

Equality Impact Analysis (EIA) Resident/Service User

Please refer to the guidance and initial Equality Impact Analysis before completing this form.

1. Details of function, policy, procedure or service:	
Title of what is being assessed: Revised Council Tax Support scheme	
Is it a new or revised function, policy, procedure or service? Revised Policy	
Department and Section: Revenues & Benefits, Finance, Commissioning Group	
Date assessment completed: 14th November 2018	
2. Names and roles of people completing this assessment:	
Lead officer	Darren Smith – Project Manager, Finance, Commissioning Allan Clark - Revenues and Benefits Manager, Finance, Commissioning
Stakeholder groups	Claimants, 3 rd Sector organisations, Barnet residents, Members, Capita, Commissioning Group, Revenues & Benefits department
Representative from internal stakeholders	Cath Shaw - Deputy Chief Executive Paul Clarke - Head of Finance
Representative from external stakeholders	Various
Delivery Unit Equalities Network rep	Amy Steel
Performance Management rep	Not Applicable
HR rep (for employment related issues)	Not Applicable
3. Full description of function, policy, procedure or service:	
Please describe the aims and objectives of the function, policy, procedure or service	
<p>The Council Tax Support scheme helps residents on low incomes to pay their Council Tax. Under the current scheme, a working-age household liable for Council Tax could get up to 80% of the charge paid through the scheme, dependent upon their circumstances. (Working-age is anyone under Pension Credit age).</p> <p>A new simplified version of the scheme is being proposed to bring the scheme in line with Universal Credit and help reduce the overall cost of the scheme.</p>	

With the introduction of Universal Credit and the financial challenges facing the council, the current Council Tax Support scheme is no longer fit for purpose.

The scheme has become too costly to administer in its current form with administration costs set to rise year-on-year following the introduction of Universal Credit. Keeping the current scheme as it is will mean any modest changes to a claimant's income under Universal Credit will result in frequent changes to the level of Council Tax Support they receive and the number of Council Tax bills generated. The new scheme will reduce uncertainty for claimants and additional costs to the council in administration.

The current Council Tax Support scheme in Barnet is not compatible with the Government's Universal Credit Scheme. As more people claim Universal Credit, it is important that the scheme is adapted to ensure both Universal Credit and legacy benefit claimants are treated equally.

The proposed changes will see the overall cost of the scheme fall from £23.99 million to £20.8 million thus helping reduce Barnet's budget gap.

As this scheme is designed to save £3.2m per annum against current scheme costs, the majority of households will lose support under this scheme. A small proportion of low earners may maintain current support levels or gain slightly.

Households in receipt of legacy benefits will lose more support compared to retention of the current scheme than households that have migrated to Universal Credit. Higher earning households and the self-employed will lose more support than lower-earning households.

Losing all support

Under this scheme, 380 households would no longer be eligible for support.

Households losing more than £5.00 per week

6,700 households would lose more than £5.00 per week, this is 35% of those currently receiving support. 61% of those losing more than £5.00 per week are households in receipt of legacy benefits.

The groups most likely to lose more than £5.00 per week are working couples (with or without children). 73% of self-employed lose more than £5.00 per week due to the introduction of the minimum income floor. 56% of couples with children lose more than £5.00 per week due to higher levels of earned income in these households.

Households losing more than £5.00 per week, by economic status				
Economic status	Universal Credit		Legacy benefits	
	Number losing over £5/week	% of total cohort losing over £5/week	Number losing over £5/week	% of total cohort losing over £5/week
Employed	990	42.1%	1,611	43.3%
Self-employed	783	72.8%	1,298	73.3%
Out-of-work benefits	836	19.7%	1,182	19.7%
Total	2609	34.1%	4,091	35.6%

Model 5: Households losing more than £5/week by economic status

Households losing more than £5.00 per week, by household composition				
Household type	Universal Credit		Legacy benefits	
	Number losing over £5/week	% of total cohort losing over £5/week	Number losing over £5/week	% of total cohort losing over £5/week
Single	777	23.7%	1,056	23.5%
Lone Parent	667	30.5%	1,011	29.5%
Couple no children	226	54.2%	306	54.8%
Couple with children	939	52.9%	1,718	57.2%
Total	2609	34.1%	4,091	35.6%

Model 5: Households losing more than £5/week by household composition

Although 6,700 households will lose more than £5.00 week, 56% of these (3748 households) lose less than £10.00 per week. However, 17% (1,160 households) lose more than £15.00 per week.

