



## Appendix E – Equalities screening / impact assessment of proposal

### Bristol City Council Equality Impact Assessment Form

(Please refer to the Equality Impact Assessment guidance when completing this form)

Name of proposal	Council Tax Reduction scheme for 2020/21
Directorate and Service Area	Finance, Benefits Service
Name of Lead Officer	Matthew Kendall

#### Step 1: What is the proposal?

Please explain your proposal in Plain English, avoiding acronyms and jargon. This section should explain how the proposal will impact service users, staff and/or the wider community.

##### 1.1 What is the proposal?

We are reviewing our Council Tax Reduction (CTR) scheme for 2020/21 in line with the Full Council decision of 05 Feb 2019 so that options are put forward for consideration.

CTR is a means-tested discount that provides support with Council Tax costs to low income households across Bristol.

Under section 13A(2) of the Local Government Finance Act 1992, each billing authority must make a scheme stipulating reductions in the council tax payable by those it considers are in financial need or by those within classes of people it considers are, in general, in financial need.

For those of pension age the amount of CTR support is calculated with reference to nationally prescribed regulations<sup>1</sup>.

This means pensioners are protected from any local changes. These same regulations prescribe which people of working age must not be included in a local scheme (regulations 12 & 13) and some general requirements for all schemes (Schedules 7 & 8).

Our present caseload is approximately 35,400 as of January 2019, of which there are 67% (23,860) households of working age and 33% (11,540) of pension age<sup>2</sup>.

At present, the scheme remains 'fully-funded' (and has been so since its introduction in 2013) meaning broadly similar levels of support are given to those of working age compared to those of pension age.

Whilst no political decision has been made as to the level of council tax increases in future years, the medium term financial planning assumes a model of 1.99% in 2020/21. Budget planning will take in to consideration all national and local contexts in determining future budget gaps and alternative income streams. Any proposed changes would be subject to public consultation prior to a formal decision. Any increase in council tax means a similar increase in the amount of funding for CTR if the existing scheme were to remain fully funded.

Options being discussed for an amended working age CTR scheme could range from continuing to fund the scheme fully, a scheme that maintains similar levels of funding but simplifies the CTR scheme by introducing income bands or ignoring small changes in income for those in receipt of UC, or for all households to make a minimum contribution to their council tax bill of (which could be 15% to 20%).

<sup>1</sup> The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (SI 2012/2285)

<sup>2</sup> Northgate CTR625 report Jan 2019

The fully funded options will impact on other services because council expenditure is being reduced in other areas. Workload, complaints and increased footfall at the Citizen Service Point will impact staff.

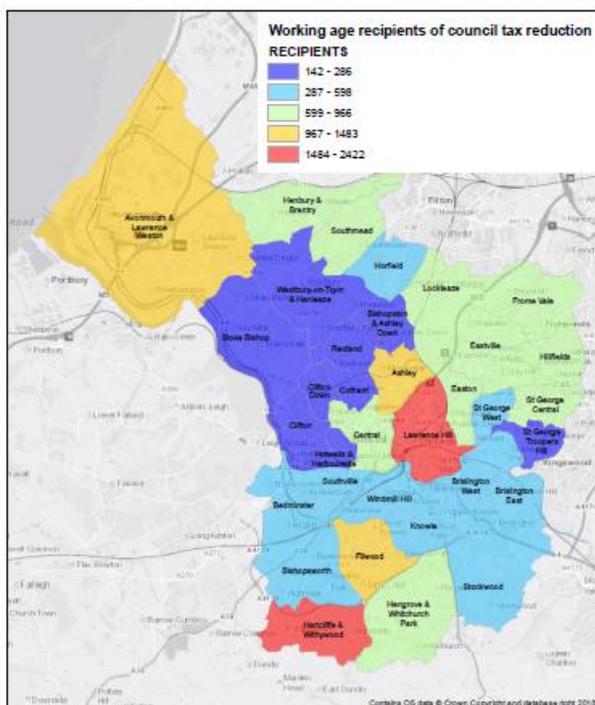
The changes to processing of awards are unlikely to reduce staff numbers in the immediate future. Protection from reductions in funding for households who cannot pay can be met through defining 'vulnerable' groups or including a discretionary fund to make up shortfalls between council tax and CTR.

## Step 2: What information do we have?

Decisions must be evidence-based and involve people with protected characteristics that could be affected. Please use this section to demonstrate understanding of who could be affected by the proposal.

