheme, this should be viewed with caution because of the following factors:-

- any claimant currently receiving 100% entitlement cannot show an increase on moving to the new scheme, therefore a comparison of the two schemes will be skewed towards cases showing a decrease;
- any disproportionate impacts existing within the *current* scheme will impact on the respective changes in the new scheme, potentially producing an opposite impact (e.g. if the current scheme disproportionately favours one group, but the new scheme treats that group more “fairly”, the data will appear to show that this group is “penalised” by the change, whereas it may just be correcting an advantageous unfairness in the current scheme)

Nevertheless, the changes from current to new scheme are generally proportionate within each of the protected groups for which data is held.

Conclusion

Overall, the impacts of the proposed scheme are broadly proportionate across groups with protected characteristics, and / or reflect the higher relative incomes of certain demographic groups. The impacts of the scheme are therefore considered justifiable taking account of the policy intentions of the new scheme.

SECTION D – RESULT

<i>Please select one of the following options. Mark with an "X".</i>		
A	CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED	X
B	JUSTIFY AND CONTINUE THE POLICY/PROPOSAL	
C	CHANGE / ADJUST THE POLICY/PROPOSAL	
D	STOP OR ABANDON THE POLICY/PROPOSAL	

SECTION E - ACTION PLAN

This will help you monitor the steps you have identified to reduce the negative impacts (or increase the positive); monitor actual or ongoing impacts; plan reviews and any further engagement or analysis required.

Action	Expected outcome	Officer	Completion Date
Public and stakeholder consultation	Better understand potential impacts and incorporate mitigating actions for negative impacts (e.g. a number of changes have been made to the proposals as a result of comments received.)	David Oates / Leigh Wood	June – September 2019
Ensuring that changes to the scheme are communicated in an accessible way to claimants with an information or communication need e.g. caused by a disability or language barrier.	That claimants with information or communication needs are assisted where necessary so that they fully understand the change and any potentially potential impacts; and that they are less likely to fall into Council Tax arrears as a result	Leigh Wood	January – March 2020

<p>Ensure that the discretionary aspect of the new scheme is utilised where appropriate to prevent hardship. This includes ensuring that staff training equips officers with the awareness to identify where a discretionary payment may be appropriate, and how such requests should be assessed.</p>	<p>Officers identify and promote the discretionary aspect where appropriate.</p> <p>Claimants in hardship are given additional assistance where appropriate.</p> <p>Claimants are less likely to fall into Council Tax arrears and have action taken against them through no fault of their own.</p> <p>Claimants do not suffer from unforeseen consequences arising from the change to the new scheme.</p>	<p>Leigh Wood</p>	<p>April 2020 – March 2021</p>
<p>To investigate opportunities to improve equality monitoring data in the future and to use this to inform decisions about scheme design in future years</p>	<p>To further improve the design of any future scheme based on additional data and impact analysis</p>	<p>Leigh Wood / Asha Vyas</p>	<p>January 2020 ongoing</p>
<p>To closely monitor the impacts of the new scheme on claimants; expenditure; Council Tax collection and other indicators, particularly during the first year of operation</p>	<p>To further improve the design of the scheme in future years based on additional data and impact analysis.</p>	<p>Leigh Wood / Asha Vyas</p>	<p>April 2020 – March 2021 and ongoing</p>

SECTION F – SIGN OFF

Please ensure this section is signed and dated.

OFFICER:	Leigh Wood
REVIEWING OFFICER:	Natalie Gordon
HEAD OF SERVICE:	David Oates