

Equality Impact Assessment for Council Tax Support

London Borough of Bromley

Part 1: Description of policy change and its relevance to equality

Category of trigger for Equality Impact Assessment (EIA): A change to existing policy

Proposed change

From 31 March 2013 Council Tax Benefit (CTB) has been abolished. The Local Government Act replaces CTB for working age claimants with a scheme designed by each local authority. Funding will no longer be demand led. It will be based on an estimate of Borough caseloads, with an overall budget 10% lower than that of CTB.

Residents who meet the state pension credit age will be eligible for a separate national scheme which will “leave them no worse off than they are now”.

Reason for the service change

Every billing authority in England must design a scheme specifying the reductions which are to apply to amounts of Council Tax payable in respect of dwellings in its area.

Currently, CTB is a national scheme to assist those who are on a low income to meet their Council Tax liability. Individuals apply for CTB and if their income is below a certain level, which takes account of their circumstances, they are eligible for a reduction on their Council Tax bill. The council receives a grant to pay for this.

The Government has announced that expenditure on the scheme must be reduced by 10% from 1st April 2013 and it will be for local Councils to determine how to manage that funding reduction.

Bromley must design a new support policy. The scheme must be in place by 31 January 2013 or the Government default scheme modelled on the current Council Tax Benefit scheme will be imposed. The “default scheme” will, by design, not meet the shortfall in funding. This would mean that the borough and its preceptors would have to find the shortfall from elsewhere.

Information about the changes

Bromley has the option of not designing a local scheme and allowing the cost of the shortfall to fall on the Council's general budget for supplies and services, or of designing a revised scheme.

Following consultation with the Greater London Authority, the Council undertook a two month consultation on proposals for a local scheme which closed on the 12 October 2012.

Equality Relevance:

The Department for Communities and Local Government (DCLG) has completed an Impact Assessment for the implementation of local support for Council Tax nationwide:

<http://www.communities.gov.uk/publications/localgovernment/lqfblocalisingcounciltax>

Part 2 – Collection of Evidence – what do we know?

Description of data used

In order to assess the impact of this policy change, Bromley has used information from a variety of different sources including:

- Data collected from records from the Council Tax and Housing Benefit systems;
 - Consultation responses - including equality monitoring data;
 - Census 2011 first release data;
- Bromley's Budget Strategy & other financial information about the service.

General Information - Bromley's population and evidenced inequality

The most up to date information about Bromley's population from the Census 2011 first release can be found here:

http://www.bromley.gov.uk/info/200088/statistics_and_census_information/322/census/2 - 17k

Bromley's draft equality objective can be found at:

http://www.bromley.gov.uk/download/downloads/id/1275/draft_equality_objective

Financial information and Impact

The impact of this proposed scheme will affect all future and current claimants of working age. The proposed scheme purports to recover the estimated funding gap from working age claimants. The amount of Council Tax claimable for current claimants would be reduced by 19% under the proposals, with the existing benefit calculations applying to the remaining 81%. However, transitional protection is being considered and if applied, for the first year (13/14) the level of reduction would be restricted to 8.5%. All current working-age Council Tax Benefit recipients would therefore have their assistance based on 91.5% of the council tax liability on the property (following the applying of discounts) in 2013/14 and 81% of their Council Tax thereafter.

Table 1 below shows the assumed impact of a reduction in Council Tax Support for those of working age based on a reduction of 8.5% (based on the current rates of Council Tax) and 19%

