

# 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 Impact Assessment:** Re-adoption of existing policy

#### Background

Council Tax Benefit (CTB) was abolished on the 01 April 2013. The Local Government Act replaced CTB for working age claimants with a scheme to be designed by the local authority – Council Tax Support (CTS). Funding was no longer demand led, but based on an estimate of Borough caseloads, with an initial overall budget 10% lower than that of CTB. Residents meeting the state pension credit age being eligible for a separate national scheme to "leave them no worse off than they are now".

#### Reason for review

Bromley adopted a 2 year scheme in January 2013 for the financial years 2013/14 and 2014/15. The scheme was based on a minimum liability of 8.5% for 2013/14 and 19% for 2014/15. This scheme was retained for 2015/16 before revision to a 25% minimum contribution for 2016/17. It is proposed that the minimum contribution remains at 25% for 2017/18

CTS is a local scheme to assist those who are on a low income to meet their Council Tax liability. Individuals apply for CTS 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 "generosity" of the scheme has a direct impact on the Authority's finances. Therefore, the cost of the scheme will influence service provision in other areas, reserves and/or the Council Tax level.

#### Consultation on the scheme for 2017/18

Views on the retention of the proposed scheme have been sought from the Greater London Authority and a sample of Bromley households. These households included those currently in receipt of CTS as well as those meeting their Council Tax liability from their own means.

## **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/download/downloads/id/1557/census\\_2011\\_-\\_first\\_data\\_release\\_bromley\\_only](http://www.bromley.gov.uk/download/downloads/id/1557/census_2011_-_first_data_release_bromley_only)

[http://www.bromley.gov.uk/info/200088/statistics\\_and\\_census\\_information/322/census/10](http://www.bromley.gov.uk/info/200088/statistics_and_census_information/322/census/10)

### **Financial Information and Impact**

The impact of this proposed scheme will affect all working-age claimants from the 1/4/17. For the financial year 17/18 it is proposed that the maximum amount of assistance available to working-age claimants under the CTS scheme will be unchanged. Calculations have been supplied based on a minimum liability of 25% using the current years (16/17) Council Tax levels.

**Table 1 - Financial Impact of Introduction of Local Scheme**

	2016/17 Liability	2016/17 Maximum assistance Pensionable Age	2016/17 Maximum assistance under proposed CTS (75%)	2016/17 Minimum weekly amount to pay (25%)
Band A - Full Charge	£898.18	£898.18	£673.64	£4.31
Band A - with 25% discount	£673.64	£673.64	£505.23	£3.23
Band B - Full Charge	£1,047.88	£1,047.88	£785.91	£5.02
Band B - with 25% discount	£785.91	£785.91	£589.43	£3.77
Band C - Full Charge	£1,197.57	£1,197.57	£898.18	£5.74
Band C - with 25% discount	£898.18	£898.18	£673.64	£4.31
Band D - Full Charge	£1,347.27	£1,347.27	£1,010.45	£6.46
Band D - with 25% discount	£1,010.45	£1,010.45	£757.84	£4.84
Band E - Full Charge	£1,646.06	£1,646.06	£1,234.55	£7.89
Band E - with 25% discount	£1,234.55	£1,234.55	£925.91	£5.92

<b>Band F - Full Charge</b>	<b>£1,946.06</b>	<b>£1,946.06</b>	<b>£1,459.55</b>	<b>£9.33</b>
<b>Band F - with 25% discount</b>	<b>£1,459.55</b>	<b>£1,459.55</b>	<b>£1,094.66</b>	<b>£7.00</b>
<b>Band G - Full Charge</b>	<b>£2,245.45</b>	<b>£2,245.45</b>	<b>£1,684.09</b>	<b>£10.77</b>
<b>Band G - with 25% discount</b>	<b>£1,684.09</b>	<b>£1,684.09</b>	<b>£1,263.07</b>	<b>£8.07</b>
<b>Band H - Full Charge</b>	<b>£2,694.54</b>	<b>£2,694.54</b>	<b>£2,020.91</b>	<b>£12.92</b>
<b>Band H - with 25% discount</b>	<b>£2,020.91</b>	<b>£2,020.91</b>	<b>£1,515.68</b>	<b>£9.69</b>

## 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 the appropriate section is seldom completed on the application form.

