

## Durham County Council – Altogether Better equality impact assessment form

**NB: Equality impact assessment is a legal requirement for all strategies plans, functions, policies, procedures and services. We are also legally required to publish our assessments.**

**You can find help and prompts on completing the assessment in the guidance from page 7 onwards.**

### Section one: Description and initial screening

**Section overview: this section provides an audit trail.**

Service/team or section: Resources

Lead Officer: Ian Ferguson

Start date: February 2012

Update July/August 2012

Update November 2012

Subject of the Impact Assessment: (please also include a brief description of the aims, outcomes, operational issues as appropriate)

Localisation of Council Tax Support

This impact assessment relates to plans for a local council tax support scheme. The scheme must be implemented in 2013 to replace the current national scheme which is operated by the Department for Work and Pensions.

Background:

As part of the Spending Review 2010 the Government announced that the current national Council Tax Benefit (CTB) system would be replaced by localised CTB schemes from 2013-14, the current CTB specific grant is also being reduced by 10% which means that savings must be delivered locally.

Council Tax benefit grant in 2011/12 is around £55m; therefore the saving expected to be made from the localised CTB scheme would be approximately £5.5m in County Durham.

The Government has stated it has two principles in its approach to the localisation of council tax benefits in England:

- Localised schemes should provide support for the most vulnerable, including vulnerable pensioners.
- Localised schemes should assist with lifting the poorest off benefits and supporting them into work.

The Government believes localising Council Tax Benefits will provide local authorities with a financial stake in ensuring these principles are successfully supported.

The Government proposes that low income pensioners should be protected in full from any reduction in support so any savings made can only apply to people of working age.

The Council has undertaken consultation ahead of the final decision. Any proposed scheme must be agreed by Cabinet and Council as part of budget arrangements. The Council's scheme must be approved by 31 January 2013.

The equality impact assessment considers the potential impacts depending on whether Council decide:

- to protect the financial position of all claimants by adopting the default scheme in 2013/14,
- or
- to pass on the reduction to working age claimants.

Who are the main stakeholders: General public / Employees / Elected Members / Partners/ Specific audiences/Other (please specify) –

CTB Claimants, General public, employees, elected members

Is a copy of the subject attached? See Cabinet report  
If not, where could it be viewed?

### Initial screening

Prompts to help you:

Who is affected by it? Who is intended to benefit and how? Could there be a different impact or outcome for some groups? Is it likely to affect relations between different communities or groups, for example if it is thought to favour one particular group or deny opportunities for others? Is there any specific targeted action to promote equality?

### Is there an actual/potential negative or positive impact on specific groups within these headings?

Indicate :Y = Yes, N = No, ?=Unsure

Gender	Y	Disability	Y	Age	Y	Race/ethnicity	Y	Religion or belief	Y	Sexual orientation	Y
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### How will this support our commitment to promote equality and meet our legal responsibilities?

Reminder of our legal duties:

- Eliminating unlawful discrimination & harassment
- Promoting equality of opportunity
- Promoting good relations between people from different groups
- Promoting positive attitudes towards disabled people and taking account of someone's disability, even where that involves treating them more favourably than other people
- Involving people, particularly disabled people, in public life and decision making

Potential impacts are dependant on Council's final decision as outlined below:

## **Protecting the financial position of all claimants by adopting the default scheme in 2013/14**

There is no evidence to suggest a negative equality impact should the council decide to protect the financial position of all claimants by adopting the default scheme in 2013/14. The financial position of claimants would be protected in 2013/14 and the position revisited next year once the wider impact of the new council tax support scheme and welfare reform are better understood. The move to a discount rather than a benefits payment may also have a positive impact where take up amongst older people may increase, there is some evidence to suggest that some older people feel a stigma associated with claiming a benefit which currently reduces take up.

### **Passing on the reduction to working age claimants**

If the default scheme is not adopted, and reductions in council tax benefit were passed on to working age people, this would affect people in relation to age (older people would be protected through pension status but working age people including younger people could be negatively affected by reductions in council tax support), disability (in relation to lower incomes and higher costs for some as a result of their disability) and gender (for example, lone parents are most likely to be female and may be affected by reduced support but there are also more older women in the population than men so they would be protected through pension status). There are also potential impacts in terms of race, religion or belief and sexual orientation (for example, through links with younger people at risk of homelessness because they've 'come out' about their sexual orientation and therefore may be living alone and reliant on benefits/support).