Number of households losing support		
Loss £/week	Universal Credit	Legacy
£5-£10	1471	2277
£10-15	683	1109
£15-20	286	430
>£20	169	275
Total losing more than £5/week	2609	4091

Model 5: breakdown of households losing support

Households gaining £5.00 per week

692 households gain more than £5.00 per week. These are primarily low-earning employed households.

86% of these (594 households) gain less than £10.00 week and only 4.05% of these (28 households) gain more than £15.00 per week.

Number of households gaining support		
	Universal Credit	Legacy
£5-10	238	356
£10-15	33	43
£15-20	8	14
>£20	3	3
Total gaining more than £5/week	279	413

Model 5: breakdown of households gaining support

Barnet Council will consider additional support for the most vulnerable through its Discretionary funds in accordance with Section 13A of the Local Government Finance Act 1992.

<p>How are the equality strands affected? <i>Please detail the effects on each equality strand, and any mitigating action you have taken so far. Please include any relevant data. If you do not have relevant data please explain why.</i></p>			
Equality Strand	Affected?	Please explain how affected	What action has been taken already to mitigate this? What further action is planned to mitigate this?
1. Age	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	<p>Working age claimants will be affected by the change in policy. The Government have protected Pension Credit Age claimants from any change, so will still receive the full support as they do under the current scheme. Working Age claimants could see an increase in the amount of Council Tax they are required to pay.</p>	<p>Through all the Government's welfare reforms specifically Universal Credit, it is intended that citizens will be better off in work than in receipt of benefits. Accordingly, anyone affected by the additional contribution they have to make will be encouraged to seek employment to maximise their income wherever possible. Support to do this is available through the Job Centre Plus, Job Coaches who will signpost to relevant support networks, which could include Revenues and Benefits staff.</p> <p>In order to mitigate against this, resources will continue to be available to support the most vulnerable and this may be met through the council's Discretionary Funds in accordance with Section 13A of the Local Government Finance Act 1992.</p>
2. Disability	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	<p>This group will not be disproportionately affected compared to any other working age group, however, they will be impacted by the reduction in support.</p> <p>As with the current scheme the proposed scheme will continue to disregard Non-Dependant deductions</p>	<p>In order to mitigate against this, resources will continue to be available to support the most vulnerable and this may be met through the council's Discretionary Funds in accordance with Section 13A of the Local Government Finance Act 1992.</p>

		where a claimant or partner are in receipt of Disability Living Allowance Care Component (middle or higher rate) or the daily living component of Personal Independence Payment (PIP).	
3. Gender reassignment	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	The scheme will not treat people of different genders any differently.	Not Applicable.
4. Pregnancy and maternity	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	This group will not be disproportionately affected compared to any other working age group, however, they will be impacted by the reduction in support. It may be that whilst on maternity pay thus having a reduced income someone receives additional support as they do under the current scheme.	In order to mitigate against this, resources will continue to be available to support the most vulnerable and this may be met through the council's Discretionary Funds in accordance with Section 13A of the Local Government Finance Act 1992.
5. Race / Ethnicity	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	We do not hold any specific data for this category.	Not Applicable.
6. Religion or belief	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	We do not hold any specific data for this category.	Not Applicable.
7. Gender / sex	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	Changes in the proposed scheme are not gender specific. The same income thresholds and percentage contributions apply to all claimants.	Not Applicable.
8. Sexual orientation	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	Changes in the proposed scheme do not consider sexual orientation. The same income thresholds and percentage contributions apply to all claimants.	Not Applicable.
9. Marital Status	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	Couples (not necessarily married) on average will be impacted more than single people. The main reasons for this are typically higher net earnings and/or larger properties. Typically, the	In order to mitigate against this, resources will continue to be available to support the most vulnerable and this may be met through the council's Discretionary Funds in accordance with

