

Equalities Impact Assessment: Full Assessment

Before completing this form you should have completed an Equalities Screening Tool and had sign off from your Head of Service and the Fairness and Equality Team.

This Equality Impact Assessment should be completed where the Screening Tool identifies a potentially negative impact on one or more specific groups but it can also be used to highlight positive impacts.

Summary of proposal

Name of proposal	Islington's Council Tax Support (CTS) Scheme 2024-2025
Reference number (if applicable)	
Service Area	Community Financial Resilience
Date assessment completed	Oct 2023

Before completing the EQIA please read the guidance and FAQs. For further help and advice please contact equalities@islington.gov.uk.

1. Please provide a summary of the proposal.

Please provide:

- Context on how the service currently operates (if relevant) and the scope of suggested changes
- The intended beneficiaries and outcomes of the proposal
- Reference to any savings or income generation

Council Tax Support Scheme (CTSS) 2024/25

People on low incomes who cannot pay their Council Tax bill can receive council tax support (CTS) to help them.

As part of the Spending Review 2010, the Government announced that expenditure allocated to this localised scheme would be reduced by 10% from the subsidy previously provided for council tax benefit and any increase in expenditure above what is forecast by The Department for Communities and Local Government (DCLG) from that point on must be funded locally by the Council. In 2013/14, the council received in the region of £2.9 million less to give out in support to claimants. This meant the council had to make savings or increase income to fund the shortfall. The Government also stipulated that people of pension credit age must be protected, which meant that the CTS reduction was directed exclusively at working age claimants and would have meant a reduction of around 18%-20% if the cuts were shared in equal proportions across all working age claimants. Originally, the Council chose to make up for this shortfall by introducing a standard reduction to all Council Tax Support recipients of 8.5%, by taking up the Government's offer of a temporary transitional grant and reducing the level of discounts that those with empty properties could apply for. The Government has subsequently withdrawn any transitional grant but the Council had decided to maintain the original level of support it provides to its CTS residents and funded this additional support wholly from its own funds. In 2022/23 the Council increased support for working age households by reducing the standard reduction to all Council Tax Support working age recipients to 5%.

Current scheme retained into 2024/25

Maintaining the current scheme into 2024/25 would increase costs from £31.44m to £35.54m, an increase of £4.10m or 13.04%. The 2024/25 scheme was modelled with a 4.99% increase in council tax liability in 2023/24 and 2024/25. 40% of households on legacy benefits were migrated to Universal Credit. The large increase in costs is driven by the CT increase and benefit uprating of 10.1% for 2023/24 and 5.4% for 2024/25 (based on projected CPI inflation figures).

The aims and principles of the Council Tax Scheme (CTSS) as follows:

The changes to the CTSS scheme only apply to working age households, households of pension credit age have protection prescribed in the Local Government Finance Act 1992 (as amended). The council tax reduction shall be assessed in accordance with the provisions of that Act.

A person or persons with a council tax liability on 1 April 2024 and of state pension age or over

Please provide:

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shall be entitled to a minimum reduction of £100 per annum, unless the council tax liability is less than this, in which case it shall match the annual council tax liability.

Working Age CTSS new proposal

To introduce a banded scheme for working age households which will reflect the changing welfare benefits system, with more working age households moving onto Universal Credit the new scheme will reduce the many changes in CTSS entitlement for those households with variable earnings, reducing the volume of updated council tax bills and payment plans.

The Council is conducting this review at a time when we know many of our households are struggling with the impact of the cost-of-living crisis, although financial challenge is not new for many of these households. It is our intention to target resources at those most in need, including assessing the potential for a 100% discount for our most financially vulnerable working age households. The new scheme will increase or maintain support for our most financial vulnerable households but would also mean around 2% of current recipients would no longer receive support.

A person or persons not entitled to protection under class 1 who would be entitled to council tax benefit CTB based on the Regulations at 31 March 2013 will receive a maximum level of council tax support based on the net earned income of the applicant and their partner, if they have one, accounting for any children and the Income Band that they fall into, as per table 1 below.

Earned income will be calculated net of income tax, national insurance and 100% of pension contributions, there will be no other deductions.

Persons in receipt of Universal Credit will have their earned income calculated using the earnings verified on the Universal Credit award notification.

Please provide:

- Context on how the service currently operates (if relevant) and the scope of suggested changes
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Weekly earnings

Band	Single with no children	Single with one child / Couple with no children	Single with two children or more / Couple with one child	Couple with two children or more	Discount
1	Passported, not working	Passported, not working	Passported, not working	Passported, not working	100%
2	£0	£0	£0	£0	95%
3	£1-£25	£1-£65	£1-£105	£1-£145	85%
4	£25.01-£80	£65.01-£120	£105.01-£160	£145.01-£200	75%
5	£80.01-£120	£120.01-£160	£160.01-£200	£200.01-£240	65%
6	£120.01-£160	£160.01-£200	£200.01-£240	£240.01-£280	50%
7	£160.01-£200	£200.01-£240	£240.01-£280	£280.01-£320	35%

Persons who are passported, not working will fall into band 1 and receive 100% discount. Passport benefit means if the person is not working and receiving Personal Independence Payment or Disability Living Allowance, on Universal Credit with limited capability for work and single parents with zero earnings which a child aged under five years.