**Table 2 - Breakdown of Current claimants Council Tax Support**

Type	Total	Female	Male	Disabled	Disabled female	Disabled male	DLA/PIP Income
<b>Working age - Passported (equalisation definition)</b>							
Single no child dependant	3333	1683	1650	1289	644	645	1580
Single with child dependant	2496	2396	100	238	223	15	622
Couple no child dependant	300	129	171	112	44	68	200
Couple with child dependant	481	253	228	99	36	63	276
<b>Working age - Non Passported</b>							
Single no child dependant	938	506	432	182	91	91	196
Single with child dependant	1379	1333	46	35	34	1	116
Couple no child dependant	94	28	66	30	8	22	49
Couple with child dependant	628	306	322	27	13	14	104
<b>Total Working age</b>	<b>9649</b>	<b>6634</b>	<b>3015</b>	<b>2012</b>	<b>1093</b>	<b>919</b>	<b>3143</b>
Pensioner- Passported	4475	2949	1526	1212	882	330	825
Pensioner- Non Passported	2207	1263	944	527	304	223	264
<b>Total Pensioner</b>	<b>6682</b>	<b>4212</b>	<b>2470</b>	<b>1739</b>	<b>1186</b>	<b>553</b>	<b>1089</b>
<b>Overall Total</b>	<b>16331</b>	<b>10846</b>	<b>5485</b>	<b>3751</b>	<b>2279</b>	<b>1472</b>	<b>4232</b>

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> <p>9,649 (59.08%) of current claimants are under Pension Credit age and will be affected by the Authority's Council Tax Support policy. <i>Data based on Sep 2016 caseload. Caseload numbers may fluctuate on a daily basis.</i></p> <p>The data demonstrates that 3875 (40.2%) of current working-age claimants are single parent families with child dependents</p>																																																							
Disability	<p style="text-align: center;"><b>Bromley's population</b></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 (latest identified data – Feb 2016).</p> <table border="1" data-bbox="464 797 1560 1189"> <thead> <tr> <th></th> <th>Bromley (numbers)</th> <th>Bromley (%)</th> <th>London (%)</th> <th>Great Britain (%)</th> </tr> </thead> <tbody> <tr> <td>Total claimants</td> <td>17,080</td> <td>8.5</td> <td>10.3</td> <td>11.8</td> </tr> <tr> <td colspan="5" style="text-align: center;"><b>By statistical group</b></td> </tr> <tr> <td>Job seekers</td> <td>2,030</td> <td>1.0</td> <td>1.7</td> <td>1.5</td> </tr> <tr> <td>ESA and incapacity benefits</td> <td>8,250</td> <td>4.1</td> <td>5.1</td> <td>6.2</td> </tr> <tr> <td>Lone parents</td> <td>1,960</td> <td>1.0</td> <td>1.1</td> <td>1.1</td> </tr> <tr> <td>Carers</td> <td>2,310</td> <td>1.1</td> <td>1.2</td> <td>1.6</td> </tr> <tr> <td>Others on income related benefits</td> <td>290</td> <td>0.1</td> <td>0.2</td> <td>0.2</td> </tr> <tr> <td>Disabled</td> <td>1,900</td> <td>0.9</td> <td>0.8</td> <td>1.0</td> </tr> <tr> <td>Bereaved</td> <td>340</td> <td>0.2</td> <td>0.1</td> <td>0.2</td> </tr> <tr> <td>Key out-of-work benefits'</td> <td>12,530</td> <td>6.2</td> <td>8.1</td> <td>9.0</td> </tr> </tbody> </table> <p>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 <b>Definitions and Explanations</b> for details</p> <p>Note: % is a proportion of resident population of area aged 16-64. Figures do not yet include Universal Credit</p> <p style="text-align: center;"><b>Breakdown of current claimants</b></p> <p>Please see table 2 for detailed breakdown of information on our current claimants</p> <ul style="list-style-type: none"> <li>• 2012 (20.85%) of current claimants below pension credit age have declared a disability</li> <li>• 3143 (32.57%) are receiving DLA/PIP</li> </ul>		Bromley (numbers)	Bromley (%)	London (%)	Great Britain (%)	Total claimants	17,080	8.5	10.3	11.8	<b>By statistical group</b>					Job seekers	2,030	1.0	1.7	1.5	ESA and incapacity benefits	8,250	4.1	5.1	6.2	Lone parents	1,960	1.0	1.1	1.1	Carers	2,310	1.1	1.2	1.6	Others on income related benefits	290	0.1	0.2	0.2	Disabled	1,900	0.9	0.8	1.0	Bereaved	340	0.2	0.1	0.2	Key out-of-work benefits'	12,530	6.2	8.1	9.0
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Sex	<p style="text-align: center;"><b>Bromley population</b></p> <p>According to nomis official labour market stats Bromley's population (2015) is 51.95% female and 48.05% male</p> <p style="text-align: center;"><b>Breakdown of current claimants</b></p> <p>Please see table 2 for detailed breakdown of information on our current claimants</p> <p>68.75% of current claimants under pensionable age are female</p> <p>Indicates that women are over represented amongst our CTS claimants</p>																																																							
Gender reassignment	<p>The Council does not anticipate this policy will have a particular equality impact on this protected group.</p>																																																							