### 2.1 What data or evidence is there which tells us who is, or could be affected?

Our existing CTR claim database provides accurate data as of February 2019<sup>3</sup> on the geographical location, household income, age, disability (if DLA or PIP are in payment), and sex of the claimant, partner and dependant.



**Map 1.** This map shows the distribution of our current working age caseload by ward as the absolute number of recipients per ward (rather than as a percentage of those per ward in receipt of CTR).

The areas most impacted by the proposal are generally more deprived areas of the city and are mainly located towards the centre or on the periphery.

Lawrence Hill and Withywood have the highest (red) number of recipients followed by Ashley, Avonmouth & Lawrence Weston and Filwood (yellow).

### 2.2 Who is missing? Are there any gaps in the data?

Our existing CTR claim database does not hold data on, religious belief/lack of belief, sexual orientation, marriage/civil partnerships, pregnancy/maternity, gender reassignment or disability (however it does show if a disability related benefit is in payment).

Some limited data is held on ethnicity but this is of poor quality due to the low response rates to equality questions asked on the CTR application form.

<sup>3</sup> Northgate CTR625 report 18 March 2019 – mapping data by postcode of recipients

We do hold geographical location data for our current CTR claim database and we have been able to use census and other data to help fill the gaps in CTR data.

The assumption has been made (on a very local level at least) that protected characteristics will be evenly distributed across income groups within areas where there is no specific CTR information (for example, race, religion and belief).

### **2.3 How have we involved, or will we involve, communities and groups that could be affected?**

Any changes to the scheme are subject to a 8 week public and Voluntary and Community Sector (VCS) consultation.

During the 2017 consultation we also made specific approaches to organisations and fora that represent households with protected characteristics and in addition, members representing all wards were invited to attend workshops on the proposals in March 2017.

This included representation from some of the most affected wards as well as members of the various scrutiny commissions. It is likely that a similar approach would be taken for any consultation in 2019.

### **Step 3: Who might the proposal impact?**

Analysis of impacts on people with protected characteristics must be rigorous. Please demonstrate your analysis of any impacts in this section, referring to all of the equalities groups as defined in the Equality Act 2010.

#### **3.1 Does the proposal have any potentially adverse impacts on people with protected characteristics?**

Yes, those working age people on low incomes who currently pay no Council Tax because they receive 100% CTR may now be asked to pay a minimum fixed percentage of their liability (this percentage may also vary depending on income).

If those with a particular protected characteristic are overrepresented within the low-income working age group then any change to the scheme is likely to have an adverse impact upon this group.

It is important to bear in mind that not every low-income household of working age will be affected by any changes because not every person in this group will have a Council Tax liability.

Changes to the local CTR scheme may affect those with protected characteristics who are liable for council tax in the following ways:

#### **1. Age**

If our scheme ceases to be fully funded then there are likely to be large differences between the support allowed for pensioner and working age cases. There is an exemption in the Equality Act<sup>4</sup> which exempts us from the differential treatment of those of pension age by the CTR regulations.

There is no exemption<sup>5</sup>, however, in terms of the locally defined part of our scheme for those of working age.

<sup>4</sup> Equality Act 2010 Schedule 22(1) in relation to part 3 'Services and Public Functions' (CTR is a 'Public Function')

<sup>5</sup> Schedule 18 of the Equality Act 2010 that would apply to the Public Sector Equality Duty in part 11

It is not currently proposed that any changes to our CTR scheme treat any applicant differently due to age within the working age group.

Certain students are already excluded from CTR by our local regulations<sup>6</sup> and it is likely that these will predominantly be younger people (note that many students will already be exempt from Council Tax).

It is unlikely that the rules relating to students would change in an amended scheme and the exclusion of this group this would already have been covered by the EqIA relating to the creation of our local scheme.

## **2. Disability**

Department for Work and Pensions (DWP) official estimates<sup>7</sup> show 18% of working age adults have a disability.

Our local CTR working age scheme of 35,400 households has 8,690 household for which DLA, PIP, or the Support Component of ESA are in payment for either the claimant or the partner<sup>8</sup>.

Using a disability benefit or the support component of ESA as a proxy for 'disability', around 25% of our working age caseload has a disability.

This shows that disability is overrepresented by at least 39% within the working age CTR scheme although as not everyone with a disability will be in receipt of a disability benefit, it is likely that this figures is an underestimate. In addition no data is available on other people in the household (i.e. children or non-dependents).

