

## Enfield Equality Impact Assessment (EqIA)

### Introduction

The purpose of an Equality Impact Assessment (EqIA) is to help Enfield Council make sure it does not discriminate against service users, residents and staff, and that we promote equality where possible. Completing the assessment is a way to make sure everyone involved in a decision or activity thinks carefully about the likely impact of their work and that we take appropriate action in response to this analysis.

The EqIA provides a way to systematically assess and record the likely equality impact of an activity, policy, strategy, budget change or any other decision.

The assessment helps us to focus on the impact on people who share one of the different nine protected characteristics as defined by the Equality Act 2010 as well as on people who are disadvantaged due to socio-economic factors. The assessment involves anticipating the consequences of the activity or decision on different groups of people and making sure that:

- unlawful discrimination is eliminated
- opportunities for advancing equal opportunities are maximised
- opportunities for fostering good relations are maximised.

The EqIA is carried out by completing this form. To complete it you will need to:

- use local or national research which relates to how the activity/ policy/ strategy/ budget change or decision being made may impact on different people in different ways based on their protected characteristic or socio-economic status;
- where possible, analyse any equality data we have on the people in Enfield who will be affected eg equality data on service users and/or equality data on the Enfield population;
- refer to the engagement and/ or consultation you have carried out with stakeholders, including the community and/or voluntary and community sector groups you consulted and their views. Consider what this engagement showed us about the likely impact of the activity/ policy/ strategy/ budget change or decision on different groups.

The results of the EqIA should be used to inform the proposal/ recommended decision and changes should be made to the proposal/ recommended decision as a result of the assessment where required. Any ongoing/ future mitigating actions required should be set out in the action plan at the end of the assessment.

**The completed EqIA should be included as an appendix to relevant EMT/ Delegated Authority/ Cabinet/ Council reports regarding the service activity/ policy/ strategy/ budget change/ decision. Decision-makers should be confident that a robust EqIA has taken place, that any necessary mitigating action has been taken and that there are robust arrangements in place to ensure any necessary ongoing actions are delivered.**

## SECTION 1 – Equality Analysis Details

<b>Title of service activity / policy/ strategy/ budget change/ decision that you are assessing</b>	Variation and Extension of the Contract for the Provision of Enforcement and Debt Collection Services
<b>Lead officer(s) name(s) and contact details</b>	Meena Ali, Transformation Project Manager meena.ali@enfield.gov.uk
<b>Team/ Department</b>	Resources
<b>Executive Director</b>	Fay Hammond
<b>Cabinet Member</b>	Finance and Procurement - Cllr Mary Maguire
<b>Date of EqIA completion</b>	January 2022

## SECTION 2 – Summary of Proposal

Please give a brief summary of the proposed service change / policy/ strategy/ budget change/project plan/ key decision

**Please summarise briefly:**

What is the proposed decision or change?  
 What are the reasons for the decision or change?  
 What outcomes are you hoping to achieve from this change?  
 Who will be impacted by the project or change - staff, service users, or the wider community?

**Purpose of Report**

The report seeks approval to amend and add a variance and extension to the existing contract for the provision of enforcement and debt collection services. This is not a new procurement exercise. It seeks extending the terms of the current contract as per the provisions of the contract and to vary the contract so that all the current three suppliers can carry out the enforcement and debt collection in relation to Council tax, business rates and housing benefit overpayments and rent arrears, in order to maximise the recovery of the increased level of debt that has arisen due to the pandemic.

**Proposals**

1. To extend the enforcement and debt collection services contract (concessionary agreement) Lot 1 with Newlyn PLC and Lot 2 with Marstons Holdings and CDER (formerly Phoenix Commercial Collections Ltd) until September 30<sup>th</sup> 2023.
2. To vary the above mentioned contract to enable Marstons Holdings and CDER (formerly Phoenix Commercial Collections Ltd) to carry out the provision of enforcement and debt collection services for Council tax, business rates, housing benefit overpayment and former tenant arrears debts.
3. To vary the Lot 1 contract with Newlyn PLC in relation to Council tax, business rates and housing benefit overpayments and former tenant arrears to reflect the changes proposed at paragraph 2 above and to confirm the reduction of the level of work to be allocated to this supplier.