Note:

Passported Benefit anyone in receipt of one of the following:

- Income Support
- Jobseekers Allowance (income-based)
- Employment and Support Allowance (income-related)
- Universal Credit

Legacy benefits are being replaced by Universal Credit. There are six legacy benefits: Income-based Jobseekers Allowance. Income-related Employment and Support Allowance. Income Support.

Please provide:

- Context on how the service currently operates (if relevant) and the scope of suggested changes
- The intended beneficiaries and outcomes of the proposal
- Reference to any savings or income generation

Persons who do not have any earned income and do not fall into band 1 will be placed in band 2.

Persons who have earned income will be placed into the band in which their weekly net earnings fall.

Persons' earnings will be updated as changes happen, however a new council tax bill will only be issued if a working age households' income changes the band meaning there will be change to their council tax bill within that year.

45.1% of working age households will be passported to 100% support, taking them out of paying any council tax. A further 33.1% will receive 95% support.

An amount of £250k savings are attached to the implementation of a new CTSS for 2024/25. If the recommendation is approved and implemented, we expect the scheme to be simpler to administer, resulting in the saving being achieved through the administration of the scheme and staffing efficiencies. The proposed saving would have no impact on the sums available for the core scheme.

2. What impact will this change have on different groups of people?

Please consider:

- Whether the impact will predominantly be external or internal, or both?
- Who will be impacted – residents, service users, local communities, staff, or others?
- Broadly what will the impact be – reduced access to facilities or disruptions to journeys for example?

The impact of the CTSS will be both internal and external

Please consider:

- Whether the impact will predominantly be external or internal, or both?
- Who will be impacted – residents, service users, local communities, staff, or others?
- Broadly what will the impact be – reduced access to facilities or disruptions to journeys for example?

Internal

Maintaining the current scheme into 2024/25 would increase costs from the current £31.44m to £35.54m, an increase of £4.10m or 13.04%. The large increase in costs is driven by the increase in council tax liability and the benefit uprating through to 2024/25. This scheme would cost £45k more per year than the current scheme in 2024/25. If a banded scheme is approved and implemented, we expect the scheme to be simpler to administer, resulting in the saving being achieved through staffing efficiencies. The proposed saving would have no impact on the sums available for the core scheme.

External

Persons Working age residents entitled to council tax support who are in receipt of a passported benefit, not working will fall into band 1 and receive 100% discount.

Passported, not working means those on legacy benefits receiving Personal Independence Payment or Disability Living Allowance, on Universal Credit with limited capability for work and single parents with zero earnings which a child aged under five years.

Persons who do not have any earned income and do not fall into band 1 will be placed in band 2.

Persons who have earned income will be placed into the band in which their weekly net earnings fall.

Persons' earnings will be updated as changes happen, however a new council tax bill will only be issued if a working age households' income changes the band meaning there will be change to their council tax bill within that year.

45.1% of working age households will be passported to 100% support, taking them out of paying any council tax. A further 33.1% will receive 95% support.

3. What impact will this change have on people with protected characteristics and/or from disadvantaged groups?

This section of the assessment looks in detail at the likely impacts of the proposed changes on different sections of our diverse community.

3A. what data have you used to assess impacts?

Please provide:

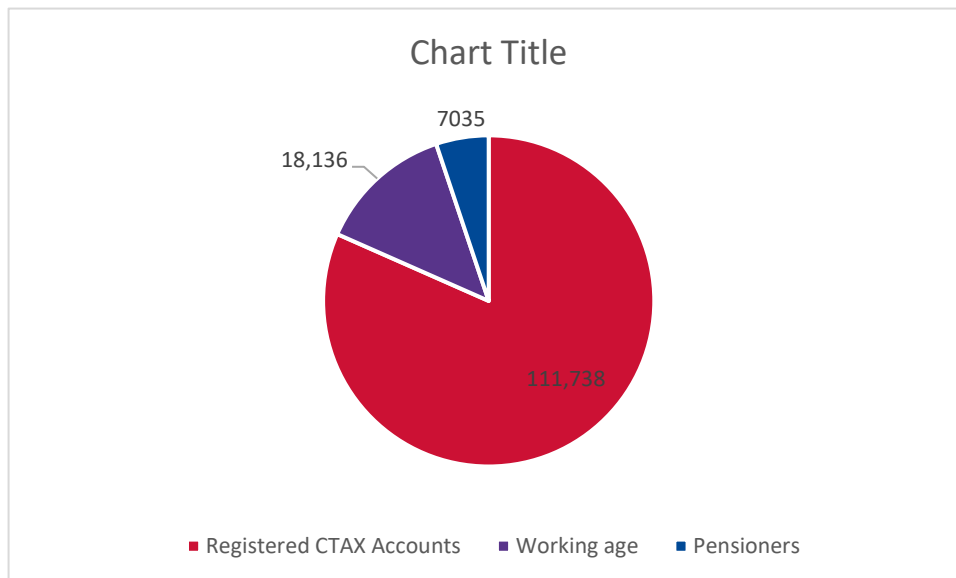
- Details of the evidence used to assess impacts on people with protected characteristics and from disadvantaged groups (see guidance for help)
- A breakdown of service user demographics where possible
- Brief interpretation of findings

To complete this analysis I have used the following information

- State of Equalities in Islington – Annual Report 2022

All Services Report – NEC Revs & Benefits System

Population: The number of registered accounts for council tax is over 111,738. The number that are in receipt of council tax support is 25,188 of which is 18,136 working age households.