Table 1 – financial impact of introduction of local scheme

	Liability	Maximum assistance under CTB	Maximum assistance under proposed CTS - 91.5%	Minimum weekly amount to pay under CTS - 8.5%	Maximum assistance under proposed CTS – 81%	Minimum weekly amount to pay under CTS - 19%
Band A – full charge	£865.35	£865.35	£791.80	£1.41	£700.93	£3.15
Band A – with 25% discount	£649.01	£649.01	£593.84	£1.06	£525.70	£2.36
Band B – full charge	£1,009.58	£1,009.58	£923.77	£1.65	£817.76	£3.68
Band B – with 25% discount	£757.19	£757.19	£692.83	£1.23	£613.32	£2.76
Band C – full charge	£1,153.08	£1,153.08	£1,055.07	£1.88	£933.99	£4.20
Band C – with 25% discount	£864.81	£864.81	£791.30	£1.41	£700.50	£3.15
Band D – full charge	£1,298.03	£1,298.03	£1,187.70	£2.12	£1,051.40	£4.73
Band D – with 25% discount	£973.52	£973.52	£890.77	£1.59	£788.55	£3.55
Band E – full charge	£1,586.48	£1,586.48	£1,451.63	£2.59	£1,285.05	£5.78
Band E – with 25% discount	£1,189.86	£1,189.86	£1,088.72	£1.94	£963.79	£4.34
Band F – full charge	£1,874.93	£1,874.93	£1,715.56	£3.06	£1,518.69	£6.83
Band F – with 25% discount	£1,406.19	£1,406.20	£1,286.66	£2.29	£1,139.01	£5.12
Band G – full charge	£2,163.38	£2,163.38	£1,979.49	£3.53	£1,752.34	£7.88
Band G –with 25% discount	£1,622.54	£1,622.54	£1,484.62	£2.65	£1,314.26	£5.91
Band H – full charge	£2,596.06	£2,596.06	£2,375.39	£4.23	£2,102.81	£9.46
Band H –with 25% discount	£1,947.05	£1,947.05	£1,781.55	£3.17	£1,577.11	£7.09

Breakdown of current claimants

In order to understand how the proposed changes will impact on different protected groups Bromley has examined data, where available, based on the current benefit caseload. Data is available on the following: age, gender and disability which are noted in Table 2. There is very limited data available on the ethnic breakdown of current claimants as only 3,042 claimants have completed the appropriate section on the benefit application form and of that 1,735 declined to disclose the information.

Table 2 - Breakdown of current claimants – Council Tax Benefit

Type	Total	Female	Male	Disabled	Disabled female	Disabled male	DLA Income
Working age (equalisation definition) – Passported							
Single no child dependent	3782	1744	2038	1094	533	561	1093
Single with child dependent	3734	3567	167	239	222	17	424
Couple no child dependent	343	127	216	111	47	64	153
Couple with child dependent	758	373	385	113	44	69	228
Working age - Non Passported							
Single no child dependent	1389	762	627	453	198	255	450
Single with child dependent	1755	1669	86	70	61	9	127
Couple no child dependent	155	51	104	48	19	29	56
Couple with child dependent	888	385	503	42	15	27	121
Total working age	12804	8678	4126	2170	1139	1031	2652
Pensioner – Passported	5573	3591	1982	1385	953	432	786
Pensioner - Non Passported	2709	1552	1157	538	293	245	323

Total Pensioner	8282	5143	3139	1923	1246	677	1109
Overall Total	21086	13821	7265	4093	2385	1708	3761

The table below provides some additional evidence by protected characteristic that has been used to complete this EIA.