### **Reason for Proposals**

This is to support the council to recover more debt by allocating the Lot 1 (enforcement and debt collection services for Council tax, business rates, housing benefit overpayment and former tenant arrears debts) to three agents rather than only one agent in order to better support increased level of debt recovery and mitigate any capacity risks, e.g. availability of sufficient enforcement agents.

The Council has a duty to recover outstanding debts, to charge for its services both efficiently and fairly, ensuring processes and decisions are equitable and proportionate. This strategy relates to all customers of the Council, residents, businesses, partners and contractors.

### **What outcomes are you hoping to achieve from this change?**

The risk to debt recovery is considerably high if we do not have more than one enforcement agent. Therefore, having more than one agent will ensure we have provision to recycle cases where initial attempts have failed. We also hope to maximise collection by having competition to ensure the best performance.

### **Who will be impacted by the project or change - staff, service users, or the wider community?**

Non-payment of parking, council tax or business rate will lead to recovery action being taken against the liable party in accordance with legislation. Debt collection can have an impact on everyone, regardless of their circumstances or characteristics. When debt is perceived as unmanaged and stressful, it can have a negative impact on society's most vulnerable members. As a result, debt collection services can have a negative impact on people's finances, mental health and well-being if there are no flexible procedures in place that consider different people's circumstances.

However, in line with the Councils [Debt and Income Strategy](#) our debt collectors will identify the customers that can't pay as opposed to those that won't pay, ensure those that 'can't pay' are supported to improve their situations such as through improved access to affordable credit and improved money management, and deliver fair and proportionate debt recovery.

Considerations to reduce impact on vulnerable populations:

The tender evaluation included a specific method statement regarding additional measures for customers receiving council tax support, liaison with the Voluntary Sector and adherence to the CAB council tax protocol.

The Council's local council tax support scheme includes retaining financial support for protected working age vulnerable groups which helps to mitigate any anticipated impact.

Protections exist within pre-enforcement agent referral to protect vulnerable customers. Vulnerable customers known to the council are excluded from enforcement agent referral. In addition, the Council provides over £2m in funding its council tax support scheme to protect council tax payers with a disability, carers and leaving care tax payers from reductions in council tax support. Over 11,000 households do not have to contribute towards any council tax. Enforcement processes encourage vulnerable households to make contact.

The council tax and benefit helpline maintain over 90% call answering performance to allow easy straightforward access to trained staff. The Council works closely with the voluntary sector and will sign up to the CAB enforcement protocol as part of the new concessionary agreement.

In line with the recent Breathing Space legislation, we have introduced a process to ensure we pause any debt recovery when someone is eligible for a breathing space respite and we are notified from the debt recovery agency to this. It will allow those that are in problem debt, including those which are vulnerable, to have a 60-day period where enforcement agents and interest on debt is frozen.<sup>1</sup>

A mental health crisis Breathing Space is available to someone who is receiving mental health crisis treatment and it has some stronger protections. It is valid for the duration of the person's mental health crisis treatment, plus 30 days (no matter how long the crisis treatment lasts).

The Debt Strategy priorities recognise:

- Differentiate those debtors that "can't pay" from those that "won't pay"
- Improve bailiff practices to avoid spiralling debt
- Support vulnerable people more effectively

We are committed to protecting all vulnerable residents and delivering fair and proportionate debt recovery, so no protected group is disproportionately impacted. We support vulnerable groups through improved access to affordable credit and improved money management, Breathing Space legislation and the council tax and benefit helpline.

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## SECTION 3 – Equality Analysis

This section asks you to consider the potential differential impact of the proposed decision or change on different protected characteristics, and what mitigating actions should be taken to avoid or counteract any negative impact.

According to the Equality Act 2010, protected characteristics are aspects of a person's identity that make them who they are. The law defines 9 protected characteristics:

1. Age
2. Disability
3. Gender reassignment.
4. Marriage and civil partnership.
5. Pregnancy and maternity.
6. Race
7. Religion or belief.
8. Sex
9. Sexual orientation.

At Enfield Council, we also consider socio-economic status as an additional characteristic.