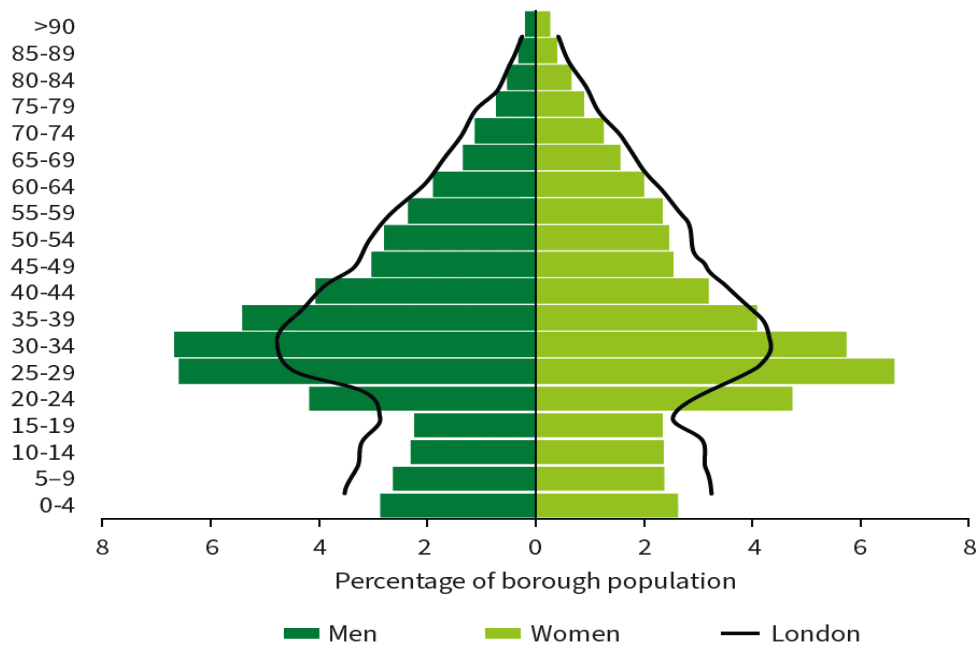


Age: Within Islington the resident population by age and sex is as below:

Please provide:

- Details of the evidence used to assess impacts on people with protected characteristics and from disadvantaged groups (see guidance for help)
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- Brief interpretation of findings

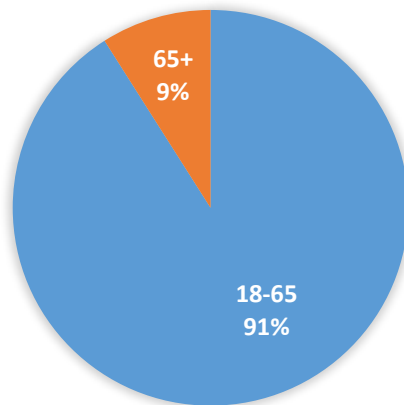
Resident population of Islington, by sex and age group 2022 estimates



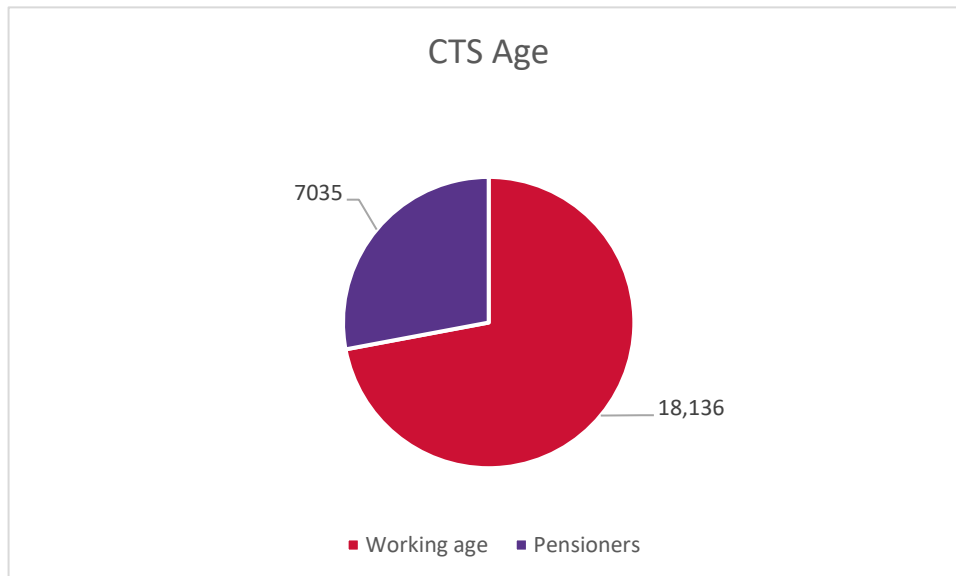
Please provide:

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ISLINGTON POPULATION BY AGE GROUP



CTS by age



The policy change will only impact the working age households.