## **3. Gender reassignment**

We do not hold any data on gender reassignment however there is no reason to suppose that this protected characteristic would be differently distributed across income bands or across the working age CTR caseload as a whole compared to the wider population<sup>9</sup>.

## **4. Marriage and civil partnerships** (note this group is not covered by the Public Sector Equality Duty)

We do not hold any data on marriage and civil partnerships however there is no reason to suppose that this protected characteristic would be differently distributed across income bands or across the working age CTR caseload as a whole compared to the wider population.

## **5. Pregnancy and maternity**

We do not hold any data on pregnancy and maternity however it would be reasonable to assume that this protected characteristic may be overrepresented in our current working age caseload due to the high number of families with children and particularly of female lone parents (see point 8).

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<sup>6</sup> Part 2(24) of our local scheme 'Classes of persons excluded from this scheme: students'

<sup>7</sup> The most recent disability statistics available are for the financial year 2017/18

<https://www.gov.uk/government/statistics/family-resources-survey-financial-year-201718>

<sup>8</sup> Northgate CTR625 report February 2019 for claimant or partner recipients of DLA/PIP or the Support Component of ESA

<sup>9</sup> Note that the government notes that no robust comparison data exists for the UK population

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/721642/GEO-LGBT-factsheet.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/721642/GEO-LGBT-factsheet.pdf)

**6. Race** (note the protected characteristic of race includes colour, nationality and ethnic or national origins)<sup>10</sup>.

Census data from 2011 carries information on the ethnicity of Bristol's residents as shown in table 1 below.

This shows 16% being Black and Minority Ethnic (BME) and 5.1% being white (other than UK or Ireland).

It is likely that the majority of the 5.1% white group is comprised of European nationals as this correlates with table 2 that shows 4.6% with a European (non-UK) and Office for National Statistics) ONS data showing 4.7% of Bristol's population hold an EU passport.

**Table 1. Ethnic Group (KS201EW)**

All Usual Residents	Count	428234	
White; English/Welsh/Scottish/Northern Irish/British	%	77.9	
White; Irish	%	0.9	
White; Gypsy or Irish Traveller	%	0.1	
White; Other White	%	5.1	<b>5.1%</b>
Mixed/Multiple Ethnic Groups; White and Black Caribbean	%	1.7	
Mixed/Multiple Ethnic Groups; White and Black African	%	0.4	
Mixed/Multiple Ethnic Groups; White and Asian	%	0.8	
Mixed/Multiple Ethnic Groups; Other Mixed	%	0.7	
Asian/Asian British; Indian	%	1.5	
Asian/Asian British; Pakistani	%	1.6	
Asian/Asian British; Bangladeshi	%	0.5	
Asian/Asian British; Chinese	%	0.9	
Asian/Asian British; Other Asian	%	1	
Black/African/Caribbean/Black British; African	%	2.8	
Black/African/Caribbean/Black British; Caribbean	%	1.6	
Black/African/Caribbean/Black British; Other Black	%	1.6	
Other Ethnic Group; Arab	%	0.3	
Other Ethnic Group; Any Other Ethnic Group	%	0.6	<b>16%</b>

**Table 2. Country of Birth (KS204EW)**

All Usual Residents	Count	428234
England	%	81.3
Northern Ireland	%	0.4
Scotland	%	1.1
Wales	%	2.4
Ireland	%	0.7
Other EU; Member Countries	%	<b>2.1</b>
Other EU; Accession Countries	%	<b>2.5</b>
Other Countries	%	9.5

<sup>10</sup> Equality Act 2010, part 2(1)(9)

The CTR caseload is estimated to contain 25%<sup>11</sup> of those from BME communities a group which is overrepresented within the caseload when compared to the population of Bristol as a whole which is 16%<sup>12</sup>.

Any reductions in support are likely to affect BME citizens disproportionately. Many of those wards that are most affected by the proposal also have more households with a member of a BME community (especially those central wards and those to the inner east of the city).

There is also considerable variability on a more local level as current census data (2011) shows, the highest BME percentage within a Lower Layer Super Output Area (LSOA) in Bristol is 80% and the lowest is 1%.

Data for CTR caseload regarding European nationals is not available and this area is further complicated by the fact that many European nationals will be excluded by CTR regulations for receiving any support; an exclusion which is exempted by the Equality Act 2010 as explained below.