“Differential impact” means that people of a particular protected characteristic (eg people of a particular age, people with a disability, people of a particular gender, or people from a particular race and religion) will be significantly more affected by the change than other groups. Please consider both potential positive and negative impacts, and, where possible, provide evidence to explain why this group might be particularly affected. If there is no differential impact for that group, briefly explain why this is not applicable.

Please consider how the proposed change will affect staff, service users or members of the wider community who share one of the following protected characteristics.

## Age

This can refer to people of a specific age e.g. 18-year olds, or age range e.g. 0-18 year olds.

Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people of a specific age or age group (e.g. older or younger people)?

Please provide evidence to explain why this group may be particularly affected.

Poverty in the Borough is growing and can be seen by the increasing number of households that receive benefits to help with their housing costs.

### Young people

Enfield has a relatively high proportion of young people under the age of 20 compared to London and England. Young people in Enfield are disproportionately impacted by unemployment, with 12.3% of 18-21-year olds and 14.1% of 22-24-year olds unemployed and claiming Jobseekers' Allowance or Universal Credit.

Younger people are much more likely to be over-indebted and debt missing payments. Young people have an average debt to income ratio of nearly 70%, compared to 34% for 25-29-year olds and 11% for 60-64 year olds.<sup>2</sup>

### Families with children

Over-indebtedness data indicates families with children and particularly larger families are more likely than other demographic groups to be over-indebted. Having children increases the probability of being over-indebted by more than 50% (from 13% for adults without children, to 20% for those with children).<sup>3</sup>

### Looked after children and young carers

Some children may require specific and targeted financial education, due to their circumstances. For example, children in care and care leavers or young carers may need to develop money skills earlier than their peers. While parents can be the main source of financial education for their children, not all young people will get the support they need at home.<sup>4</sup>

40% of care leavers between 19-21 are not in education, employment or training (NEET).<sup>5</sup>

<sup>2</sup><https://www.citizensadvice.org.uk/Global/CitizensAdvice/Debt%20and%20Money%20Publications/Unsecure%20insecureFinal.pdf>

<sup>3</sup> <https://www.maps.org.uk/wp-content/uploads/2021/03/a-picture-of-overindebttness.pdf>

<sup>4</sup> <https://www.fincap.org.uk/en/articles/childrens-services>

<sup>5</sup> <https://www.smf.co.uk/wp-content/uploads/2018/08/Silent-Crisis-PDF.pdf>

Young carers aged 16 to 25 are less likely to be in employment, had lower earnings from paid employment, and had poorer mental and physical health compared to young people of the same age who were not providing care.<sup>6</sup>

Young people are negatively impacted by debt due to their increased likelihood to be unemployed, over-indebted, and in vulnerable circumstances such as in care and carers. As a result, the decision to add variance and extended the existing contract for the provision of enforcement and debt collection services will have a negative impact on this protected group.

### Mitigating actions to be taken

We are committed to protecting vulnerable residents and delivering fair and proportionate debt recovery, regardless of their age. We support vulnerable groups through improved access to affordable credit and improved money management, Breathing Space legislation and the council tax and benefit helpline.

### Disability

A person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on the person's ability to carry out normal day-day activities.

This could include:

Physical impairment, hearing impairment, visual impairment, learning difficulties, long-standing illness or health condition, mental illness, substance abuse or other impairments.

Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people with disabilities?

Please provide evidence to explain why this group may be particularly affected.

People with disabilities are more likely than other sections of the population to need help with managing their finances and require additional support to access advice and information on tax and benefit changes.

Data from 2019 showed that only 42.6% of disabled persons in Enfield were in employment. This is lower than the national average, which estimates 53.2% of disabled persons are in employment.

- Disabled people are twice as likely to have unsecured debt totalling more than half of their household income.
- On average, disabled people have £108,000 less in savings and assets than non-disabled people.<sup>7</sup>

<sup>66</sup> <https://bmcpublihealth.biomedcentral.com/articles/10.1186/s12889-020-09166-7>

<sup>7</sup> <https://www.papworthtrust.org.uk/about-us/publications/papworth-trust-disability-facts-and-figures-2018.pdf>



**Mental health**

- There is extensive evidence on the links between debt problems and mental health. Mental health is also a cross cutting theme across different protected characteristics.
- People with mental health problems were three times more likely to have fallen into council tax arrears than the wider population (18% compared to 6%).<sup>8</sup>
- 2.8m people with mental health problems fell into council tax debt during pandemic.

