

Appendix H to report to Council – 30th January 2013

Predictive: assessing and analysing proposed changes to services, policies and budgets

Enfield Council

Predictive Equality Impact Assessment (EQIA) - Equality Analysis

**COUNCIL TAX BENEFIT
LOCALLY DEFINED SUPPORT SCHEME
January 2013**

Predictive equality impact assessment/equality analysis template

Proposed change to service/policy/budget	Introduction of a Council Tax Benefit Locally Defined Support Scheme
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Extension Number	4614
Service	Revenues and Benefits
Department	Finance, Resources and Customer Services
Date impact assessment completed	January 2013

Council Tax Support Equalities Assessment/Analysis for use in planning and determining the new support scheme

This assessment covers the replacement of the current national Council Tax Benefit scheme by locally defined support schemes receiving reduced Government funding. This is a statutory change required as part of the Government's Welfare Reform agenda.

NB – this equality impact assessment/analysis does not make use of the Council template due to the complex nature of the subject, the wider impacts of this change, and the cumulative effect of this and other welfare benefit changes.

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1.Introduction

1.1. Local Scheme Context

This report sets out the equalities implications for residents of the London Borough of Enfield of the replacement of the statutory national Council Tax Benefit scheme by a locally defined scheme of support with reduced Government funding from April, 2013. This is part of the government's welfare reform agenda with significant impact as Enfield currently has a 39,000 Council Tax Benefit caseload with most cases receiving 100% benefit leaving no payment of Council Tax to be made. The new Local Scheme required by the Local Government Finance Act will result in reduced overall levels of support meaning that some combination of reduced support (benefit) or withdrawn support will be implemented from April 2013 will apply in respect of c. 33% of homes in the borough. The Government is introducing legislation to protect pensioners meaning that any reduction will fall solely upon working age claimants on low income. 28,000 of the 39,000 caseload are claimants of working age.

1.2. Current Scheme

The current national scheme is complex and designed to take a range of factors into account such as family age and size, disability, lone parents etc. The scheme provides for those whose income is beneath the limit set for a household of that size and age to receive 100% benefit and not have any Council Tax to pay. There are limits on capital set at £16,000 for a couple beyond which payment of Council Tax Benefit is barred. Every £1 of income beyond the limit reduces the benefit by 20p per week. Deductions are made for non-dependants according to their level of income. The benefit scheme makes special provision for those with disability with premiums added to the amount of income allowed for maximum benefit. There is also an Alternative Council Tax Benefit scheme (the Second Adult Rebate scheme) providing a discount of 25% instead of the usual Council Tax Benefit scheme when other adult(s) living with a householder have a low income.

1.3. Part of scheme approval process.

This equality assessment/analysis is prepared for use in determining the Council Tax Support scheme for 2013/14 determined at Council in January 2013.

1.4. Developing the new Scheme.

The scheme of Council Tax support is subject to consultation with residents and with the Greater London Authority. The Council is required by the Local Government Finance Bill to consult residents and the Greater London Authority in respect of the shape and size of the new scheme of Council Tax support. Consultation with the Greater London Authority was conducted on 18th July 2012 and residents' consultation ran from 26th July 2012 to 18th October 2012. Residents' consultation (of both current Council Tax Benefit recipients and others not receiving benefit) was conducted electronically (on-line questionnaire), in hardcopy via questionnaires included in the September 2012 issue of "Our Enfield", and questionnaires available at libraries and Customer Services outlets throughout the borough and at one meeting of each Area Forum during the consultation period.

1.5 Scale of the Scheme

In July 2012, the Cabinet approved options for consultation on the basis that the funding gap was to be fully met through reductions in Council Tax support. The funding gap is calculated on the latest available information when the final Government settlement is not known. The estimated funding gap to be found by reducing the level of support paid to Council taxpayers is £4.9m in 2013/14 which reduces to £4.0m after increased income from changes in Council Tax law are taken into account. The Council is faced with either funding this through cuts in other budgets and therefore services, reserves/balances, increase in council tax or passing the reduction to residents in the form of lower Council Tax Support levels than under the present benefit scheme. The Council is free to determine the extent of any local scheme providing it meets any statutory minimum requirements.

Caseload growth changes in quarter 3, 2012/13 and the announcement by the Government of final funding levels have reduced the estimated gap to be met by the scheme as set out in the report to Cabinet in January 2013 and Council in January 2013. This changes the percentages/amounts from those included in the consultation document but not the principle. In addition, the consultation document made clear that the consultation was based upon the latest available information and was subject to changes (the final grant settlement being announced by the Government in December 2012).

On the last day of the Council's 12 week consultation period, the Government announced a Transitional Grant Scheme. The scheme provided one year grant funding available to authorities that capped the level of reduction to 8.5% for all working age claimants previously entitled to 100% of council tax benefit, and a taper rate not increasing above 25%.

The likely grant award for Enfield is £670k. In a fully funded scheme the Council is able to set the level of reduction to match the funding shortfall and likely bad debt

provision. Under the Transitional Scheme, the maximum percentage of reduction we could apply and the level of grant we would receive is fixed. This would leave the Council with an estimated funding shortfall of £805k in 2013/14 rising to £1.5m in 2014/15 when on present information the one off grant is not known to be available.

2. Context – Equality Act 2010

2.1 Public Sector Equality Duty

Section 149, Equality Act 2010 sets out a public sector duty requiring public authorities to consider all individuals in shaping policy, delivering services and employees. The Council is required to have due regard to the need to eliminating unfair discrimination, advance equality of opportunity and foster good relations.

2.2 The replacement of Council Tax Benefit with Council Tax Support affects 28,000 working age claimants and given all current benefit cases are on low income considering their family needs there is a potentially significant equalities impact. The Equality Act 2010 requires the Council to consider how different people are affected. There is a need to determine the policies and services which are appropriate and accessible to all.

2.3 In advancing equality of opportunity, the Council needs to consider three key aspects:-

a) removing or minimizing disadvantage, b) meeting the needs of people with protected characteristics (as defined by the Act), and c) encouraging participation of people with protected characteristics.

The equality impact assessment/analysis needs to be timely and before or at the time that the policy is under consideration or the decision is taken. This report is part of the information used in determining the Local Scheme for 2013/14 which will be available to Cabinet when it considers the scheme in January 2013 and to Council in January 2013.