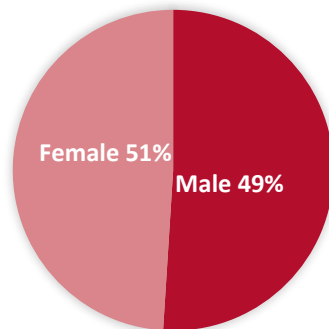
Gender:

Please provide:

- Details of the evidence used to assess impacts on people with protected characteristics and from disadvantaged groups (see guidance for help)
- A breakdown of service user demographics where possible
- Brief interpretation of findings

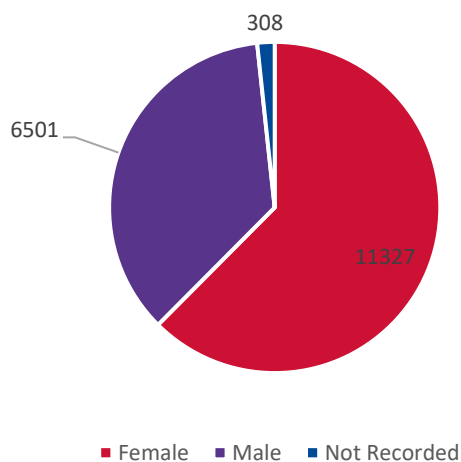
The gender of Islington residents is as follows

ISLINGTON TOTAL POPULATION BY GENDER



The Gender of those receiving CTS is as below:

Gender

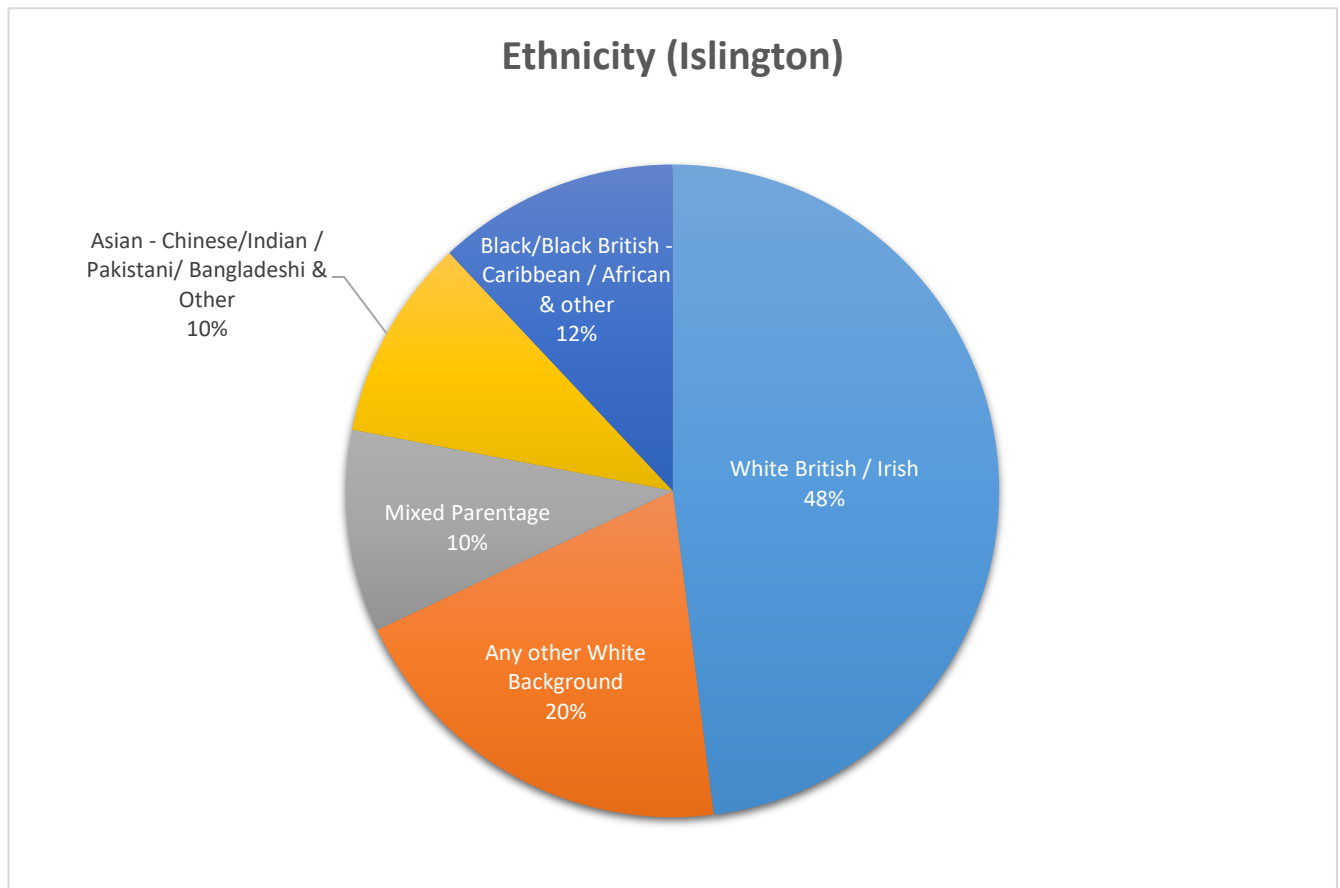


Please provide:

- Details of the evidence used to assess impacts on people with protected characteristics and from disadvantaged groups (see guidance for help)
- A breakdown of service user demographics where possible
- Brief interpretation of findings

Ethnicity

The Ethnicity of the population of Islington is as follows



The Ethnicity of those receiving a CTS is as follows:

Please provide:

- Details of the evidence used to assess impacts on people with protected characteristics and from disadvantaged groups (see guidance for help)
- A breakdown of service user demographics where possible
- Brief interpretation of findings

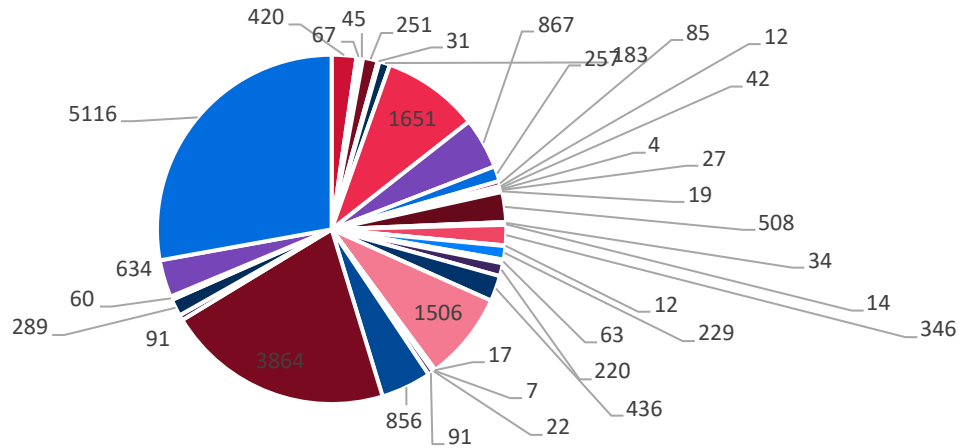
Ethnicity	Number recorded Working Age CTS recipients
Asian or Asian British: Bangladeshi	420
Asian or Asian British: Indian	67
Asian or Asian British: Pakistani	45
Asian or British : Any other Backgrnd	251
BANLADESH	31
BLACK	183
Black-Black British:African	1651
Black-Black British:Caribbean	867
Black-Black British:Other	257
CARIBBEAN	85
CHINESE	12
Chinese: Chinese	42
Chinese: Filipino	4
Chinese: Other	27
Chinese: Vietnamese	19
EUROPEAN	508
GAELIC	34
GREEK/CYPRIOT	14
INCLUDES MIXED PARENTAGE	346
INDIAN	12
Mixed :Any other mixed background	229
Mixed: White and Asian	63
Mixed: White and Black African	220
Mixed: White and Black Caribbean	436
NOT KNOWN	1506
OTHER ASIAN	17
PAKISTANI	7
TURKISH	22
TURKISH/CYPRIOT	91
White: Any other White background	856
White: British	3864
White: Greek / Greek Cypriot	91
White: Irish	289

Please provide:

- Details of the evidence used to assess impacts on people with protected characteristics and from disadvantaged groups (see guidance for help)
- A breakdown of service user demographics where possible
- Brief interpretation of findings

White: Kurdish	60
White: Turkish / Turkish Cypriot	634
BLANKS(not recorded)	5116

Number recorded Working Age CTS recipients



- Asian or Asian British: Bangladeshi
- Asian or British : Any other Backgrnd
- Black-Black British:African
- CARIBBEAN
- Chinese: Filipino
- EUROPEAN
- INCLUDES MIXED PARENTAGE
- Mixed: White and Asian
- NOT KNOWN
- TURKISH
- White: British
- White: Kurdish
- Asian or Asian British: Indian
- BANLADESH
- Black-Black British:Caribbean
- CHINESE
- CHINESE
- GAELIC
- INDIAN
- Mixed: White and Black African
- OTHER ASIAN
- TURKISH/CYPRIOT
- White: Greek / Greek Cypriot
- White: Turkish / Turkish Cypriot
- Asian or Asian British: Pakistani
- BLACK
- Black-Black British:Other
- Chinese: Chinese
- Chinese: Vietnamese
- GREEK/CYPRIOT
- Mixed :Any other mixed background
- Mixed: White and Black Caribbean
- PAKISTANI
- White: Any other White background
- White: Irish
- BLANKS(not recorded)