People with disabilities can be negatively impacted by debt because of their likelihood to be unemployed, out of work for long periods and have less savings. Debt collection can also have a negative impact if a resident is facing pre-existing mental health issues. As a result, the decision to add variance and extended the existing contract for the provision of enforcement and debt collection services will have a negative impact on this protected group.

**Mitigating actions to be taken**

We are committed to protecting vulnerable residents and delivering fair and proportionate debt recovery, regardless of their disability. We support vulnerable groups through improved access to affordable credit and improved money management, Breathing Space legislation and the council tax and benefit helpline.

A mental health crisis Breathing Space is only available to someone who is receiving mental health crisis treatment and it has some stronger protections. It lasts as long as the person is in mental health crisis treatment, plus 30 days (no matter how long the crisis treatment lasts).

In line with our Debt Strategy we will use data to identify the residents that can't pay as opposed to those that won't pay, ensure those that 'can't pay' are supported to improve their situations.

**Gender Reassignment**

This refers to people who are proposing to undergo, are undergoing, or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on transgender people?

Please provide evidence to explain why this group may be particularly affected.

Transgender people are less likely to be employed and more likely to receive lower wages.<sup>9</sup> Transgender people are also more likely to be experiencing poor mental health issues<sup>10</sup> so will be impacted by debt and debt collection.

<sup>8</sup> <https://www.moneyandmentalhealth.org/press-release/council-tax-press-release/>

People who are undergoing or have undergone a gender reassignment can be disproportionately impacted by debt because of their higher likelihood to be unemployed, receive lower wages and face employment discrimination. Debt collection can also have a negative impact as this group faces higher likelihood of having pre-existing mental health issues. As a result, the decision to add variance and extended the existing contract for the provision of enforcement and debt collection services will have a negative impact on this protected group.

#### **Mitigating actions to be taken**

We are committed to protecting vulnerable residents and delivering fair and proportionate debt recovery, regardless of whether they are undergoing or have undergone a process to reassign their sex. We support vulnerable residents through improved access to affordable credit and improved money management, Breathing Space legislation and the council tax and benefit helpline.

#### **Marriage and Civil Partnership**

Marriage and civil partnerships are different ways of legally recognising relationships. The formation of a civil partnership must remain secular, where-as a marriage can be conducted through either religious or civil ceremonies. In the U.K both marriages and civil partnerships can be same sex or mixed sex. Civil partners must be treated the same as married couples on a wide range of legal matters.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people in a marriage or civil partnership?

Please provide evidence to explain why this group may be particularly affected

People who are married and in a civil partnership, as well as those going through separation<sup>11</sup>, can be impacted by debt much like most adults because of unmanaged costs and lack of savings. Debt collection can also have a negative impact if a resident is facing pre-existing mental health issues. As a result, the decision to add variance and extended the existing contract for the provision of enforcement and debt collection services will have a negative impact on this protected group.

<sup>9</sup> <https://www.peoplemanagement.co.uk/experts/research/transgender-pay-gap-caused-by-discrimination#gref>

<sup>10</sup> <https://www.stonewall.org.uk/lgbt-britain-health>

<sup>11</sup> <https://www.equifax.co.uk/resources/debt-management/divorce-and-debt.html>

**Mitigating actions to be taken**

We are committed to protecting vulnerable residents and delivering fair and proportionate debt recovery, regarding of their marital or civil partnership status. We support vulnerable residents through improved access to affordable credit and improved money management, Breathing Space legislation and the council tax and benefit helpline.

**Pregnancy and maternity**

Pregnancy refers to the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a female unfavourably because she is breastfeeding.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on pregnancy and maternity?