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;"><b>Bromley population - Current claimants</b></p> <p>As advised earlier, there is very limited data available on the ethnic breakdown of the current claimants as only a few complete the non-mandatory section of the form.</p> <p style="text-align: center;"><b>Borough wide information</b></p> <p>It was estimated in mid-2014 that 15.7% of its population were "non-white". Bromley has a less ethnically diverse population than most other London boroughs, although a distinctive group within the borough is a settled traveller community in the Crays with an estimated 2,000 members, this is the largest such community in Britain and one of the largest in Europe.</p>
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 - 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 <small>(include name of lead and estimated date of completion)</small>
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 CTS claimants that are single parent families with dependent children increases in the minimum contribution would have a negative impact on levels of child poverty. There is insufficient evidence to be certain what this impact will be.</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 CTS 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</p>

		<p><b>Responsible Officer(s)</b> Welfare Reform Manager &amp; Head of Revenues &amp; Benefits — Monitoring to be ongoing</p>
Disability	<p>Any increased level of 'contribution' will have a negative impact on current and future disabled CTS claimants as working age claimants will have to pay more towards their council tax bill.</p>	<p>The proposed Council Tax Support scheme allows for the complete disregard of certain income types such as Disability Living Allowance/PIP 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 continuation of the hardship scheme for those faced with exceptional circumstances will further alleviate any impact on the disabled.</p> <p><b>Responsible Officer(s)</b> Welfare Reform Manager &amp; Head of Revenues &amp; Benefits — Monitoring to be ongoing</p>
Sex	<p>Females are disproportionately represented amongst current CTS claimants.</p> <p>Any reduction in the level of assistance given would have a negative impact on current and future working age CTS claimants (regardless of gender) as claimants would have to contribute more towards their council tax bill than they have had previously.</p> <p>Although any change in the scheme would be applied universally (i.e. men and women would face the same reduction in CTS) our evidence makes clear that a greater proportion of current CTS claimants are women and therefore as a protected group women would feel the impact of any change in greater numbers.</p>	<p>Monitoring of the impact on women who claim Council Tax Support will continue. 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 continuation of the hardship scheme will provide a further safeguard for those faced with exceptional circumstances.</p> <p><b>Responsible Officer(s)</b> Head of Revenues &amp; Benefits — Monitoring to be ongoing</p>
Gender reassignment	<p>No specific impact identified other than all claimants will have to contribute more towards their council tax bill</p>	



Pregnancy & Maternity	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Race	<p>Any reduction in the level of assistance provided would have a negative impact on current and future CTS claimants (regardless of race) as some claimants will have to contribute more towards their council tax bill than they have had previously.</p> <p>There is very limited evidence available to quantify if there will be a differential impact on the different ethnicities.</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><b>Responsible Officer(s)</b>  Head of Revenues &amp; Benefits —  Monitoring to be ongoing.</p>

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

#### Part 5 — Completion and authorisation

<b>Officer completing assessment</b>	John Nightingale, Head of Revenues and Benefits
<b>EIA completed</b>	
<b>Officer responsible for monitoring impact</b>	John Nightingale
<b>Date EIA is scheduled to be reviewed</b>	March 2018