2.4 The four key elements are knowledge (e.g. caseload analysis), planning (e.g. how to adapt schemes to minimise discrimination), advice (e.g. how to ensure those affected are offered help/made aware of the new scheme) and accessibility (e.g. measures to promote access by claimants with protected characteristics). The Council is required to take a proportionate approach and it is not required to examine equality issues when they are not relevant.

3. Fit with Council Priorities

3.1. Council Vision and Aims

The Council's vision is to make Enfield a better place to live and work. It has three aims:-

- 1) Fairness for All
- 2) Growth and Sustainability, and
- 3) Strong Communities.

3.2. Fairness for All.

The reduction in Council Tax help does not enable the Council to tackle inequality but may be applied in a way which properly has regard to inequality. The key aspects of Council Tax Support which support fairness for all are ensuring there is appropriate access to claiming and to advice.

For applications for Council Tax Support, electronic access will be encouraged as a convenient application method but will not be the sole method so as to ensure that those without electronic access or lacking confidence or expertise in electronic access are not excluded. However those making an electronic application will find that the claim is received faster by processing staff as electronic transmission is faster than other methods.

Advice will be provided on-line or at Customer Services Centres. On-line access will be available broadly on a 24/7 basis which means availability for longer periods than access via other methods. Again customers without electronic access will not be excluded.

3.3. Growth and Sustainability.

The Government's Welfare Reform agenda includes the aim that residents are better off at work than on benefits insofar as benefit systems should not be designed in a way which penalises those obtaining employment. This agenda is far wider than the introduction of the Council Tax Support scheme. 40% of the caseload of current recipients of Council Tax Benefit are in full or part time employment and the new Council Tax Support scheme will have a substantial proportion of working age claimants who are in employment. The success of local residents to find employment (or if currently employed, to find better paid employment) will not be determined by the Council Tax Support scheme but can be encouraged by the scheme design including treatment of income during the period immediately after employment is taken up, incorporating in the scheme a level of earnings disregard when calculating support and by avoiding the income taper being increased (affecting the amount by

which support is reduced when income exceeds the amount which would provide for maximum support).

3.4. Strong Communities.

The local scheme is informed by an analysis of the current caseload and an estimate of future caseload levels which is based upon likely cases, i.e. the income and family circumstances of local residents.

The consultation on the development of the Local Scheme included on-line and hardcopy survey forms to capture resident's views and attendance at Area Forum meetings across the borough. In addition, the views of representative voluntary and community sector bodies were sought.

The design of the local scheme is proposed to have regard to a number of categories of vulnerable person including those with disability, families and war widows. Given the funding of the Council Tax Support scheme, without other funding being introduced, any extension in the number of working age cases protected from reduced support would increase the amount being reduced from other working age claimants. The Local Scheme makes provision for vulnerable cases to be protected from reduced support through disregarding amounts of income of defined types and by applying uprated allowances and premiums used in the calculation of support compared to those applicable in the national Council Tax Benefit scheme . See appendix A for details of the premiums that would be applied when calculating entitlement to council tax support.

The Council also takes into account the cumulative impact of the changes to Housing Benefit, Council Tax Benefit and the introduction of Universal Credit in determining the advice services available to local residents.

4. Caseload Levels and Trends

4.1. Volume of Cases

In March 2012, 39,377 Council taxpayers received Council Tax Benefit representing a year on year increase of 2,956 or some 8.1%. The caseload is at its highest ever level in the borough and is currently rising by 71 cases per month although there is evidence in the past three months that the rate of caseload growth is slowing. Of the 39,377 cases, 8,462 are owner-occupiers and the remainder are tenants. In July 2012, there were 39,659 cases (29,019 working age claimants and 10,640 pensioner claimants). The increasing caseload is entirely of working age claimants.

4.2. Value of Payments

In 2012/13, £37m is being paid in Council Tax Benefit by means of reduced Council Tax bills.

4.3. Distribution of caseload

The distribution of the caseload in the borough is very uneven. 10 of the 21 wards are located in the east of the borough and account for 67.3% of the caseload in March 2012. The caseload is rising in 8 of the 10 wards in the east of the borough but falling in 8 of the 11 wards in the west of the borough exacerbating the distribution of poverty. More can be seen on this in Section 10: Impact by ward.

5. Draft Local Scheme

5.1 The Government is abolishing a nationally defined scheme of Council Tax Benefit and replacing it with a requirement for each billing authority to design and approve a Local Scheme of Council Tax support to be approved not later than 31st January, 2013 and to have effect for the year commencing 1st April, 2013. This document is a draft scheme in accordance with the Local Government Finance Act 1992.

5.2 The draft scheme prepared in July 2012 was subject to:-

1. the final grant settlement from Central Government (announced in December 2012);
2. the passing of the Local Government Finance Act, 2012 and secondary legislation (Act passed October 2012, secondary legislation passed on prescribed scheme requirements and default scheme requirements coming into force in December 2012 and January 2013) ;
3. the bringing into force of the Welfare Reform Act, 2012;
4. the outcome of residents' consultation, the period for which ended on 18th October, 2012.

5.3. The Government announced in October 2012 a Transitional grant scheme which limits reductions in support to 8.5% for working age cases previously entitled to 100% support, with a taper rate that does not exceed 25%, and pays a grant for one year to the Council providing certain criteria are met. The financial details of this scheme were announced on the final day of the 12 week consultation period and were therefore announced far too late to be included in the consultation of residents and the GLA conducted from July 2012. This scheme is assessed along with the four original options in the latter part of this assessment.

5.4. Any local scheme with reduced payment will entail reductions from people on low income. The draft Council Tax Support scheme for 2013/14 used in the consultation (Option A) proposes a scheme similar broadly to the current Council Tax Benefit scheme subject to the following changes for working age cases:-

- a) the scrapping of the Second Adult Rebate scheme
- b) where the main householder has a non-dependent living with them with an income of £394 per week or more (since uprated to £407 or more), a deduction of £20.50 per week shall be made instead of £9.90 per week
- c) the introduction of an end of calculation deduction of £300 per annum or £5.77 per week. An end of calculation deduction means that the deduction is not made at the start of the calculation by deduction from the Council Tax liability after any discount but is applied only after any all premiums, allowances applicable, any income in excess of the limit for maximum support and any non-dependant deductions have been taken into account.