		larger the property the higher Council Tax band which means any percentage to pay increases.	Section 13A of the Local Government Finance Act 1992.
10. Other key groups?	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	Carers and people with mental health will not be disproportionately affected compared to any other working age group, however, they will be impacted by the reduction in support.	In order to mitigate against this, resources will continue to be available to support the most vulnerable and this may be met through the council's Discretionary Funds in accordance with Section 13A of the Local Government Finance Act 1992.
Carers	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>		
People with mental health issues	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>		
Some families and lone parents	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	Modelling shows families are impacted more than other groups. This is covered in section 3 and section 13.	
People with a low income	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>		
Unemployed people	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	People on low income and unemployed people will be affected by the proposals	
Young people not in employment, education or training	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	If the NEET group of people are liable for Council Tax they will be treated the same as all other working age groups.	Under 18's are exempt from Council Tax so will be unaffected. Some care leavers will be exempt from paying Council Tax as per the council's discretionary care leaver relief policy.

4. What will be the impact of delivery of any proposals on satisfaction ratings amongst different groups of residents?

If the changes to Council Tax Support scheme are implemented the impact of the proposals amongst different groups of residents will vary. There will be significant impact to those in receipt of Council Tax Support, approximately 19,000 households. Council Tax payers will be impacted by any decision on a support scheme whether receiving support or not as the scheme costs directly impact on the Council Tax base used for setting the Tax. Pensioners in receipt of Council Tax Support are protected against the changes to the support scheme. This may increase pressures on local charities and organisations who may be asked for help and advice going forwards.

5. How does the proposal enhance Barnet's reputation as a good place to work and live?

If changes proposed are enacted, then to those who are not affected, the changes will be seen as ensuring the council is delivering value for money whilst still effectively meeting people's needs in the borough. To those that are affected, they may feel aggrieved that the most vulnerable are being targeted.

6. How will members of Barnet's diverse communities feel more confident about the council and the manner in which it conducts its business?

The general population in Barnet is very diverse in terms of faith, ethnicity, culture, language, gender and sexuality. The proposals primarily affect claimants of CTS. The Council does not have data on claimants' faith, ethnicity, gender or sexuality.

The financial element won't be seen positively by those more severely impacted and the changes on the whole will be negative on all equality strands of the working age. Certain groups are protected such as pensioners.

The service is commissioned within the context of the council's Strategic Equalities Objective, which is that citizens will be treated equally, with understanding and respect, and will have equal access to quality services which provide value to the tax payer.

7. Please outline what measures and methods have been designed to monitor the application of the policy or service, the achievement of intended outcomes and the identification of any unintended or adverse impact? *Include information about the groups of people affected by this proposal. Include how frequently the monitoring will be conducted and who will be made aware of the analysis and outcomes? This should include key decision makers. Include these measures in the Equality Improvement Plan (section 16)*

- Regular contract monitoring based on a performance framework – including quarterly meetings with the provider – in line with the council's contract management framework
- Continual monitoring of Council Tax Collection
- Working with contract supplier to ensure Council Tax Support is looked into for those struggling to meet their Council Tax payments
- Ensuring Discretionary Funds in accordance with Section 13A of the Local Government Finance Act 1992 is being monitored and used accordingly
- Annual service reviews
- Engagement with stakeholders will help identify trends or impact from the scheme on any affected protected groups.

8. How will the new proposals enable the council to promote good relations between different communities? *Include whether proposals bring different groups of people together, does the proposal have the potential to lead to resentment between different groups of people and how might you be able to compensate for perceptions of differential treatment or whether implications are explained.*

The new proposals will allow the needs of Barnet residents to be met effectively via realigning resources and reducing the budget gap. This should help ensure the corporate priorities of the Council are maintained. With the exception of pensioners all other groups will be treated equally.