The potential negative impacts include:

- Financial – direct impacts of reduced council tax benefit could mean less disposable income; increased pressure to find work or other income; increased reliance on other benefits or services to meet any shortfall in income.
- Wellbeing – stress/anxiety as a result of financial worries.
- Housing - eviction (where people on low incomes pay council tax rather than rent through fear of legal action, this is already mitigated through debt and money management advice but may need additional communication) or move to smaller/cheaper property.
- Legal – legal action against individual may impact on other areas, e.g. employment, financial costs of court action, wellbeing etc.

Potential positive impacts:

- Older people are protected against any reduction in support
- Increased take up of other entitlements
- Increased employment – (this is based on Government assessment, no evidence at local level)

It is important to note that the changes to council tax benefit are being made alongside wider welfare reforms which will have an impact on benefits and financial inclusion across all protected groups. The overall impact for some could be significant reductions in household income.

### What evidence do you have to support your findings?

Under the current system CTB is a means tested benefit that is administered by local authorities on behalf of the Department for Work and Pensions (DWP). Claimants in receipt of means tested out-of-work benefits generally receive full assistance; eligible claimants who work or have other income are likely to get partial relief; around 60% of all pensioners are entitled to CTB, although not all who are entitled actually claim. Some key headline statistics are set out below:

- Nationally over 5.8 million people currently claim CTB, more than any other means tested benefit.
- Almost half of all claimants are pensioners
- A quarter of claimants have dependent children
- A tenth are low earners
- Many, who are currently entitled to claim CTB, do not actually claim the benefit.

Link to the Department for Communities and Local Government (DCLG) EIA:

<http://www.communities.gov.uk/documents/localgovernment/pdf/2063707.pdf>

Extract of data from above DCLG EIA:

- 48% of CTB recipients aged under 65 have at least one dependant adult or child who is **disabled**
- 18% of CTB recipients aged under 65 have **caring responsibilities**.
- 17% of CTB recipients aged under 65 require informal care

(Source: Family Resources Survey 2009/10, England)

Durham has over 63,000 claimants:

- almost half are pensioners,
- 72% of working age claimants are on 'passport benefits' currently receiving 100% council tax benefit,
- 15% of working age claimants have dependent children
- 6% of working age claimants receive a disability premium/benefit
- 7% of working age claimants are in employment or are low earners
- 90% of council tax benefit relates to Band A properties

Update November 2012 – Consultation

Response rates to online consultation were relatively low so statistical analysis of those responses is not robust. The proportions recorded in the following sections are of those who provided equality profile information. Those attending focus groups and other meetings were not asked to provide personal equality information but were asked to comment on impacts either for themselves or others who they represented. Further information on consultation responses is included in the conclusion (see section three of this form).

Further local evidence is included in the full assessment - see Section Two.

**Decision: Proceed to full impact assessment – Yes/No      Yes      Date: 15.03.12**

**If you have answered 'No' you need to pass the completed form for approval & sign off.**

## Section two: Identifying impacts and evidence- Equality and Diversity

**Section overview: this section identifies whether there are any impacts on equality/diversity/cohesion, what evidence is available to support the conclusion and what further action is needed.**

	Identify the impact : does this increase differences or does it aim to reduce gaps for particular groups?	Explain your conclusion, including relevant evidence and consultation you have considered.	What further action is required? (Include in Sect. 3 action plan)
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**Note: this impact assessment relates to proposals which are subject to a final decision by Council.**

### Protecting the financial position of all claimants by adopting the default scheme in 2013/14

There is no evidence of negative impact, the financial position of claimants would be protected in 2013/14 and the position revisited next year once the wider impact of the new council tax support scheme and welfare reform are better understood. The move to a discount rather than a benefits payment may improve take up amongst older people and provide a positive impact as there is some evidence to suggest some older people feel a stigma associated with claiming a benefit which reduces take up. The existing mitigating actions of advice and support to vulnerable people in order to claim entitlements will also continue.

### Passing on the reduction to working age claimants

The following section considers the more detailed impacts if Council decided not to adopt the default scheme and to pass on reductions in council tax support to working age claimants.