- d) Protection from reduction in support of non-working age cases and war widow(er)s in 2013/14 as a result of the change of scheme

5.5. Instead of the end of calculation deduction in 5.4 above, there are other options upon which the council consulted namely

- a) an end of calculation reduction of 30%, (Option B) or
- b) an end of calculation deduction of 17.5% for those in receipt of Working Tax Credit and 35% for other working age claimants (Option C) or
- c) unchanged payment for homes in bands A to C, 50% reductions for homes in Band D and no support at all for homes in bands E to H (Option D).

Any of the three options delivers broadly the same reduction in support as the draft scheme proposal but with a different impact in individual cases.

5.6. Adopting the Transitional Grant scheme as the Council Tax Support Scheme (Option E) would limit the maximum reduction in support to 8.5% for those previously entitled to 100% support in 2013/14 but the amount of grant would be less than the estimated funding gap from reduced level of Government funding of Council Tax Support compared to the current national Council Tax Benefit scheme. Adopting this scheme would mean 5.4 (a to c) above would not apply. Option F would see the Transitional Grant Scheme for year 1 with Option B applying in year 2. Therefore the assessment of the impact of Options B and E would apply to deciding on Option F.

5.7. The consultation results are set out in a separate appendix to the Council report to the 30th January 2013 meeting. There is clear support for extending protection to persons with disability and those with children through retaining premiums for disability and for family and this is incorporated in each scheme option.

5.8 The draft support scheme and optional models consulted in July 2012 were based upon the latest available information. Since July 2012, there have been changes to both the Government funding available and to the rate of growth of the caseload expected in 2013/14. Together this reduces the amount of the funding gap to be met through reduced support payments and would for example reduce the end of calculation deduction referred in 5.5a from 30% to 19.5%. **Thus the basic design of the scheme and options in paras. 5.4 and 5.5 remain unchanged but there is for each scheme and option now lower percentages or amounts that would need to be applied than those shown in the consultation document.**

5.9. Class of Persons

The draft scheme sets out rules for working age claimants. Regulations laid by the Secretary of State prescribe the scheme for persons of pension credit age and any classes of person ineligible to claim Council Tax Support.

Eligibility for council tax support shall be determined by reference to Council Tax liability, the income, capital of the claimant and any partner and by the income, capital and number of non-dependants in the household.

5.10. Class of Reductions

Since the consultation started the Government has issued Regulations governing the prescribed scheme requirements and default scheme requirements. The draft scheme now proposes that council tax support is calculated as a means tested discount defined by the default scheme defined in the Council Tax Reduction Schemes (England) Regulations 2012 as amended by the Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012. which broadly define a scheme similar to the current Council Tax Benefit scheme with uprating and subject to local amendment.

5.11 Applications

An application using the application form determined by the authority will be required for all new claims made on or after 1st April, 2013. The authority reserves the right to specify the format or formats in which applications may be accepted which will include hardcopy applications and electronic applications being acceptable. Assistance with applications will be available by telephone, in person at Customer Service Centres, on-line and where necessary by home visit. Visits will be made on request to applicants with mobility problems and where an on-line application is not feasible and telephone and on-line advice will be available (the latter on a 24/7 basis). Assistance will also be made to applicants with learning difficulties or where there is an inability to communicate in the English language with appropriate help tailored to individual circumstances being arranged via the Council's Customer Services Centres.

Claimants in receipt of Council Tax Benefit at 31st March, 2013 will move to the new scheme without further application at the point of transition and will be issued with information on the change from Council Tax Benefit to Council Tax Support and the help and advice that is available. Any new or existing award may be subject to a review process determined by the authority. Any claimant failure to comply with the requirements of the review process determined by the authority may result in termination of the support award and will be considered on the circumstances of each case.

5.12 Administration of the Scheme

Enfield Council as the administering authority will issue advice to claimants of any award granted, removed or revised by adjustment to the Council Tax bill which will form the formal notification. Additional information may be supplied by the authority to claimants with the bill or by separate advice.

Any overpayment will be rectified by the amount being clawed back by adjustment to the Council Tax bill. The Council will have regard to the circumstances of each case in determining whether an overpayment is to be recovered including the extent to which the claimant may have reasonably been expected to have notified the Council of changes in circumstance promptly. The Council will make available a number of ways that information may be reported.

5.12 Appeals

The Council will review its decision if a request for the decision to be reviewed is received from the claimant following the date of the formal notification of the award being granted, amended or removed by written notice to the address shown on the Council Tax bill of the decision to be reviewed and why the decision is considered wrong.

Appeals may be made to a Valuation Tribunal, which does not currently deal with benefit appeals.

5.13 Duration of Scheme

This scheme shall apply for 2013/14. Any scheme for 2014/15 (whether the same as the scheme for 2013/14 or not, or the second year of a two-year scheme) will be determined, or confirmed, by the authority by 31st January 2014.

6. Worklessness and Poverty in Enfield

6.1 There is a high degree of poverty in some areas of Enfield, with Edmonton Green ranking as the most deprived ward in London using income as an indicator, and the fifth most deprived using employment as an indicator. Both of these factors strongly contribute to the likelihood of a household being impacted by the changes to Council Tax Benefit, with low income increasing the rate of claimants and poor employment prospects suggesting that alleviation of the effects of the changes is less likely.

<http://www.london.gov.uk/sites/default/files/Update%2001-2012%20Ward%20Level%20Summary%20Measures%20ID%202010.pdf>

6.2 Worklessness

Households can claim Council Tax Benefit where they are on low incomes. As such, the most effective way to not be affected by the localisation of the scheme and the associated drop in provision is to find employment. In the case of Option C being chosen, this is all the more relevant as the working status of an individual will have a further impact on the extent to which they are affected by the cut in funding. 72% of working age individuals in Enfield are economically active, meaning that they are in employment or are actively seeking employment. Of these, roughly 8% are out of work. According to the borough's Employment Land Review, the working age population of Enfield is twice that of the number of jobs and whilst employment has been flat the population is growing steadily and is projected to do so in the future.