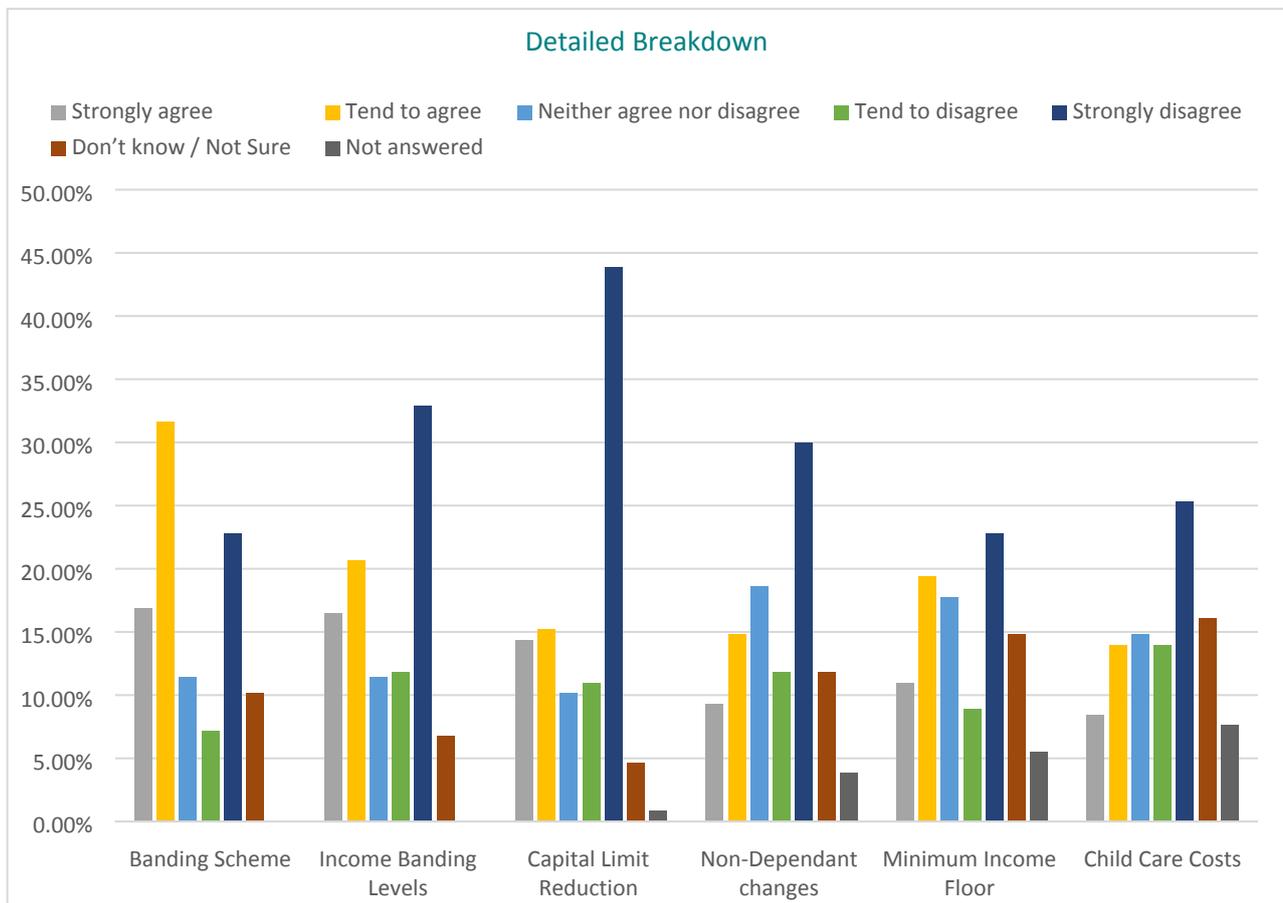
The provider will work with different communities in Barnet to support coordinating good information and advice and increasing awareness of support available under the newly proposed scheme.