<b>Gender</b>	<p><b>Local evidence suggests that changes to council tax support for working age claimants is likely to impact on a greater number of women than men.</b></p> <p><b>Potential impacts where council tax support is reduced include:</b></p> <p>Male/female</p> <ul style="list-style-type: none"> <li>○ Women are more likely to provide care for others including children. Their employment opportunities and income are often limited by care</li> </ul>	<p>National evidence from Equality &amp; Human Rights Commission Triennial Review.</p> <p>Local evidence: Analysis of claims in County Durham shows that 39% of working age claimants were male and 61% female. The proportion of female claimants is significantly higher in age groups aged 18 to 39, this may be linked to the number of claimants with dependant children. Figures show that of total working age claims there were 5,692 with dependants aged under 5 which is around 18% and 13,213 with dependants aged up to 18 years, around 42% - (please note: claimants with more</p>	Ensure relevant DCC staff are made aware that advice and guidance on financial support and debt management is available through appropriate channels, charities and voluntary advice agencies.
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	<p>responsibilities, for example they are more likely to work part-time or be unemployed. They also are more likely to have breaks in employment so may have lower levels of savings.</p> <ul style="list-style-type: none"> <li>○ Lone parents are more likely to be a female primary carer. National evidence shows they are more likely to be unemployed or work part-time, have lower incomes and lower savings.</li> <li>○ Women also experience greater financial impacts as a result of divorce or separation, national evidence shows that their employment opportunities, income and savings levels are also reduced compared to men.</li> <li>○ Lone male parents may be more likely to have occasional custody so would not be eligible to child premiums and therefore receive lower levels of support. They may be affected by other national benefit changes such as the shared room rate.</li> <li>○ National evidence also</li> </ul>	<p>than one child may fall into both categories).</p> <p>Consultation responses:  The proportions reported in this section are based on the numbers of people who answered the equality questions.  There was no significant difference in proportions of responses from males (46.3%) and females (53.7%) – based on 41 individuals.</p>	
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	<p>shows that male employment has reduced during the recession. Although female employment has also been affected women are more likely to find part-time or seasonal work as an alternative.</p> <p>Transgender – there is no direct evidence of negative impact though national surveys and local anecdotal evidence suggests transgender people may be more likely to be unemployed or self-employed due to concerns about hostile work environments. It is also possible that transgender people have limited savings where they have self-funded surgery.</p> <p>Protection for older people would benefit more women as there is a greater number of older women in the county population than men. Historically older women are less likely to have good pension provision.</p>		
<p><b>Age</b></p>	<p><b>Local evidence shows an increased number of working age claimants aged 40 to 59, this may be linked to loss of employment and difficulties finding employment for older working age people.</b></p>	<p>Local evidence: Pension age claimants make up almost 50% of the total current caseload.</p> <p>Caseload data shows that 72% of working age claimants receive ‘passported’ benefits – DWP holds the information on these people so we do</p>	<p>Ensure relevant DCC staff are made aware that advice and guidance on financial support and debt</p>

**Potential impacts where council tax support is reduced include:**

**Older people**

Those of pension age would be protected from reductions in council tax support. They are less likely to have regular income from employment and many rely on pensions/benefits to meet living costs. In recent years increasing numbers of older people have been affected by financial hardship through reduced interest from savings.

There is also potential positive impact for older people as a result of the change to a 'discount' rather than a 'benefit' – anecdotal evidence suggests this may increase applications as many older people are reluctant to seek benefits.

**Working age**

This group would see a negative impact as a result of reductions in the support they receive.

National evidence shows that people in their fifties are more likely to provide care than other age groups, this age group is also more likely to remain unemployed than others of working age. The financial impact for this age group

not have access to equality profiles.

Of the remainder:

- 15% have dependent children
- almost 2% are families with a disability payment
- 7% are in employment/low earners

Age Band	Working Age Claims	Male	%	Female	%
Total	31,434	12,157	39	19,277	61
18 - 19	362	75	21	287	79
20 - 29	6792	1664	24	5128	76
30 - 39	7063	2354	33	4710	67
40 - 49	8533	3684	43	4849	57
50 - 59	7737	3914	51	3823	49

Figures show that of total working age claims there were 5,692 with dependants aged under 5 which is around 18% and 13,213 with dependants aged up to 18 years, around 42% - (please note: claimants with more than one child may fall into both categories).

Consultation responses:

The highest number of responses were from those aged 25 to 34 and those aged 45 to 54.

	Frequency	Percent
18-24	1	2.5
25-34	10	25.0
35-44	7	17.5
45-54	9	22.5

management is available through appropriate channels, charities and voluntary advice agencies.