In the scheme options, Option C has a significant incentive for those working age cases on low income and in employment but this is funded by a very significant impact upon those not in employment for any reason. The other options do not determine entitlement upon the basis of employment status. All options are asking the unemployed to contribute more to the council tax. Ethnic minorities, people with disabilities/carers and lone parents are over represented within the unemployed and are likely to be disproportionately affected by any scheme that asks unemployed people to contribute more.

6.3 Poverty

The most recent statistics on child poverty, a key indicator of overall poverty, can be seen below.

- 33.4% of the children in Enfield were living in poverty which equated to 26,870 children.
- in 2009, the percentage of children living in poverty was 34.8% and equated to 27,670 children. Therefore, comparing the 2009 and 2010 data, the child poverty figure in 2010 was a proportional decrease of 1.4% and equated to a numerical decrease of 800 fewer children living in poverty.
- Ranked by the proportion of children living in poverty in England, Enfield had the 12th worst child poverty level amongst all Local Authorities. This was no change from 2009.
- Ranked by the proportion of children living in poverty in London, Enfield had the 9th worst child poverty level amongst London Local Authorities. This was no change from 2009
- Ranked by the number of children living in poverty in London, Enfield had the 3rd worst child poverty level amongst London Local Authorities. This was no change from 2009.

The above statistics underpin the need to ensure that any Council Tax Support Scheme has regard to the impact upon families with children. Over all the range of Council Tax Bands, 64% of Council Tax Benefit cases of working age have 1 or more dependants. The analysis of working age Council Tax Benefit cases with dependants is as follows:-

Number of dependants	% of working age caseload
0	36.0
1	27.4
2	21.8
3	9.9
4 or more	4.9

Working age Council Tax Benefit cases with 2 or more dependants are concentrated in properties banded C or D for Council Tax although there are 1195 such cases living in properties banded E to H.

None of the options proposed change the disregards for child benefit income or the family premiums used to calculate entitlement – see appendix A.

7. Alignment of the scheme with other poverty relief measures

7.1 Welfare Reform Taskforce

The Welfare Reform Taskforce has been established to help families affected by the forthcoming Government changes to the Welfare Benefit system. Consisting of

Council officers and strategic partners of Job Centre Plus (JCP) and Citizens Advice Bureau the focus will be on helping families being significantly impacted by welfare reform changes, including those losing council tax benefit amongst reductions in other entitlements, to find work, move to affordable accommodation and avoid financial crisis and homelessness.

7.2 Information, Advice and Guidance (IAG)

Enfield Council already has significant provision of advice and guidance available to all residents. CAB are already commissioned to provide advice at children’s centres, the Jobsnet Team are able to assist residents towards getting into work and the Welfare Reform Taskforce will actively signpost all individuals affected by welfare changes by less than £100 a week to appropriate advice and guidance. Additionally work is currently ongoing to establish whether a set of corporate social responsibility programs around money management, run by major banks in the borough, would be able to further expand the capacity of IAG in Enfield. Whilst this is far wider than a direct response to the introduction of the Council Tax Support scheme, taking a holistic approach to advice and guidance through the Taskforce and through other mainstream activities will be an essential part of helping working age recipients of Council Tax Support to try to manage their financial affairs during a period of reduced support levels.

8. Impact by protected characteristic

8.1 An Equality Impact Assessment/Analysis focuses on assessing the impact on the following communities within Enfield:

- Black and Minority Ethnic (BME) residents and service users - RACE
- People with disabilities - DISABILITY
- Men and women - GENDER
- Older or younger people - AGE
- People with different faiths or beliefs - FAITH
- Members of the lesbian, gay or bisexual (LGB) community – SEXUALITY
- Members of the transgender community - TRANSGENDER
- People who are married or in a civil partnership - MARRIAGE
- Women who are pregnant or on maternity leave - PREGNANCY

8.2 Race

As can be seen from the below tables, showing the overall ethnic breakdown of the borough from the latest available projections and the Experian Origins profile of the claimant caseload for council tax benefit, some groups have a greater representation of claimants than would be expected proportionally.

Table 1.1 Borough Breakdown

White British	44.7%	Other mixed	1.1%
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White Irish	2.9%	Indian	3.9%
Greek	0.9%	Pakistani	0.8%
Greek Cypriot	5.8%	Bangladeshi	1.8%
Turkish	4.9%	Sri Lankan	0.8%
Turkish Cypriot	3.1%	Other Asian	1.7%
Kurdish	0.9%	Black Caribbean	5.2%
Italian	2.6%	Other Black African	1.7%
Polish	1.7%	Somali	1.5%
Russian	0.7%	Ghanaian	2.1%
Traveller	0.0%	Nigerian	2.5%
Gypsy/Romany	0.2%	Black Other	0.6%
White Other	2.0%	Chinese	0.7%
White & Black Caribbean	1.4%	Other	1.9%
White and Black African	0.6%		
White and Asian	1.2%	Total	100.0%

Table 1.2 Experian Origins CTB Caseload Breakdown

Bangladeshi	1.5%	Jewish and Armenian	0.3%
Black African	5.6%	Other East Asian	0.5%
Black Caribbean	0.9%	Other Muslim	6.9%
Celtic	6.2%	Pakistani	2.0%
Chinese	0.4%	Sikh	0.2%
Eastern European	6.8%	Somali	2.0%
English	31.6%	Tamil and Sri Lankan	0.6%
Greek and Greek Cypriot	5.8%	Turkish	14.8%
Hindu	1.8%	Unclassified	0.7%
Hispanic	2.3%	Western European	3.1%
Irish	3.9%		
Italian	2.1%	Grand Total	100.0%

As can be clearly seen, the comparison between these two sets of results is far from simple although the majority of the borough population and the Council Tax Benefit caseload are from Black and minority Ethnic communities. Caution should be taken on a number of fronts; the overall borough breakdown is based on tentative projections and more accurate numbers will not be known until the release of more information from the 2011 Census; the Experian software clearly uses different groupings, and the methodology leads to results which need to recognise certain shortcomings. In cases of mixed race marriages, the chosen surname may incorrectly

indicate that both individuals are of the same ethnicity. Names that have been anglicised, in particular Afro-Caribbean names, may be incorrectly classified. However the use of this software does present a comprehensive picture and the results are considered more reliable than using extrapolations of incomplete levels of self-classification.