Please provide evidence to explain why this group may be particularly affected

Pregnancy can trigger additional and/or anticipatory expenditure as well as potential for fluctuation in household income which may lead to debt and a need for debt advice.<sup>12</sup>

Self-employed females have tended to start their maternity leave later, take shorter maternity leave, and receive less maternity pay in comparison to females in state employment.<sup>13</sup>

People who are pregnant or on maternity leave can be disproportionately impacted by debt because of additional expenditure and maternity leave pay reduction which can lead to fluctuation in household income. Debt collection can also have a negative impact if a resident is facing pre-existing mental health issues. As a result, the decision to add variance and extended the existing contract for the provision of enforcement and debt collection services will have a negative impact on this protected group.

**Mitigating actions to be taken**

We are committed to protecting vulnerable residents and delivering fair and proportionate debt recovery, regardless of whether they are pregnant or have just had a baby. We support vulnerable groups through improved access to affordable credit and improved money management, Breathing Space legislation and the council tax and benefit helpline.

<sup>12</sup> <https://www.stepchange.org/debt-info/maternity-leave.aspx>

<sup>13</sup> <https://twinstrust.org/static/f0eb962c-6967-459c-821bd38c01fcc215/MP-Leave-ReportLow-Res-Final.pdf>

**Race**

This refers to a group of people defined by their race, colour, and nationality (including citizenship), ethnic or national origins.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people of a certain race?

Please provide evidence to explain why this group may be particularly affected

It is estimated that residents from White British backgrounds make up 35.3% of Enfield’s inhabitants with other White groups (including White Irish) combined at 26.4%. Mixed Ethnic Groups account for 5.5%, Asian Groups for 11% and Black groups for 17.9% of Enfield’s population.<sup>14</sup> 39% of the borough’s population were born overseas.<sup>15</sup> National and borough wide data has been used as a proxy indicator given current gaps in the data we have for tenants and those on our housing waiting list.

Whilst ethnic diversity is one of our biggest assets, ethnic minorities experience inequality in housing, employment, health and criminal justice in Enfield, as is the case across the UK. This needs to be addressed.

People from Black, Asian and other minority ethnic communities are most at risk of financial problems and rising debt caused by the Covid-19 economic. They are twice as likely to expect to have difficulty paying their usual bills and expenses in the next three months, and more than twice as likely to have lost their jobs or otherwise stopped paid working during the crisis. They are also 50 per cent more likely to be renters than the wider population, so will have gained less from emergency mortgage holidays and are at greater risk of eviction as a result of rent arrears.

Among borrowers, those from black communities had the highest relative debt levels, with an average equivalent to 18 per cent of their annual gross income, compared to 12 per cent across all groups.<sup>16</sup>

The pay gap between female and male by ethnicity also shows distinct differences. On average, men earn a higher hourly median wage than women in all but three ethnic groups in 2019.<sup>17</sup>

<sup>14</sup> [Borough Profile 2021](#), Enfield Council

<sup>15</sup> <https://new.enfield.gov.uk/services/your-council/equality-and-diversity-report-2020-your-council.pdf>

<sup>16</sup> <https://www.ippr.org/news-and-media/press-releases/ethnic-minorities-most-at-risk-from-debt-as-economic-crisis-creates-covid-19-double-whammy-finds-ippr>

People of certain ethnicities can be disproportionately impacted by debt because of their likelihood to be unemployed, on lower wages, to be renting and to have less savings. Debt collection can also have a negative impact if a resident is facing pre-existing mental health issues. As a result, the decision to add variance and extended the existing contract for the provision of enforcement and debt collection services will have a negative impact on this protected group.

**Mitigating actions to be taken**

We are committed to protecting vulnerable residents and delivering fair and proportionate debt recovery, regardless of their ethnicity. We support vulnerable groups through improved access to affordable credit and improved money management, Breathing Space legislation and the council tax and benefit helpline.

**Religion and belief**

Religion refers to a person's faith (e.g. Buddhism, Islam, Christianity, Judaism, Sikhism, Hinduism). Belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who follow a religion or belief, including lack of belief?

Please provide evidence to explain why this group may be particularly affected.

People of all religions and beliefs can be impacted by debt, but this may not be disproportionately more for one religious group or beliefs over another. Debt collection can also have a negative impact if a resident is facing pre-existing mental health issues. As a result, the decision to add variance and extended the existing contract for the provision of enforcement and debt collection services will have neither a negative or positive impact on this protected group.