Protected Characteristic	Evidence																																																							
Age	<p>Please see table 2 for detailed breakdown</p> <ul style="list-style-type: none"> 12804 (60.7%) of current claimants are under Pension Credit age and will be affected by the proposed change in policy. <i>Data based on October 2012 caseload. Caseload numbers may fluctuate on a daily basis.</i> The data demonstrates that 5489 (42.9%) of current working-age claimants are single parent families with child dependents 																																																							
Disability	<p style="text-align: center;">Bromley's population</p> <p>The following table shows the number and percentage of working-age residents in receipt of benefits, including those related to sickness and disability.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Bromley (numbers)</th> <th style="text-align: center;">Bromley (%)</th> <th style="text-align: center;">London (%)</th> <th style="text-align: center;">Great Britain (%)</th> </tr> </thead> <tbody> <tr> <td>Total claimants</td> <td style="text-align: center;">22,400</td> <td style="text-align: center;">11.2</td> <td style="text-align: center;">14.6</td> <td style="text-align: center;">15.0</td> </tr> <tr> <td colspan="5" style="text-align: center;">By statistical group</td> </tr> <tr> <td>Job seekers</td> <td style="text-align: center;">6,250</td> <td style="text-align: center;">3.1</td> <td style="text-align: center;">4.3</td> <td style="text-align: center;">4.1</td> </tr> <tr> <td>ESA and incapacity benefits</td> <td style="text-align: center;">8,500</td> <td style="text-align: center;">4.3</td> <td style="text-align: center;">5.9</td> <td style="text-align: center;">6.5</td> </tr> <tr> <td>Lone parents</td> <td style="text-align: center;">3,100</td> <td style="text-align: center;">1.6</td> <td style="text-align: center;">1.9</td> <td style="text-align: center;">1.5</td> </tr> <tr> <td>Carers</td> <td style="text-align: center;">1,770</td> <td style="text-align: center;">0.9</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.2</td> </tr> <tr> <td>Others on income related benefits</td> <td style="text-align: center;">600</td> <td style="text-align: center;">0.3</td> <td style="text-align: center;">0.4</td> <td style="text-align: center;">0.4</td> </tr> <tr> <td> Disabled</td> <td style="text-align: center;">1,800</td> <td style="text-align: center;">0.9</td> <td style="text-align: center;">0.8</td> <td style="text-align: center;">1.1</td> </tr> <tr> <td> Bereaved</td> <td style="text-align: center;">370</td> <td style="text-align: center;">0.2</td> <td style="text-align: center;">0.2</td> <td style="text-align: center;">0.2</td> </tr> <tr> <td>Key out-of-work benefits[†]</td> <td style="text-align: center;">18,460</td> <td style="text-align: center;">9.3</td> <td style="text-align: center;">12.6</td> <td style="text-align: center;">12.5</td> </tr> </tbody> </table> <p style="text-align: center;">Source: DWP benefit claimants - working age client group</p> <p>Key out-of-work benefits include the groups: job seekers, ESA and incapacity benefits [†] parents and others on income related benefits. See the Definitions and Explanations for details</p> <p>Note: % is a proportion of resident population of area aged 16-64</p> <p style="text-align: center;">Breakdown of current claimants</p> <p>Please see table 2 for detailed breakdown of information on our current claimants</p> <ul style="list-style-type: none"> 2170(16.9%) of current claimants below pension credit age have declared a disability <ul style="list-style-type: none"> 2652 (20.7%) are receiving DLA <p style="text-align: center;">Consultation responses¹</p> <ul style="list-style-type: none"> 993 (95.1%) of the responses to the consultation included equality monitoring data on disability. Of those that responded – 30.4% advised of an impairment and of those: <ul style="list-style-type: none"> 28% declared a physical impairment; 21% declared a sensory disability; 		Bromley (numbers)	Bromley (%)	London (%)	Great Britain (%)	Total claimants	22,400	11.2	14.6	15.0	By statistical group					Job seekers	6,250	3.1	4.3	4.1	ESA and incapacity benefits	8,500	4.3	5.9	6.5	Lone parents	3,100	1.6	1.9	1.5	Carers	1,770	0.9	1.0	1.2	Others on income related benefits	600	0.3	0.4	0.4	Disabled	1,800	0.9	0.8	1.1	Bereaved	370	0.2	0.2	0.2	Key out-of-work benefits [†]	18,460	9.3	12.6	12.5
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¹ Un-weighted totals used

	<ul style="list-style-type: none"> - 21% declared a mental impairment; - 7% declared a learning disability. <p>The high percentage of respondents indicates a particular interest in this policy from residents that that have a disability.</p>
Sex	<p style="text-align: center;">Bromley population</p> <p>According to Census 2011 Bromley's population is 52% female and 48% male.</p> <p style="text-align: center;">Breakdown of current claimants</p> <p>Please see table 2 for detailed breakdown of information on our current claimants</p> <ul style="list-style-type: none"> • 67.8% of current claimants under pensionable age are female – indicated that women are over represented amongst our CTB claimants. <p style="text-align: center;">Consultation responses</p> <ul style="list-style-type: none"> • 980 (93.9%) of those who responded included equality monitoring data on gender (4% of which marked “prefer not to say”); • 56% of respondents were male and 40% of respondents were female.
Gender reassignment	The Council does not anticipate this policy will have a particular equality impact on this protected group.
Pregnancy & Maternity	No specific evidence. We do not anticipate this policy will have a particular equality impact on this protected group.
Race	<p style="text-align: center;">Bromley population Current claimants</p> <p>There is very limited data available on the ethnic breakdown of current claimants as only 3,042 current claimants have completed the non-mandatory section since the information commenced being collected. Out of those completing the section 1,735 households declined to give information on their ethnicity.</p> <p style="text-align: center;">Borough wide information</p> <p>With only around 9% of its population “non-white”, Bromley also has a far less ethnically diverse population than most other London boroughs, although a distinctive group within the borough is a settled traveller community in Crays Hill in the east of the borough. With an estimated 2,000 members, this is the largest such community in Britain and one of the largest in Europe. The BME population is expected to grow to 16% by 2036.</p> <p style="text-align: center;">Consultation responses</p> <ul style="list-style-type: none"> • 923 (88.4%) of those that responded provided equality monitoring data on their ethnicity (includes 5% who annotated they would prefer not to say). <ul style="list-style-type: none"> • Of those that responded: <ul style="list-style-type: none"> - 86% were white British - 9% were BME <p>Although 9% is inline with our anticipated BME population, it is below the expected level when taking into account the settled traveller community. That being said it provides reasonable confidence that we</p>