The above results indicate the starting point for investigating why particular communities appear to be overrepresented in the benefit caseload and therefore considering whether the Council Tax Support scheme may have a disproportionate impact upon particular communities. The software results suggest that certain groups are over represented in the claimant count table compared to the overall borough population. According to Experian, individuals identified as of Turkish origin make up almost 15% of the total caseload, while in terms of the population, those identifying as Turkish and Turkish Cypriot only constitute 8%. Additionally names of an Eastern European origin make up 6.8% of the caseload, while the Polish and Russian communities, the two largest Eastern European populations in Enfield, only make up 2.4% of the borough.

Nevertheless certain ethnicities are over represented in benefit claimant analysis. Therefore any change in benefits will disproportionately affect these ethnicities. In addition when we review the different scheme options, option C will impact on some ethnicities that are overrepresented in levels of unemployment and their ability to seek and gain work. Option D will disproportionately impact on ethnicities with larger families. Option E has the lowest direct impact on benefit claimants whilst option B and F offer a proportionate impact.

The consultation responses analysed by self classification are as follows:-

Table 1.3 Consultation Response Breakdown

African	1.57%	Nigerian	0.87%
Bangladeshi	0.17%	Other	8.38%
British	63.35%	Polish	0.52%
Caribbean	1.57%	Prefer not to say	6.46%
Chinese	0.35%	Somali	0.35%
Ghanaian	0.17%	Sri Lankan	0.17%
Greek	0.70%	Turkish	0.70%
Greek Cypriot	3.49%	Turkish Cypriot	0.87%
Indian	2.44%	White and Asian	0.35%
Irish	3.14%	White and Black African	0.17%
Italian	0.17%	White and Black Caribbean	0.17%
Kurdish	0.17%	Total	

The consultation response saw a large overrepresentation of people identifying as British in comparison to the ethnic breakdowns of both the borough population and

the caseload breakdown. However it is worth noting that individuals, especially those that have become British citizens, may have identified as British over and above a previous identification.

There is apparent under representation of a number of some other groups in the consultation responses, especially individuals identifying as Turkish/Turkish Cypriot, Somali and Bangladeshi given the relative proportional claimant counts in these groups. Efforts were made in the consultation process to engage all groups, with the literature available in a wide selection of public buildings, and notifications of the consultation placed in community newspapers in a number of languages.

8.3 Disability

The number of consultation responses from individuals who declared themselves as having 'a physical or mental impairment that has a substantial and long-term adverse effect on [their] ability to carry out normal day-to-day activities' was 83, 15% of the overall respondents. Of these, 47% are current Council Tax Benefit claimants.

3.5% of working age Council Tax Benefit cases are the subject of a premium for disability in the calculation of their entitlement. In any of the Council Tax Support scheme options, the Disability premiums will be maintained so there should not be any disproportionate impact upon working age Council Tax Support cases with a disability. The exception would be the adoption of the option D which, without any specific exemption, would affect some 34% of working age Council Tax Benefit cases with a disability living in property in Council Tax bands D to H. In addition, the design of Option D could have a disproportionate impact upon some larger families where an individual is being cared for by another live-in working age claimant. Option C may also negatively impact on the disabled as the lower percentage reduction is applied to those eligible for working tax credit. Claimants receiving Employment Support Allowance would be required to pay the higher level.

8.4 Gender

The scheme does not differentiate in overall intent on either gender. Family premiums will continue to take into account age and gender of children and the calculation of entitlement under any of the scheme options is not gender specific.

There is the potential for lone parents, more often female, who are also claimants of Council Tax Benefit may face increased hardships under the draft new scheme if they are less able to easily find work owing to the costs of childcare. Option D would offer the least impact for cases living in properties in Council Tax bands A to C but would have a profound impact upon those cases living in property in bands D to H. The transitional scheme, with the lowest overall reduction across the working age caseload, has the lowest impact upon such cases living in property in bands D to H. Lone parents with young children would also be disproportionately affected by

option C as claimants on income support would be required to pay more than claimants eligible for working tax credits.

8.5 Sexuality

The entitlement of working age claimants, where living together, will be treated the same regardless of relationship or sexuality and there should be no difference in impact on claimants based on their sexuality.

8.6 Age

Pensioners will be protected from any changes to the council tax benefit they receive. The exception to this will be where a couple is made up of one individual of pensionable age and one under pensionable age. Previously this would have counted as a protected household, but going forward this decision will be made based on the age of the younger partner. 30% of the current Council Tax Benefit caseload are pensioners which as shown in the tables below is a larger percentage than pensioners expressed as a proportion of the borough population and a smaller percentage than pensioner responses expressed as a proportion of the consultation responses.

Of the 621 respondents to the consultation, 366 are aged under 65 years and 221 stated they were aged 65 years or older. 34 respondents were from organisations or did not complete the age question in the consultation. The consultation highlights some significant differences in the views of older people (50+) and other members of the community, however most claimants in this group are pensioners who are protected from the changes.

Unemployment amongst the working age over-50s is proportionally low, but this group constitutes a quarter of the working age population in Enfield, and around a third of the 1600 over-50s that claim Job Seekers Allowance (JSA) have been doing so for more than 12 months, indicating considerable barriers for this group in returning to work.

Younger people claiming CTB, both in and out of work, are likely to feel the impact of a new scheme all the more for the cumulative impacts of Housing Benefit changes for under-25s and the youth unemployment situation in Enfield.

Coupled with considerable youth unemployment, with higher absolute numbers of "Not in Employment, Education or Training individuals (16-19) and Job Seekers Allowance (JSA) claimants (18-24) than neighbouring boroughs, financial pressures may build quickly on young people, with Council Tax Benefit acting as an additional pressure.