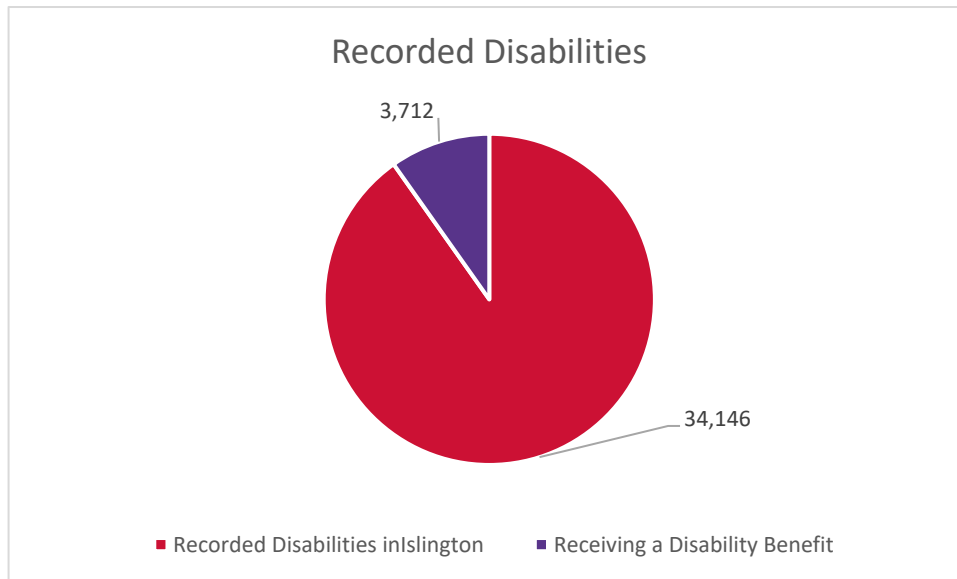
Please provide:

- Details of the evidence used to assess impacts on people with protected characteristics and from disadvantaged groups (see guidance for help)
- A breakdown of service user demographics where possible
- Brief interpretation of findings

Disability

Within Islington population 14% of residents have a recorded disability.

For those receiving council tax support and in receipt of a disability benefit

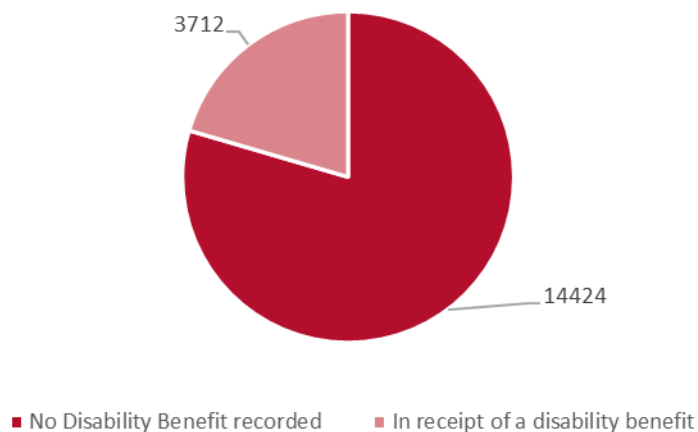


CTS with a disability

Please provide:

- Details of the evidence used to assess impacts on people with protected characteristics and from disadvantaged groups (see guidance for help)
- A breakdown of service user demographics where possible
- Brief interpretation of findings

Disability Benefit



3B: Assess the impacts on people with protected characteristics and from disadvantaged groups in the table below.

Please first select whether the potential impact is positive, neutral, or negative and then provide details of the impacts and any mitigations or positive actions you will put in place.

Please use the following definitions as a guide:

Neutral – The proposal has no impact on people with the identified protected characteristics

Positive – The proposal has a beneficial and desirable impact on people with the identified protected characteristics

Negative – The proposal has a negative and undesirable impact on people with the identified protected characteristics

Characteristic or group	Positive/Neutral/Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced?
Age	Positive	<p>Pension age household will not be impacted by this change.</p> <p>The minimum age for receiving CTS is linked to the minimum age for being liable for council tax which is 18 so residents younger than this will not be affected.</p> <p>Working age applicants currently falling in the protected category will receive 100% support which is an increase in their current level of support.</p> <p>For the remainder of the working age caseload the change could be a positive change if their income falls within the bands.</p>	<p>Only net earned income will be used in the calculation which will be net of income tax, national insurance and 100% of pension contributions. All other income including all benefits will be disregarded for the purposes of the CTSS other than passporting you to either band one or band two. For the 2% of households that will not be entitled to CTS or for any households that drop off of CTS beyond April 2024, we will engage with these households to provide income maximization and various cost of living advice.</p>