	have views from a cross section of Bromley's population. The number of respondents from this protected group is too small to be able to meaningfully differentiate between the views of those who share or do not share a particular protected characteristic. (I.e. to differentiate the views between ethnicities).
Religion & Belief	No specific evidence. We do not anticipate this policy will have a particular equality impact on this protected group.
Civil Partnerships & Marriage	No specific evidence. We do not anticipate this policy will have a particular equality impact on this protected group.
Sexual Orientation	No specific evidence. We do not anticipate this policy will have a particular equality impact on this protected group.

Part 3 – Consultation and engagement – what do those affected think?

Process

Following publication of the draft scheme, a formal consultation period ran between 15 August 2012 and 12 October 2012. The scheme forwarded for consultation was significantly different to that now being proposed; this report apart from the areas advising as to the consultation process and the subsequent results relate to the revised scheme.

An 8 week consultation period was undertaken which reflected the complex nature of the proposals and the short timetable the borough faced for implementing the new scheme. To mitigate the shorter consultation period the Council wrote directly to a large number of claimants to obtain their views.

Postal questionnaires were sent to 8,000 Bromley households in total to help inform the process. Of these, 4,000 were sent to a random sample of the working age claimants. An online survey regarding the new arrangements was publicised and made available on the Council's website. Leaflets and posters advising of the consultation were distributed across the Borough.

The consultation exercise was designed to engage with as many interested stakeholders - including hard to reach groups - as possible. Bromley arranged a number of sessions for local voluntary and welfare organisations to provide a briefing on the new Council Tax Support arrangements and to provide a forum for feedback into the process.

Summary of Consultation Responses

A total of 1019 postal questionnaires were returned. This represents 12.7% of those surveyed. A number of online questionnaires have also been completed and feedback has been obtained through the stakeholder forums and the dedicated telephone number and email address.

In total, enough questionnaires were received to allow the views of each of the following groups to be analysed separately: working age claimants, pension age claimants, working age non-claimants and pension age non-claimants. The response rate from working age claimants to the postal questionnaire was considerably lower (at 10.85%) than from those unaffected (14%). This disparity has also been reported by other Councils undertaking surveys as part of their consultation on this issue.

Not surprisingly responses differed between working-age claimants receiving CTB, pension-age claimants and those not receiving benefit. With the difference being particularly stark in the responses to the question as to whether all working-age claimants should contribute towards Council Tax.

In the comments area of the postal questionnaire people were asked to comment on whether they felt that the proposed changes would affect particular individuals or groups more than others. Of those that chose to comment, 25% stated that people with disabilities/vulnerable people/pensioners would be most affected. Those answering the same question on the online survey cited a wide range of groups including low income families, families with young children, young single unemployed, those with severe disabilities, the elderly and those in private rented accommodation who cannot get social housing.

The main themes to emerge from consultation with representative organisations were that those on benefits are already struggling and the proposals would increase stress and hardship. It was also observed that many of the people on benefits did not realise that the change would affect them.

Networking sessions with other local authorities indicate that, despite their best efforts, the message that all claimants will have to make a contribution toward their Council Tax next year is not well understood. As a result, the Council plans to undertake a major awareness exercise once the final decision has been made. This will include publicity, direct mailing and an invite to “drop in” sessions.

The number of respondents from protected groups was too small to be able to meaningfully differentiate between the views of those who share or do not share a particular protected characteristic.

As advised earlier in this document, the proposals that were included in the consultation exercise varied significantly to those now being proposed. The scheme originally proposed was for all working-age claimants to pay a minimum of 25% of their Council Tax liability from 01 April 2013; therefore the responses need to be considered in that light.