Borough breakdown by age:

0 - 4	8.2%		50 - 54	6.0%
5 - 9	6.9%		55 - 59	4.8%
10 - 14	6.4%		60 - 64	4.5%
15 - 19	6.0%		65 - 69	3.5%
20 - 24	6.3%		70 - 74	3.0%
25 - 29	7.9%		75 - 79	2.5%
30 - 34	8.0%		80 - 84	1.8%
35 - 39	7.6%		85 - 89	1.1%
40 - 44	7.6%		90 +	0.6%
45 - 49	7.2%		Total	100.0%

Age breakdown of consultation responses

Age	% by age
18 – 24	1.0%
25 – 34	7.0%
35 – 44	12.9%
45 – 54	17.8%
55 – 60	10.3%
60 – 64	8.9%
65+	37.0%

It is clear that, while the groups do not perfectly align, 18-24 year olds have been under represented in the consultation response, while over-65s have been significantly overrepresented. However, since 30% of Council Tax Benefit claimants are pensioners, it might be expected that, as a group, the response would be high even though the consultation indicated that pensioners are to be protected from reduced support in the Council Tax Support Scheme.

Options A, B, E and F should not affect one age group disproportionately to the others. Option C could present difficulties for both younger people and the over-50s, as long term unemployment in both categories continues to rise. Option D may disproportionately affect older individuals of working age with larger homes and few occupants as other family members have left the family home.

8.7 Faith

Faith is not a determinant of the current Council Tax Benefit scheme and is not recorded or held in the Council Tax Benefit system and is not a characteristic seen as affecting the impact of the council Tax Support Scheme.

8.8 Transgender

Information on transgender is not held or recorded in the Council Tax Benefit system and any of the proposed Council Tax Support scheme options are not gender specific and therefore any disproportionate impact upon gender reassignment cases could not be measured. To assist such cases, advice on Council Tax payment arrangements and benefits help will be offered upon request.

8.9 Marriage and Civil Partnership

The proposed scheme will treat civil partnerships similarly to married couples in calculation of support. Premiums applied in calculations to couples in the current Council Tax Benefit scheme will be applied in the new support scheme subject to uprating and there should not be any disproportionate impact on such cases from the proposed new support scheme.

8.10 Pregnancy and Maternity

The scheme provides for adjustment to calculations following childbirth and retains the current treatment of pregnancy and maternity cases. The Council Tax Benefit system does not hold a record of pregnancies as the calculation of benefit and in any of new scheme models will be affected after childbirth. The proposed scheme is not seen as offering a disproportionate impact upon such cases, help will be available through extended Council Tax payment arrangements and through consideration of other discretionary help with each case being determined on its merits. Any case falling within the remit of the current Welfare Benefit Task Force will have consideration of Council Tax liability under the support scheme included in any help provided.

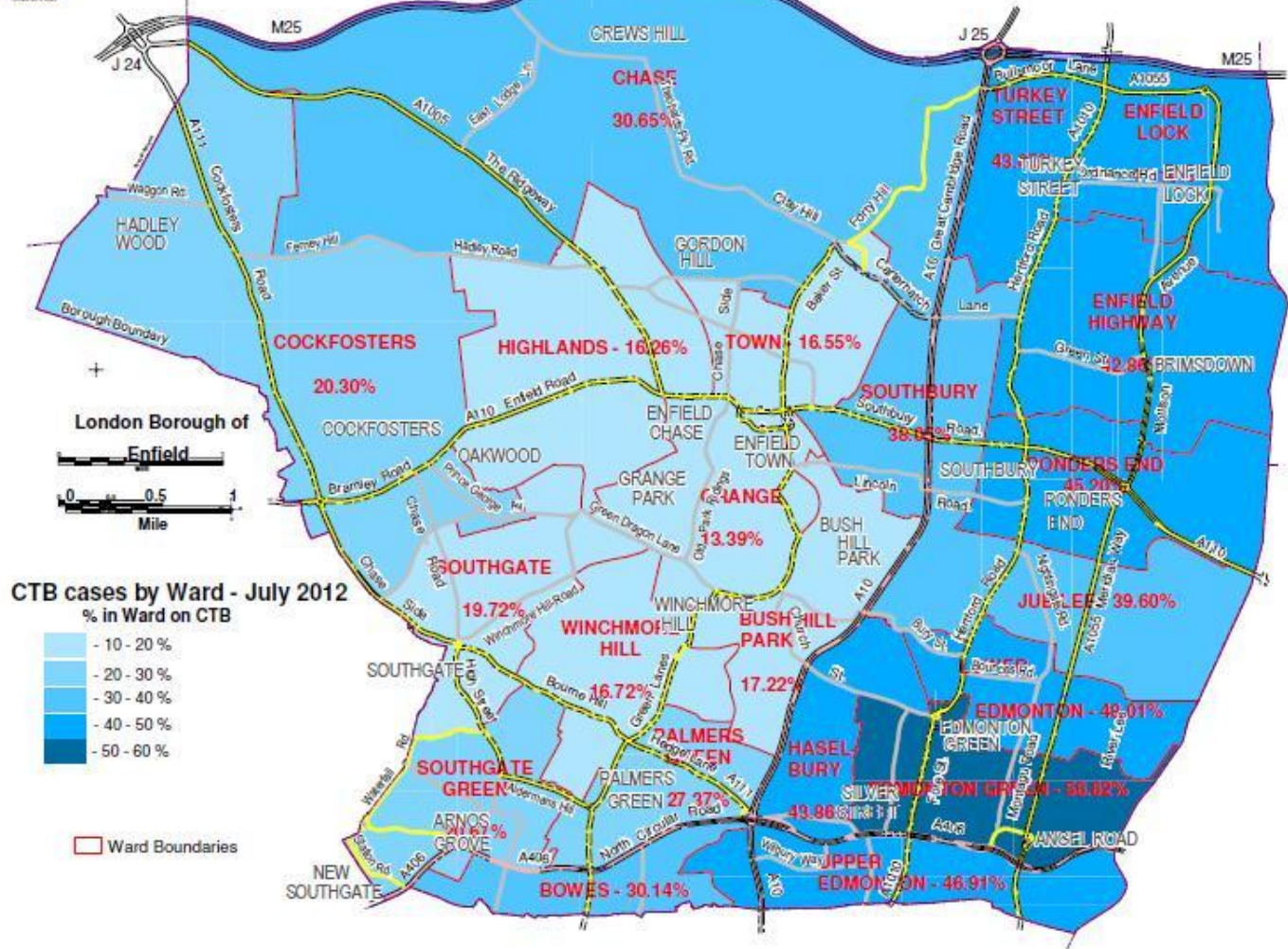
The only significant adverse impact of any of the options would be for working age cases living in property banded D to H if Option D was adopted as the Council Tax Support Scheme. Option C is likely to disproportionately affect pregnancy and maternity cases claiming benefit as they will be asked to contribute at the higher level

9. Impact by ward

9.1 The impact felt at ward level will vary significantly across the borough. While the average claimant rate is around 33% across Enfield, as shown in the map below, the level of council tax benefit claimants in each ward differs dramatically. 57% of all households in Edmonton Green receive Council Tax Benefit (CTB), while the rate is only 13% in Grange ward. Across the borough there is a clear east/west divide, with more affluent parts of west Enfield having a significantly lower CTB uptake and these wards are accordingly unlikely to be as strongly affected by the change in benefit/support as the areas in the east and the south where CTB uptake is high.