**Mitigating actions to be taken**

We are committed to protecting vulnerable residents and delivering fair and proportionate debt recovery, including those with different religions and beliefs. We support vulnerable groups through improved access to affordable credit and improved money management, Breathing Space legislation and the council tax and benefit helpline.

<sup>17</sup> <https://www.jrf.org.uk/file/58886/download?token=XLbzxN7W&filetype=full-report>

**Sex**

Sex refers to whether you are a female or male.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on females or males?

Please provide evidence to explain why this group may be particularly affected.

Economic activity is also divided by gender in Enfield, with 81.7% of males being economically active compared to 65% of females.

**Female**

Females are more likely to be single parents – 94% of single parents on Enfield’s Housing Register are mothers.<sup>18</sup>

Females are more likely than men to struggle with debt, with women making up 55% of over-indebted people in the UK, and being 14% more likely than males to go insolvent, according to research by Money Advice Service and the government.<sup>19</sup>

Females are more likely to be on lower incomes and lower paid work than males. Statistics show that in 2019 females earned on average 17.3% less than their male counterparts.<sup>20</sup> This put females at greater risk of becoming homeless.

Females are more likely than males to change their work schedule, change their role or change their line of work, to help balance their work and caring responsibilities. Twice as many females say they stopped working altogether to help to balance work and care responsibilities.<sup>21</sup>

Females can be disproportionality impacted by debt because of their likelihood to be paid less than males, be in low paid jobs and to leave work and go part time for caring responsibilities. Debt collection can also have a negative impact if a resident is facing pre-existing mental health issues. As a result, the decision to add variance and extended the existing contract for the provision of enforcement and debt collection services will have a negative impact on this protected group.

<sup>18</sup> EqIA for preventing homelessness and rough sleeping strategy

<sup>19</sup> <https://www.theupcoming.co.uk/2021/02/01/gender-inequality-and-finance-are-women-more-likely-to-suffer-with-debt/>

<sup>20</sup> [Employment and Labour Market](#), Office of National Statistics

<sup>21</sup> Equal lives report 2018

**Mitigating actions to be taken**

We are committed to protecting vulnerable residents and delivering fair and proportionate debt recovery, regardless of their sexual orientation. We support vulnerable groups through improved access to affordable credit and improved money management and Breathing Space legislation.

**Sexual Orientation**

This refers to whether a person is sexually attracted to people of the same sex or a different sex to themselves. Please consider the impact on people who identify as heterosexual, bisexual, gay, lesbian, non-binary or asexual.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people with a particular sexual orientation?

Please provide evidence to explain why this group may be particularly affected.

The health and economic impacts of the Covid-19 pandemic have had a significant impact on people who already experience deep and systemic inequality. With unemployment rising, many LGBT people could face additional barriers getting into work and keeping up with their finances.<sup>22</sup>

According to Stonewall, almost 1 in 5 LGBT people (18%) looking for work said they were discriminated against because of their sexual orientation or gender identity while trying to get a job in 2018.

LGBTQ+ people are disproportionately impacted by debt because of their higher likelihood to be unemployed, receive lower wages and face employment discrimination. Debt collection can also have a negative impact as this group faces higher likelihood of having pre-existing mental health issues. As a result, the decision to add variance and extended the existing contract for the provision of enforcement and debt collection services will have a negative impact on this

<sup>22</sup> <https://www.stonewall.org.uk/impact-lgbt-communities>

protected group.

### Mitigating actions to be taken

We are committed to protecting vulnerable residents and delivering fair and proportionate debt recovery, regardless of their sexual orientation. We support vulnerable groups through improved access to affordable credit and improved money management, Breathing Space legislation and equality training for our debt collection officers

### Socio-economic deprivation

This refers to people who are disadvantaged due to socio-economic factors e.g. unemployment, low income, low academic qualifications or living in a deprived area, social housing or unstable housing.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who are socio-economically disadvantaged?

Please provide evidence to explain why this group may be particularly affected.

The Borough is divided in relation to employment, with wealthier residents living in the West of the Borough commuting to high skilled well-paid jobs in the West End and the City whilst those in the East and South of the Borough are more likely to rely on low skilled, low paid employment. Those on lower incomes are less likely to commute and are more reliant on their immediate labour market to secure decent well-paid work.