	<p>could be significant.</p> <p>Families Those with children aged under 5 are more likely to be unemployed or work part-time hours (mostly female). Families with school-aged children are likely to have lower levels of savings than those without children. Childcare costs are shown in national evidence to be a significant barrier to employment, many rely on family and friends for help (often grandparents or older relatives).</p> <p>Younger people This group is more likely to have lower incomes and limited savings. National evidence shows that younger people are less likely to find employment in the current financial climate. There are other financial impacts related to age restrictions on eligibility for other benefits; links to teen pregnancy, homelessness (e.g. due to fleeing domestic abuse, 'coming out', forced marriage).</p>	<table border="1"> <tr> <td data-bbox="1043 97 1252 140">55-64</td> <td data-bbox="1252 97 1346 140">8</td> <td data-bbox="1346 97 1733 140">20.0</td> </tr> <tr> <td data-bbox="1043 140 1252 183">65+</td> <td data-bbox="1252 140 1346 183">5</td> <td data-bbox="1346 140 1733 183">12.5</td> </tr> <tr> <td data-bbox="1043 183 1252 226">Total</td> <td data-bbox="1252 183 1346 226">40</td> <td data-bbox="1346 183 1733 226">100.0</td> </tr> </table>	55-64	8	20.0	65+	5	12.5	Total	40	100.0	
55-64	8	20.0										
65+	5	12.5										
Total	40	100.0										
<b>Disability</b>	<p>Potential impacts of reduced council tax support could be significant for some disabled people. There are legal requirements to make reasonable adjustments for disabled people which include treating them more favourable than others where</p>	<p>The current caseload data shows that, where we hold information, those receiving a disability premium/benefit make up 6% of working age claimants.</p> <p>Consultation responses</p>	<p>Ensure relevant DCC staff are made aware that advice and guidance on financial support and debt management is</p>									

	<p>necessary.</p> <p>Depending on their disability they are more likely to be unemployed and may be unable to seek employment. Disabled people are often employed in lower paid or part-time jobs which means they have lower levels of savings to meet extra costs. The additional costs relating to some disabilities mean that some people rely heavily on benefits.</p> <p>National evidence shows that couples with a disabled child are less likely to both be in employment. They are also more likely to provide longer hours of care than parents of non-disabled children.</p> <p>Those people requiring adapted accommodation would be less able to find suitable more affordable housing if they could not meet council tax payments.</p> <p>People with a mental health condition or a learning disability may be particularly vulnerable to changes in council tax support. National evidence shows that these two groups are less likely to be employed and may not seek help for financial difficulties. Tailored advice would help to</p>	<p>87.5% of responses were from non-disabled people and 12.5% from disabled people based on 40 responses.</p>	<p>available through appropriate channels, charities and voluntary advice agencies.</p>
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	ensure negative financial impacts are minimised. They may also be more vulnerable to impacts on wellbeing due to financial concerns.		
<b>Race/Ethnicity</b>	<p>Potential impacts to consider:</p> <ul style="list-style-type: none"> <li>○ National evidence suggests Traveller communities are less likely to have regular incomes, many are self-employed or reliant on seasonal work. Some do not have birth certificates so are unable to meet certain eligibility criteria.</li> <li>○ There is no local evidence from council tax caseload of significant numbers of larger families.</li> <li>○ Forced marriage – there may be a potential link to those fleeing their family, homelessness and reliance on support.</li> </ul>	<p>Current caseload data does not include ethnicity.</p> <p>Consultation responses:</p> <p>Almost 97% of responses were from White British people – based on 31 responses.</p>	
<b>Religion or belief</b>	There is no evidence at this stage of an impact in relation to religion or belief	<p>Current caseload data does not include religion or belief.</p> <p>Consultation responses</p> <p>Almost 56% of responses were from people of a Christian background with around 3% from other religious or belief background and the remaining 41% from those stating no religion or belief – based on 34 responses.</p>	
<b>Sexual orientation</b>	<p>Potential impacts to consider:</p> <ul style="list-style-type: none"> <li>○ Links to homelessness for those fleeing domestic</li> </ul>	Current caseload data does not include sexual orientation.	