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10. Impact by Council Tax Band

Overall council tax band breakdown

Band	CTAX total
A	5004
B	11378
C	33274
D	35863
E	20818
F	8961
G	5821
H	870
Total	121989

CTB Cases

	Pensioner\Working Age Split by Band	
	Pensioners	Working Age
A	770	2445
B	1550	4807
C	3128	10962
D	3227	7949
E	1720	2206
F	432	400
G	147	95
H	4	3
Total	10978	28868
Caseload	39846	

The extent to which the impact on individuals and households will vary by council tax band is clearly based on which of Options A-F is adopted by the Council.

Option D would have the most impact in this respect presenting no change in entitlement for over 18,200 working age Council Tax Benefit cases living in property in Council Tax Benefit but a severe impact on over 10,500 working age cases living in property in bands D and above. Given the levels of working age cases with dependants referred in para. 6.3 above, option D could have a disproportionate impact upon large families.

Option A has a uniform amount of reduced support with impact on the basis of the consultation proposal ranging from 32% for band A cases to 11% for Band H cases. Whilst it offers a uniform amount of reduced support, the largest impact falls upon the bulk of the working age caseload in the lower banded property.

Options B, C, E and F are all proportionate with the band not changing the percentage of reduction.

11. Cumulative effect of this scheme and other Welfare Reform measures

Many of those affected by the changes to council tax benefit will also be affected by other Welfare Reform measures. For example, under-25s are already subject to changes in Housing Benefits that are likely to cause financial pressure on a group known to face certain barriers to employment in the borough.

Large families in particular are likely to be severely affected by the cap on Housing Benefit being introduced in April 2013, with many unable to afford to continue living in their current accommodation, and in some cases unlikely to be able to afford to remain in the area. These changes are likely to affect collection rates but in design, none of the options A to F would impact directly upon these wider welfare reforms as affecting working age cases in the borough.

12. Measures to lessen the negative impact of the scheme implementation

A number of measures are integral to the scheme to lessen any negative impact of the implementation of Council Tax Support. Any of the scheme options contain protection to varying degrees of the impact of the change in scheme for persons with disability, for those with children and for war widows /war widowers and those receiving Army Compensation payments.

Mitigation in respect of each protected characteristic may be summarised as follows:-

Race – the majority of Council Tax Support Scheme cases will be from BME groupings and provision will be made in advice to cases where there is insufficient understanding of the English language to understand the changes to the scheme and to make appropriate provision for Council Tax payment following any reduction in support.

Disability – premiums for those with disability will be retained in the Council Tax Support Scheme. Army Compensation Payments are proposed to be disregarded in full in any of the models for the Council Tax Reduction Scheme.

Gender – the Council Tax Support Scheme will not be gender specific in the calculation of entitlement.

Age – pensioners will be protected from reductions. Working age people with dependants will have the family premiums retained in the new Council Tax Support Scheme.

Faith – this is not recorded in the benefit system but a specific negative impact has not identified for this characteristic.

Sexuality – sexual orientation is not recorded in the benefit system and would not affect the calculation of entitlement to the Council Tax Support Scheme.

Transgender – this is not recorded in the benefit system and would not affect the calculation of entitlement to the Council Tax Support Scheme.

Marriage – marriage or civil partnership will be treated identically in the calculation of entitlement to the Council Tax Reduction Scheme.

Pregnancy and Maternity – this is not recorded in the benefit system. Changes in income would be reviewed in calculation of entitlement to the Council Tax Support Scheme. Discretionary help will be considered on the merits of an individual case where the family premium is not applicable or changed until childbirth.

13. Conclusion

13.1 Any of the options A to F will affect working age people on low income with the potential to exacerbate poverty in the borough. There are a number of significant protections in the Council Tax Reduction Scheme affecting each option (section 5.4.d) which seek to draw a proportionate response between the needs of vulnerable people and the funding of the scheme as a result of reduced Government funding levels. The key mitigations of any negative impact of the Council Tax Reduction Scheme by protected characteristic are set out in Section 12.

13.2 In respect of the scheme models, the key aspects of each model from an equalities perspective are considered in turn as follows:-

Option A

This applies an even amount of reduction irrespective of the Council Tax band. This has a significantly greater impact upon working age cases living in the lower banded properties (section 10) than on the higher banded properties and therefore affects the bulk of the caseload (section 10).

Option B

This applies a percentage reduction across all bands. It is a significantly higher percentage reduction than the transitional scheme because it is a fully funded option without recourse to funding from other services or reserves.

Option C

This offers a percentage reduction with the percentage reduction for unemployed working age cases being double that of those in employment. As such it offers a significant incentive to working age cases in employment but only at the expense of significant reductions in support to the unemployed (section 6.2). This could significantly impact young people and over 50s given the issues faced in gaining employment (para 8.6).

Option D

This preserves existing support levels for those living in properties in bands A to C but this is funded by reduced/zero support for those living in property in bands D to H. It is likely to significantly adversely affect families on low income with large numbers of dependants (section 6.3) and may affect those communities with, on average, larger family sizes (section 8.2). The “cliff edge” nature of this option means it could have the least or the highest impact upon people with disability depending upon the band of the property occupied (section 8.3), on older individuals of working age living in property larger than required since dependants left the family home (section 8.6) and disproportionately impact upon pregnancy/maternity cases living in property in bands D to H (section 8.10). This option is the most beneficial for those cases living in bands A to C but has a disproportionate impact upon those living in properties in bands D to H.