Proportionally more jobs are part-time in Enfield (34.3%) than in London (26%) and Great Britain (32.2%), with part time work often associated with low pay, insecure contracts and risk of employment termination.

People in the poorest fifth of households are more likely to say that they are finding their existing debt a burden, with around half of people in the poorest fifth of households describing their debt in this way compared with just under 1 in 3 overall.<sup>23</sup>

The number of households receiving help to pay rent in the form of either Housing Benefit or Universal Credit housing element increased by 4% in the year to November 2019. At 38,751, Enfield has the second highest number of such households of all London boroughs (after Hackney). Enfield has many residents based in Temporary Accommodation (TA) in March 2019 there were 3,410

<sup>2323</sup> <https://www.jrf.org.uk/file/58886/download?token=XLbzxN7W&filetype=full-report>



households in Temporary Accommodation, at a cost of £7million. This makes Enfield the second highest provider of Temporary Accommodation in England (EPIC). Enfield also has the third highest number of ‘Benefit Capped’ households in the country (Autumn 2020) standing at over 3500 households – this is an indication that further tenancies may not be sustained and lead to an increase in temporary accommodation.

Enfield’s median household income is £34k the 11th lowest in London. Enfield is the 9th most deprived of the 33 boroughs in London, and within the most deprived 25% of all local authority areas in England.

15.6% of households in Enfield have an annual gross income of under £15,000. This is a higher percentage than the London average.

Research from think tank the Resolution Foundation has warned that the average household is expected to be £1200 worse off, with the peak in April when the cap on energy bills is expected to rise by up around £500/year. This would impact low-income families disproportionately, as they spend a higher share of their income on energy. Other key factors include real time wages already falling and an expected 6% peak in inflation this spring, resulting in pay “stagnating”. In the Autumn budget announcement, Chancellor Rishi Sunak said the government has put £4.2 bn aside to help families and has introduced a reduction in the universal taper rate (from 63- 55%) from December 1st, to tackle these concerns.

When arrears cannot be settled, people can often lose their homes and end up homeless following eviction by the landlord or lender.<sup>24</sup>

People who are socio-economically disadvantaged can be disproportionately impacted by debt because of their higher likelihood to be unemployed, receive lower wages, be in insecure employment contracts and face additional inequality challenges. Debt collection can also have a negative impact as this group faces higher likelihood of having pre-existing mental health issues. As a result, the decision to add variance and extended the existing contract for the provision of enforcement and debt collection services will have a negative impact on this protected group.

#### **Mitigating actions to be taken.**

In line with our Debt Strategy we will use data to identify the residents that can’t pay as opposed to those that won’t pay, ensure those that ‘can’t pay’ are supported to improve their situations.

We are committed to protecting vulnerable residents and delivering fair and proportionate debt recovery, regardless of socio-economic status. We support vulnerable groups through improved access to affordable credit and improved money management, Breathing Space legislation and the council tax and benefit

<sup>24</sup>

[https://england.shelter.org.uk/professional\\_resources/policy\\_and\\_research/policy\\_library/research\\_experiences\\_of\\_people\\_in\\_housing\\_debt](https://england.shelter.org.uk/professional_resources/policy_and_research/policy_library/research_experiences_of_people_in_housing_debt)

helpline.

The Council has a duty to prevent residents from becoming homeless. If a resident's circumstances have led them to be more at risk of homelessness, the Registered Provider and/or Council will work with tenants to identify, in advance, appropriate alternative accommodation and fulfil their responsibility under the Homeless Reduction Act 2017 to prevent homelessness.

## SECTION 4 – Monitoring and Review

How do you intend to monitor and review the effects of this proposal?

Who will be responsible for assessing the effects of this proposal?

The service will be reviewed in **September 2023**. Monitoring information will review demographic data on customers to ensure that the services are not precluding any protected characteristic. This information will be used to monitor and respond to any emerging trends so that our service considers the impact on all protected groups.

In addition, a further EQIA will be carried out in September 2023.



**SECTION 5 – Action Plan for Mitigating Actions.**

Identified Issue	Action Required	Lead officer	Timescale/By When	Costs	Review Date/Comments