The new scheme is a significantly simplified scheme which has been reported by many residents taking part in the drop-in sessions. Many have said it's much easier to understand.

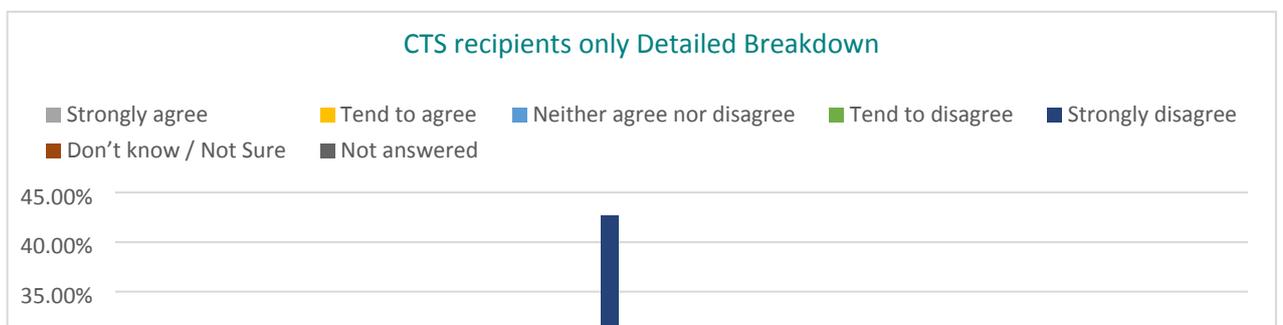
9. How have employees and residents with different needs been consulted on the anticipated impact of this proposal? How have any comments influenced the final proposal? *Please include information about any prior consultation on the proposal been undertaken, and any dissatisfaction with it from a particular section of the community. Please refer to Table 2*

The consultation is now closed with 237 responses received via online or paper questionnaire and 2 written responses from GLA and Citizens Advice Barnet.

The following graph shows the overall responses across the 6 key components of the proposal.



This graph above is all 237 responses. The graph below is the responses of Council Tax Support claimants only, these were 136 of the 237 respondents.



The responses from CTS claimants are very similar to that of the total overall responses. The table below shows illustrates this.

	Total Agree	CTS recipient agree	Total Disagree	CTS recipient disagree
Income Banding	48.53%	48.53%	29.95%	26.47%
Income banding levels	37.14%	37.50%	44.72%	42.65%
Reduction in Capital	29.54%	30.88%	54.85%	55.15%
Non-Dependant changes	24.05%	22.06%	41.77%	44.12%
Minimum Income Floor	30.38%	32.35%	31.64%	32.35%
Child Care Costs	22.36%	22.79%	39.24%	39.71%
Views on reduction in expenditure	26.58%	31.62%	42.62%	40.44%
Overall views of the proposed scheme	29.03%	29.41%	52.54%	50%

In addition to the responses the questions on the key components, respondents were asked for any additional comments. These have been categorised below

Broad Themes of disagreement not already captured in this report	
	Number of comments
Penalising the poorest/most vulnerable / increasing Poverty	28
Increasing hardship	8
More protection required for disabled households	8
Penalising the self employed	5
Will result in increased debt including rent and council tax arrears	4
Penalising families	3
Will increase homelessness	3
Will increase stress and mental health issues	2
Social cleansing exercise	2
Not supportive of those caring for others	2
People with kids claiming benefits is putting pressure on others	1
Discriminating against those with children in childcare	1
Penalising lone parents	1
Will increase crime	1

All feedback has been analysed and considered with further modelling done around capital, non-dependent deductions and minimum income floor changes. Owing to the savings that the Council are required to make it simply cannot afford to propose a more generous scheme

by removing these elements of the proposed scheme.

Therefore although the consultation prompted the Council to rethink its scheme, the proposal remains as consulted on.