Option E and F

This applies a maximum percentage reduction and is therefore proportionate. It offers the lowest overall level of reduction in support but is the only option that is not fully funded.

13.3. In sum, there are significant protections and mitigations provided in the Council Tax Support Scheme against the negative impact upon local residents of the change in scheme and five very different models of the new scheme. There are distinct differences in impact in each of options C and D but both have significant adverse equalities issues. Option A is a uniform reduction amount but has the greatest impact upon the lower banded property and therefore upon most working age cases. Options B, E and F are proportionate reduction schemes with the least adverse equalities impact and would represent the best of the options from an equalities viewpoint. The transitional scheme offers the lowest overall adverse impact because of the smaller percentage reductions than Option B but this is achieved by not being a fully funded scheme and therefore may not be affordable. It would require the shortfall arising under it to be funded by reductions in services or reserves or a higher council tax]. Option B offers the best overall option of a fully funded scheme.

14. Action Plan

Issue	Action Required	Lead Officer	Timescale	Costs
a. Scheme design	Implement model agreed at Council	Asst. Director	15.3.2013	Within Grant funding level
	Co-ordinate with Other welfare reform Mitigation work and Child Poverty and Regeneration initiatives	Asst. Director	ongoing	Within existing resources
b. Ensure advice services in place - staff training - systems -staff allocation	Implement planned advice services	Head of Customer Service	15.3.2013	Within existing resources
c. Investigate reduction in communities with significant over-adopted representation in Council Tax benefit/ Support caseload	Research background to overrepresentation and ways of reduction in caseload and identify programme for caseload reduction in conjunction with other Council Services/agencies	Head of Benefits Strategic Adviser	15.9.2013	Depends upon way forward
c. Monitor impact of scheme -data collected on all relevant protected characteristics - review impact of scheme and need to adjust discretionary help	Quarterly equalities monitoring reviewed. Results built into scheme prepared for 2014/15	Head of Benefits	Quarterly from July 2013	Within existing resources

Assistant Director – Kate Robertson.

Appendix A to the equalities impact assessment

Benefit premiums and disregards

Housing Benefit rates for people who have not reached the qualifying age for State Pension Credit	April 2012 £ Weekly	April 2013 £ Weekly
<i>Personal Allowances</i>		
Single		
16 to 24	56.25	56.80
25 or over	71.00	71.70
Any age – entitled to main phase rate ESA	71.00	71.70
Lone parent		
Under 18	56.25	56.80
18 or over	71.00	71.70
Any age – entitled to main phase rate ESA	71.00	71.70
Couple		
Both under 18	84.95	85.80
One or both over 18	111.45	112.55
Any age – entitled to main phase rate ESA	111.45	112.55
Polygamous Marriages		
If the claimant is a member of a polygamous marriage and no members of the marriage have attained the age of 60		
For the claimant and the other party to the marriage	111.45	112.55
For each additional spouse who is a member of the same household as the claimant	40.45	40.85
Dependent children		
From birth to September following 16 th birthday	64.99	65.62
From September following 16 th birthday to day before 20 th birthday	64.99	65.62
<i>Premiums</i>		
Family Premium	17.40	17.40
Family Premium (lone parent rate)	22.20	22.20
Disability Premium		
Single	30.35	31.00
Couple	43.25	44.20
Enhanced Disability Premium		
Single rate	14.80	15.15
Disabled child rate	22.89	23.45
Couple rate	21.30	21.75
Severe Disability Premium		
Single	58.20	59.50

Housing Benefit rates for people who have not reached the qualifying age for State Pension Credit	April 2012 £ Weekly	April 2013 £ Weekly
Couple – one qualifies	58.20	59.50
Couple – both qualify	116.40	119.00
Disabled Child Premium	56.63	57.89
Carer Premium	32.60	33.30
Components ESA(IR) and ESA(C)		
Work related activity component	28.15	28.45
Support component	34.05	34.80
Deductions		
Non-dependant Deductions		
Aged under 25 and on IS or JSA(IB) or ESA(IR) which does not include an amount for the support component or work related activity component	Nil	Nil
Aged 25 or over and on IS/JSA(IB), or aged 18 or over and not in remunerative work	11.45	13.60
In receipt of main phase ESA(IR)	11.45	13.60
In receipt of Pension Credit	Nil	Nil
Aged 18 or over and in remunerative work		
- gross income less than £126:	11.45	13.60
- gross income not less than £126.00 but less than £186.00	26.25	31.25
- gross income not less than £186.00 but less than £242.00	36.10	42.90
- gross income not less than £242.00 but less than £322.00	59.05	70.20
- gross income not less than £322.00 but less than £401.00	67.25	79.95
- gross income not less than £401.00	73.85	87.75
Fuel Deductions		
Heating	25.50	25.60
Hot water	2.95	2.95
Lighting	2.05	2.05
Cooking	2.95	2.95
All fuel	33.45	33.55
Fuel deductions for one room		
Heating and hot water and/or lighting	15.25	15.30
Cooking	2.95	2.95
Amounts ineligible for meals		
Three or more meals a day		
Single claimant	25.30	25.85
Each person in family aged 16 or over	25.30	25.85
Each child under 16	12.80	13.10
Less than 3 meals a day		
Single claimant	16.85	17.20
Each person in family aged 16 or over	16.85	17.20
Each child under 16	8.45	8.65
Breakfast only – claimant and each member of family	3.10	3.15

Housing Benefit rates for people who have not reached the qualifying age for State Pension Credit	April 2012 £ Weekly	April 2013 £ Weekly
<i>Disregards</i>		
Childcare charges	175.00	175.00
Childcare charges (2 or more children)	300.00	300.00
Additional earnings disregard	17.10	17.10
Income from subtenants disregard	20.00	20.00
Permitted Earnings disregard – higher	97.50	99.50
Permitted Earnings disregard – lower	20.00	20.00
<i>Recovery of Overpayments</i>		
Non-fraudulent overpayments	10.65	10.80
Fraudulent overpayments	17.75	18.00
<i>Capital limits</i>	£	£
Upper capital limit	16,000	16,000
Lower capital limit	6,000	6,000