The part of the prescribed CTR regulations<sup>13</sup> that affect both those of working age and pension age require us to exclude certain persons from CTR because they are either 'persons subject to immigration control' or 'persons treated as not being in Great Britain'.

It is highly likely that European nationals and BME individuals are overrepresented within those excluded from CTR. In addition, the vast majority of those excluded will not be British citizens.

There is an exemption in the Equality Act<sup>14</sup> which exempts us from the differential treatment of those excluded by the CTR regulations.

## **7. Religion and belief** (including a lack of religion/belief)

We do not hold any data on religion and belief for our CTR caseload.

Data from the Office for National Statistics<sup>15</sup> shows the three largest groups in Bristol to be Christian 47%, no religion 37%, and Muslim 5%

**Table 3. Religion (QS208EW)**

All Usual Residents	428234	
Christian	200254	47%
Buddhist	2549	1%
Hindu	2712	1%
Jewish	777	<1%
Muslim	22016	5%
Sikh	2133	<1%
Other Religion	2793	1%
No Religion	160218	37%
Religion Not Stated	34782	8%

<sup>11</sup> Working estimate used by benefits department in the absence of reliable data – see also section 2.2

<sup>12</sup> As per previous tables

<sup>13</sup> (part 2(12)&(13) of SI 2012/2885 and incorporated into our local scheme as part 5 (21)&(22)

<sup>14</sup> Equality Act 2010 Schedule 22(1) in relation to part 3 'Services and Public Functions' (CTR is a 'Public Function')

<sup>15</sup> Percentage column added – remaining data from ONS as of Mar 2011

By LSOA we see the considerable variation for the top three groups by 2011 Census data as follows<sup>16</sup>:

Christian	20% to 99%
No religion	15% to 58%
Muslim	0% to 16%

The three maps below, maps 2-4 show the distribution within Bristol of these three largest groups within the protected characteristic of 'religion and belief'.

Comparing these with map 1 (distribution of CTR) suggests a correlation between areas with high proportion of Muslim residents and high CTR demand (central areas) but also high demand in some peripheral areas where there are high proportions of Christians or those with no religion.

Whilst it is clear that CTR will affect areas with different proportions of the groups that make up the protected characteristic of 'religion and belief', it is unclear without further research whether any one group will be disproportionately affected.

To do this, we would need to compare the overall percentages of these three groups across Bristol with those within the CTR scheme.

**Map 2.** Distribution of % Christian residents of Bristol from 2011 Census data (the darker the colour the greater the value).



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**Map 3.** Distribution of % 'no religion' residents of Bristol From 2011 Census data (the darker the greater the value)



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**Map 4.** Distribution of % Muslim residents of Bristol From 2011 Census data (the darker the colour the greater the value)



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## 8. Sex

Whilst the split between claims for single people of working age without children is roughly equal (6,715 men and 5,852 women), women make up over 95% of the 8040 single parent households in our current caseload (7664 women, 376 men)<sup>17</sup> (this is higher than the average for the South West of 84.7% in 2017<sup>18</sup>).

Single parents make up 8,040 of the households currently receiving CTR and the majority of those (4,169)<sup>19</sup> receiving CTR based on income-related benefit.

<sup>17</sup> Northgate CTR625 report February 2019

<sup>18</sup> Office for National Statistics most recent data 2017

<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/adhocs/008423/estimatednumberofmaleandfemaleloneparentfamiliesbyregionsofenglandandukconstituentcountries1996to20>

<sup>17</sup>

<sup>19</sup> Northgate CTR625 report February 2019

Overall single female claimants (with or without children) make up 55% (13,060) of the CTR working age caseload (23,860) and a further 4,200 females will be receiving CTR a member of a couple<sup>20</sup>.

Therefore, women on low incomes would be disproportionately affected by any changes to the working age CTR scheme.

### **9. Sexual orientation**

We do not hold any data on sexual orientation however there is no reason to suppose that this protected characteristic would be differently distributed across the working age CTR caseload as a whole compared to the wider population<sup>21</sup>.

### **3.2 Can these impacts be mitigated or justified? If so, how?**

#### **Justification:**

On the basis of overall cost savings

Continuing to fully fund the CTR scheme may be unaffordable since the cost of the scheme is projected to rise to £43.2 million by 2010/21<sup>22</sup>.

We are presently the only Core City who runs a fully-funded scheme (a scheme which offers up to 100% discount). Other Core Cities have a provision for a minimum amount of Council Tax to be paid.