Overall Assessment

10. Overall impact			
Positive Impact <input type="checkbox"/>	Negative Impact or Impact Not Known ¹ <input checked="" type="checkbox"/>	No Impact <input type="checkbox"/>	
11. Scale of Impact			
Positive impact: Minimal <input checked="" type="checkbox"/> Significant <input type="checkbox"/>	Negative Impact or Impact Not Known Minimal <input type="checkbox"/> Significant <input checked="" type="checkbox"/>	A small number (359) of households will benefit from the proposed changes however the rest of the approximate 19,000 households will be negatively impacted.	
12. Outcome			
No change to decision <input type="checkbox"/>	Adjustment needed to decision <input type="checkbox"/>	Continue with decision <i>(despite adverse impact / missed opportunity)</i> <input checked="" type="checkbox"/>	If significant negative impact - Stop / rethink <input type="checkbox"/>

¹ 'Impact Not Known' – tick this box if there is no up-to-date data or information to show the effects or outcomes of the function, policy, procedure or service on all of the equality strands.

13. Please give full explanation for how the overall assessment and outcome was decided.

In line with the Council's Corporate Plan which outlines a key principle of fairness, the review aimed to ensure that we are using our resources as fairly as possible; targeting services at those who need them most.

The proposed changes will see the overall cost of the scheme fall from £23.99 million to £20.8 million thus helping reduce Barnet's budget gap.

Policy in Practice were commissioned to carry out all data analysis and forecasting on behalf of Barnet Council to devise a scheme that achieved Barnet's aim of reducing the overall cost of the scheme by £3.2 million, whilst delivering a scheme that worked in line with Universal Credit. Impact analysis was carried out as part of this modelling process.

A full report including the impact analysis from Policy in Practice is here:



Policy in practice
report Model 5.pdf

Based on the overall impact on Council Tax Support recipients the scale of impact has been recorded as significant. This is due to the level of reductions in Council Tax Support for almost all of the Working Age caseload.

The majority of employed households will face lower support under this model. A few low-earning households will gain support, however, any increase in support is likely to be slight (around 3%). Households in receipt of legacy benefits lose more compared to retention of the current scheme than those in receipt of Universal Credit creating more equitable support between the two.

Out of work households lose approximately 13% support. This model does not support the most vulnerable households.

This model has a negative impact on larger households so disproportionately affects families.

The majority of working households will lose support. 73% of self-employed households and 43% of employed households lose more than £5/week.

Some households in receipt of legacy benefits are particularly affected:

- Couples with children lose 41%
- Couples without children lose 39%
- Tenants lose 29%
- Self-employed lose 63%
- Employed lose 33%
- Households in higher CT bands lose over 32%

All household types in receipt of legacy benefits will see their support fall. Couples with or without children in receipt of legacy benefits will have significant reduction in support of over 30%. Households with children in receipt of Universal Credit will see a slight increase in support but this is less than 3.2%.

14. Equality Improvement Plan

Please list all the equality objectives, actions and targets that result from the Equality Analysis (continue on separate sheets as necessary). These now need to be included in the relevant service plan for mainstreaming and performance management purposes.

Equality Objective	Action	Target	Officer responsible	By when
Outcomes of the services by equalities groups effectively monitored to ensure no adverse impact	<ul style="list-style-type: none"> Ensuring the options chose didn't impact any one group within the working age population more than another. Age is not assumed in this as pensioners are on a different scheme to working age people both in current and proposed format. Monitor through quarterly contract management meetings and annual review 	Ensure the negative impact of the proposals is across the board and no particular group is adversely impacted.	Darren Smith and Allan Clark	Ongoing
Stakeholder feedback to evidence impact on claimants	Review stakeholder feedback as reported in annual service review.	Ensure the needs of the most vulnerable are met	Darren Smith and Allan Clark	Ongoing
Impact of change monitoring	Review the Council Tax Collection rates, number of CTS claims and Section 13A applications	Ensure the needs of the most vulnerable are met	Darren Smith and Allan Clark	Ongoing

1st Authorised signature (Project Manager)	2nd Authorised Signature (Service lead)
Darren Smith	Allan Clark
Date: 14th November 2018	Date: 14th November 2018