	<p>abuse (particularly young people).</p> <ul style="list-style-type: none"> <li>○ There is very limited national and local evidence relating to financial inclusion.</li> <li>○ There is evidence that some lesbian, gay and bisexual people are more likely to live alone which may have an impact on their household income levels.</li> </ul>	<p>Consultation responses A small number of people answered this question and stated they were heterosexual.</p>	
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**How will this promote positive relationships between different communities?**

Financial inclusion does promote strong communities but financial differences can create tension.

**Section three: Review and Conclusion**

Summary: please provide a brief overview, including impact, changes, improvements and any gaps in evidence.

**This equality impact assessment considers Durham County Council's response to national changes in local council tax support which are subject to a final decision by Council.**

**If Council decide to protect the financial position of claimants by adopting the default scheme in 2013/14:**

There is no evidence to suggest a negative equality impact should the council decide to protect the financial position of all claimants by adopting the default scheme in 2013/14. The financial position of claimants would be protected in 2013/14 and the position revisited next year once the wider impact of the new council tax support scheme and welfare reform are better understood. The move to a discount rather than a benefits payment may also have a positive impact where take up amongst older people may increase, there is some evidence to suggest that some older people feel a stigma associated with claiming a benefit which currently reduces take up.

**If Council decide not to adopt the default scheme and to pass on the reduction in council tax support to working age claimants:**

The main impact of the proposed change to reduce council tax support for working age claimants is financial as they would need to fund the difference against their current entitlement. For some this may be a significant amount of their household income which could lead to additional negative impacts including:

- Health/wellbeing as a result of stress or anxiety over financial difficulties.
- Housing where people are unable to meet other costs as a result of increased council tax contributions or look to move to cheaper alternative accommodation, whilst this is relatively unlikely it is still a potential impact to be considered.
- Legal action as a result of not paying council tax can have a negative impact both in terms of additional costs and stress but also potentially in relation to employment.

These impacts are possible across all protected characteristics but are most likely in relation to gender, age and disability with limited potential impacts for race/ethnicity and sexual orientation. There is no evidence available at this stage to show potential impact on religion or belief. The key impacts are set out in section two above. There would be a positive impact on older people as a result of protecting pensioners, in County Durham this will benefit older women particularly as there are a greater number of older women in the population than older men. Equally there may be positive impacts where working age people are encouraged to find employment, whilst this is the Government's stated aim there is little evidence locally to support it. Some claimants may seek additional income from other benefits or use other services to help deal with the changes, this could have a positive impact where people take up entitlements for which they are eligible but do not already receive them.

Consultation responses – there were relatively low response rates to the online consultation (statistics are included in section two). A very small number of people identified potential impacts in relation to the proposed council tax support scheme, these were the positive protection of vulnerable people and possible negatives of encouraging some people to remain on benefits. The consultation also covered proposed changes to discretionary council tax discounts which received the majority of comments and are the subject of a separate equality impact assessment.

Those attending focus groups and other meetings were not asked to provide equality profile information but were asked about potential impacts, the majority of responses related to financial impacts and the possibility of properties being repaired or maintained to a lower standard in order to minimise empty periods.

This assessment does not include cumulative impacts of the Government's other welfare reforms but the combined financial effect could be significant for some people – for example the payment of a single room rate to those aged under 35 is likely to have a negative impact for younger lone fathers who have occasional access to their children, they may need larger accommodation but this may not be reflected in their allowances because they live alone most of the time.

Action to be taken –	Officer responsible	Target Date	In which plan will this action appear
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**If Council decide to protect the financial position of claimants by adopting the default scheme in 2013/14:**

Existing mitigating actions would continue to provide advice and support to vulnerable people claiming entitlements.			
<b>If Council decide not to adopt the default scheme and to pass on the reduction in council tax support to working age claimants</b> the following mitigating actions would apply:			
Ensure changes are communicated in a timely and effective way, including particular adjustments for disabled people.	Paul Darby	April 2013	
Ensure relevant DCC staff are made aware that advice and guidance on financial support and debt management is available through appropriate channels, charities and voluntary advice agencies.	Ian Ferguson	31.3.2013	
When will this assessment be reviewed?	Date: May 2013		
Are there any additional assessments that need to be undertaken in relation to this assessment?	Related impact assessment on proposed changes to discretionary discounts has been completed.		
Lead officer - sign off: Ian Ferguson			Date:16.8.12 and 12.11.12
Service equality representative - sign off: Bev Stobbart			Date:16.8.12 and 12.11.12

**Please email your completed Impact Assessment to the Equality team - equalities@durham.gov.uk.**