As a result of responses to the consultation, changes to caseload, the provision of additional Government funding (if certain criteria met) and receipt of the final Government funding figure; it is now proposed that working-age claimant pay a minimum of 19% of their Council Tax liability. As advised earlier in the report, it is currently being considered as to whether transitional protection be applied in the first year (2013/14), restricting the minimum liability to 8.5%

Part 4 - Analyse of evidence and description of the impact

Characteristic	Actual or likely impacts (negative/positive/no impact) and justification	Actions to be taken to mitigate potential negative impacts (include name of lead and estimated date of completion)
Age	<p>Neutral impact for pension age claimants as the Government has stipulated this group must have their claims assessed as they are now.</p> <p>Given the large number of CTB claimants that are single parent families with dependent children the change in policy may have a negative impact on levels of child poverty. There is insufficient evidence to be certain what this impact will be.</p> <p>Justification</p> <p>This policy is being introduced in response to a national Government requirement and includes the stipulation to protect those of pension age.</p> <p>Like other councils throughout the country, Bromley's financial position remains challenging. Reduced Government funding has put significant pressure on the Authority's finances. As such it is not considered financially sustainable to maintain the current model of support provided to those claiming help with their Council Tax.</p>	<p>It is proposed a hardship fund be retained for those faced with exceptional circumstances. It is further planned to retain all aspects of the current CTB scheme that provides assistance by way of disregards of income and increased allowances.</p> <p>The Council will monitor the impact on this Client group through monitoring of communications, complaints, appeals, request for discretionary awards and applications for the Local Welfare Provision.</p> <p>Responsible Officer(s) Head of Revenues & Benefits – Monitoring to commence 1/4/13</p>
Disability	<p>Responses to the consultation indicate that residents with a disability are particularly interested in this policy change.</p> <p>The policy change will have a negative impact on some current and future disabled CTB claimants as working age claimants will have to contribute more towards their council tax bill than they have had previously.</p>	<p>The current Council Tax Benefit scheme allows for the complete disregard of certain income types such as Disability Living Allowance and the award of Disability premiums in the benefit calculation. These will be retained to mitigate the impact on those who are disabled. The planned availability of a hardship scheme for those faced with exceptional circumstances will</p>

	<i>Justification – please see above</i>	further alleviate any impact on the disabled. Responsible Officer(s) Head of Revenues & Benefits – Monitoring to commence 1/4/13
Sex	<p>Females are disproportionately represented amongst current CTB claimants.</p> <p>The policy change will have a negative impact on current and future working age CTB claimants (regardless of gender) as claimants will have to contribute more towards their council tax bill then they have had previously.</p> <p>Although the policy change is applied universally (i.e. men and women will both face the same reduction in CTB) our evidence makes clear that a greater proportion of current CTB claimants are women and therefore as a protected group women will feel the impact of this policy change in greater numbers.</p> <p><i>Justification – please see earlier response</i></p>	<p>Monitoring of the impact on women who claim Council Tax Support will be undertaken from April 2013. In order to mitigate impact it is proposed that the scheme retains the income disregards and allowances that are predominately received by females for example allowances in respect of child care costs. The planned availability of the hardship scheme will provide a further safeguard for those faced with exceptional circumstances.</p> <p>Responsible Officer(s) Head of Revenues & Benefits – Monitoring to commence 1/4/13</p>
Gender reassignment	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Pregnancy & Maternity	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Race	<p>The policy change will have a negative impact on current and future CTB claimants (regardless of race) as some claimants will have to contribute more towards their council tax bill then they have had previously.</p> <p>There is very limited evidence available to quantify if there may be any differentiated impact of the policy change on different</p>	<p>In order to mitigate any adverse impact is proposed that a hardship fund is retained for those faced with exceptional circumstances.</p> <p>Responsible Officer(s) Head of Revenues & Benefits – Monitoring to commence 1/4/13</p>

	<p>ethnicities.</p> <p>There is evidence to indicate that BME communities are more likely to be unemployed than their white counterparts and, therefore, possibly more reliant on CTB. However, there is insufficient evidence on current claimants to demonstrate this is in fact the case.</p>	
Religion & Belief	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Civil Partnerships & Marriage ²	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Sexual Orientation	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	

² Only applies to aim one of the PSED

Part 5 – Completion and authorisation

Officer completing assessment	John Nightingale, Head of Revenues and Benefits
EIA completed	November/December 2012
Officer responsible for monitoring impact	John Nightingale
Date EIA is scheduled to be reviewed	March 2014