Changes to the scheme could generate savings of £5.9 million (gross)<sup>23</sup>.

#### **Mitigation:**

Timely communication well in advance of the change would give affected citizens time to prepare and budget for increased payments of council tax.

Considering increasing the capacity/funding for existing debt advice in anticipation of increased demand.

Section 13A(1)(c) of part 1 of the Local Government Finance Act 1992 gives a billing authority the discretion to reduce (or further reduce if CTR has already been awarded) the amount of Council tax which a person is liable to pay as it sees fit (this includes the power to reduce an amount to nil).

Our present scheme Part 3(11) requires an application to me made for a reduction under 13A(1)(c). Once an application has been made, we could consider each case of hardship on its own merits.

<sup>20</sup> Ibid. Note single female claimants 12,752 (corrected to 13,060 by further filtering by title field Ms. Miss, Mrs. in case where sex of claimant field blank), single male claimants 6,434, couples with male claimant 2,068, couples with female claimant 11,390 (note figures don't quite match caseload of 23856 as sex of claimant/partner data has blank fields in some cases)

<sup>21</sup> 2.0% UK population 2017 – source Office for National Statistics

<https://www.ons.gov.uk/peoplepopulationandcommunity/culturalidentity/sexuality/bulletins/sexualidentityuk/2017>

<sup>22</sup> Decision Pathways draft report

<sup>23</sup> Ibid.

### **3.3 Does the proposal create any benefits for people with protected characteristics?**

Compared to a fully-funded scheme no benefits would be created for people with protected characteristics.

We could, however, choose to protect certain 'vulnerable' groups of working age persons from a minimum payment of council tax and maintain the level of discount a fully-funded scheme would have given.

If we protected all those in receipt of disability benefits (DLA and PIP) for example – this would not guarantee that everyone who had a protected characteristic by virtue of disability was protected but everyone we defined as 'vulnerable' would have this protected characteristic.

Similarly, we could decide to protect lone parents with children under a certain age because women are overrepresented within this group.

### **3.4 Can they be maximised? If so, how?**

Yes, assuming there were limited financial resources and providing we decided to protect some 'vulnerable' group/s of working age (from the effects of a changes scheme) then people then it would be possible to maximise the group/s with the highest proportion of those with protected characteristics.

For example, if we chose to protect those in receipt of DLA or PIP then we could be sure that 100% of that group would have the protected characteristic of disability even though not everyone who is disabled receives DLA or PIP.

#### **Step 4: So what?**

The Equality Impact Assessment must be able to influence the proposal and decision. This section asks how your understanding of impacts on people with protected characteristics has influenced your proposal, and how the findings of your Equality Impact Assessment can be measured going forward.

### **4.1 How has the equality impact assessment informed or changed the proposal?**

There will be a negative effect if the scheme moves from fully funded. This is unavoidable because some protected characteristics are disproportionately represented in the overall group of those of working age with low incomes.

The discretion to reduce council tax liability given by section 13A(1)(c) of the Local Government Finance Act 1992<sup>24</sup> should ensure that there is a remedy for cases where hardship is likely to result.

Should we move away from the fully funded scheme we could consider developing (and publicising) our section 13A(1)(c) council tax discount discretion in a similar way to our current Discretionary Housing Payment scheme which seeks to mitigate (for those in receipt of Housing Benefit) cases of severe hardship resulting from welfare reform.

<sup>24</sup> <http://www.legislation.gov.uk/ukpga/1992/14/contents>

**4.2 What actions have been identified going forward?**

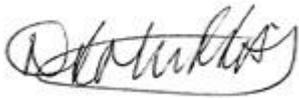
Timescales: Key decisions:

- CMB Report (Steer) (1<sup>st</sup> April 2019)
- EDM Report (10<sup>th</sup> April 2019)
- CMB Report (15<sup>th</sup> April 2019)
- Cabinet Report (Political Cabinet) (23<sup>rd</sup> April 2019)
- Cabinet Report (2<sup>nd</sup> July 2019)
- **Public consultation period (22<sup>nd</sup> July to 15<sup>th</sup> September 2019) if needed**

**4.3 How will the impact of your proposal and actions be measured moving forward?**

The CTR scheme is subject to an annual review and may be amended if required (subject to prescribed consultation periods and deadlines being met).

Service Director Sign-Off:



Date: 26/4/19

Equalities Officer Sign Off:



Duncan Fleming

Date: 9/4/2019