Characteristic or group	Positive/Neutral/Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced?
Disability (include carers)	Positive and Negative	<p>The current scheme provides a maximum CTS of up to 95% for households falling the protected category this proposal will see their CTS increased to 100%</p> <p>Many of the households will fall into the protected category.</p> <p>Those that are working and receiving disability benefit might see their council tax reduced from 95% to one of the lower bands.</p>	<p>Only net earned income will be used in the calculation which will be net of income tax, national insurance and 100% of pension contributions. All other income including all benefits will be disregarded for the purposes of the CTSS other than passporting you to either band one or band two. For the 2% of households that will not be entitled to CTS or for any households that drop off of CTS beyond April 2024, we will engage with these households to provide income maximization and various cost of living advice.</p>

Characteristic or group	Positive/Neutral/Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced?
Race or ethnicity	Neutral	The proposed change is not specifically targeted at this group.	
Religion or belief (include no faith)	Neutral	The proposed change is not specifically targeted at this group.	

Characteristic or group	Positive/Neutral/Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced?
Gender and gender reassignment (male, female, or non-binary)	Neutral	The proposed change is not specifically targeted at this group.	
Maternity or pregnancy	Neutral	The proposed change is not specifically targeted at this group.	

Characteristic or group	Positive/Neutral/Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced?
Sex and sexual orientation	Neutral	The proposed change is not specifically targeted at this group.	
Marriage or civil partnership	Neutral	The proposed change is not specifically targeted at this group.	

<p>Other Age (e.g. elderly) (e.g. people living in poverty, looked after children, people who are homeless or refugees)</p>	<p>Positive and Negative</p>	<p>The change to the CTSS is for working age only. Passported households on legacy benefits receiving PIP/DLA, households on Universal Credit with limited capability for work and single parents with a child under five into a 100% discount band. 45.1% of all households will receive 100% support taking them out of paying any council tax. Jobseekers are placed in band 2 with a 95% discount. Earnings override passported status. 33.1% of households will receive 95% support which is either the same or higher than they currently receive. The remaining 21.8% of households will be placed into a band based on the level of their net earnings. 2% of households will no longer be eligible for CTS.</p> <p>Pension age household will not be impacted by this change.</p>	<p>Only net earned income will be used in the calculation which will be net of income tax, national insurance and 100% of pension contributions. All other income including all benefits will be disregarded for the purposes of the CTSS other than passporting you to either band one or band two. For the 2% of households that will not be entitled to CTS or for any households that drop off of CTS beyond April 2024, we will engage with these households to provide income maximization and various cost of living advice.</p>
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4. How do you plan to mitigate negative impacts?

Please provide:

- An outline of actions and the expected outcomes
- Any governance and funding which will support these actions if relevant

Key impacts of the **proposal**:

- Since the Council Tax Support Scheme (CTSS) relates to the distribution of money based on criteria relating to low income then all working age households on low income who are liable for council tax are affected by this proposal.
- The means test for CTS will be that you are passported to a support band based on your benefits or your band will be determined by net earned income.
- For the 2% of households that will not be entitled to CTS or for any households that drop off of CTS beyond April 2024, we will engage with these households to provide income maximization and various cost of living advice.
- There is a welfare scheme available for council tax payers receiving CTS experiencing exceptional hardship. This is part of the Resident Support Scheme and the procedure for application is contained within the detail of the Resident Support Scheme approved by the Council's Executive.
- **Equality impacts** of the proposal:
 - The impact on all working age CTS claimants and potential claimants is that from April 2024 the banded scheme will apply. The impact on pension age CTS claimants is negligible as they have been protected from the proposal.
 - No other impacts specific to people with protected characteristics have emerged during the previous 12 months' operation of the CTS scheme.
 - No complaints or appeals specific to the CTS scheme have been received.

Safeguarding **risks** identified:

None

Potential Human Rights breaches identified:

None

Please provide:

- An outline of actions and the expected outcomes
- Any governance and funding which will support these actions if relevant

5. Please provide details of your consultation and/or engagement plans.

Please provide:

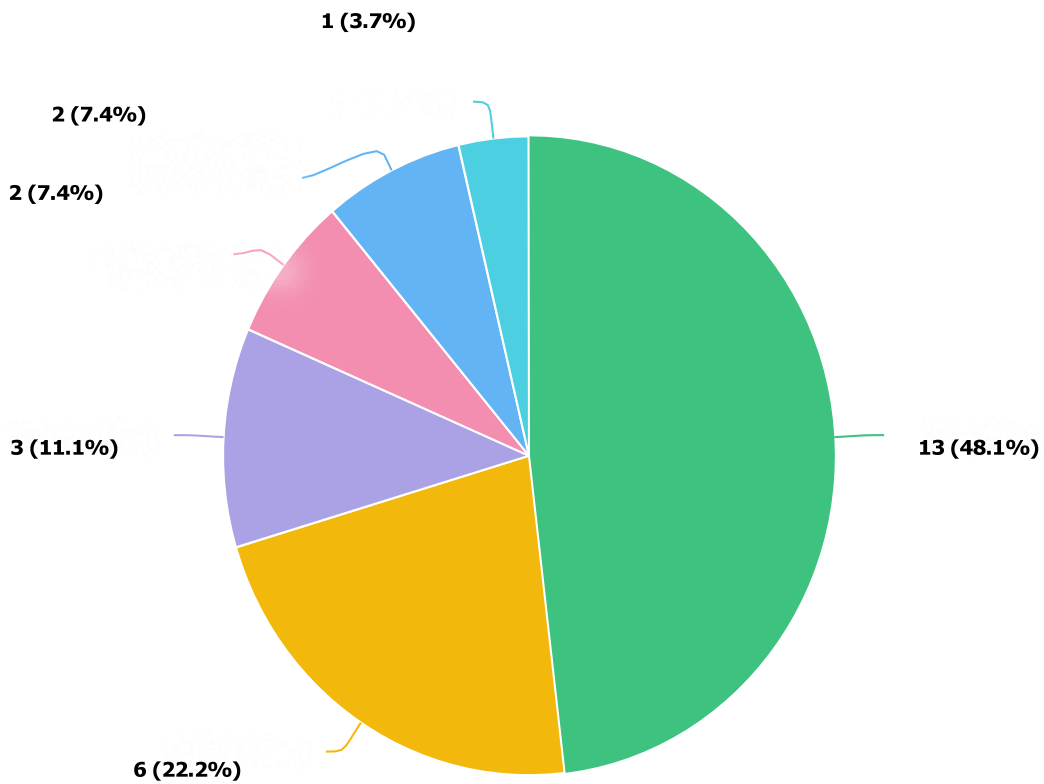
- Details of what steps you have taken or plan to take to consult or engage the whole community or specific groups affected by the proposal
- Who has been or will be consulted or engaged with
- Methods used or that will be used to engage or consult
- Key findings or feedback (if completed)

The proposed changes are designed to reflect the changing welfare benefits system, with more working age households moving on to universal credit. A banded scheme will mean less frequent changes in CTSS entitlement for those households with variable earnings, reducing the volume of updated council tax bills and payment plans.

A public consultation period took place between 18 July 2023 – 11 September 2023. This was an online consultation, advertised on Islington Website, social media Facebook and Twitter, various bulletins. We also sent 2,000 letters to council tax registered account holders, 1,000 were sent to liable council tax accounts and 1,000 to those liable for council tax and in receipt of council tax support.

From the Survey Results, there were 600 visits to the consultation, 57 informed visitors, 428 aware visitors and 27 engaged visitors.

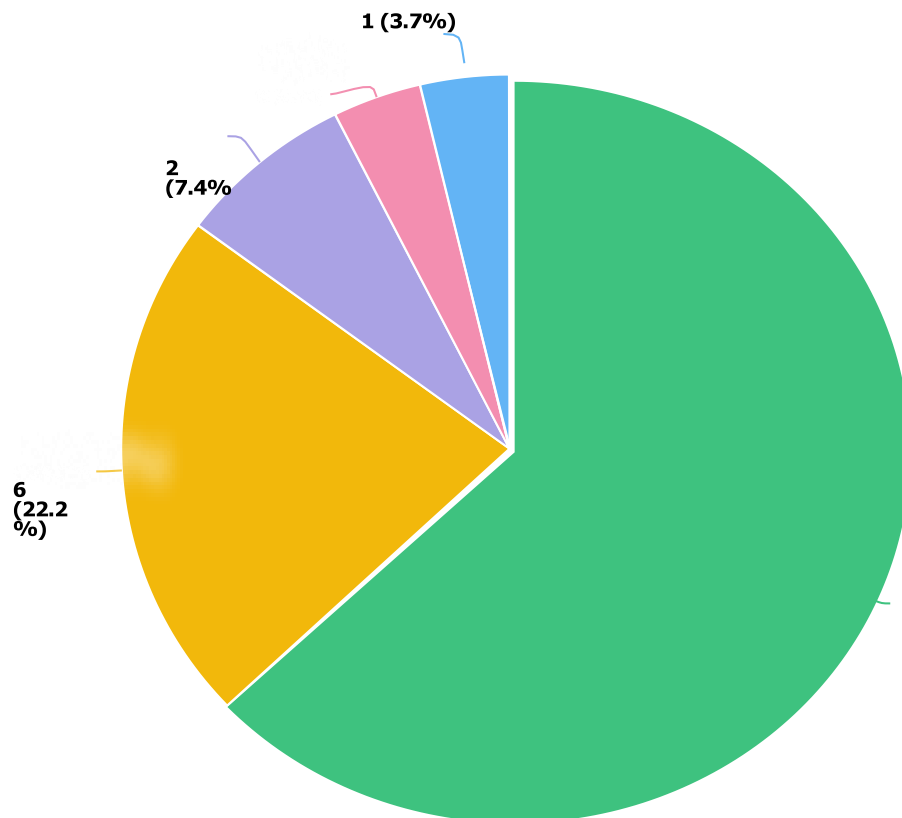
On the level of support for working age households 48.1% strongly agreed with the proposing a new Council Tax Scheme for 2024/25 22.2% agreed.



Question options

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Not sure

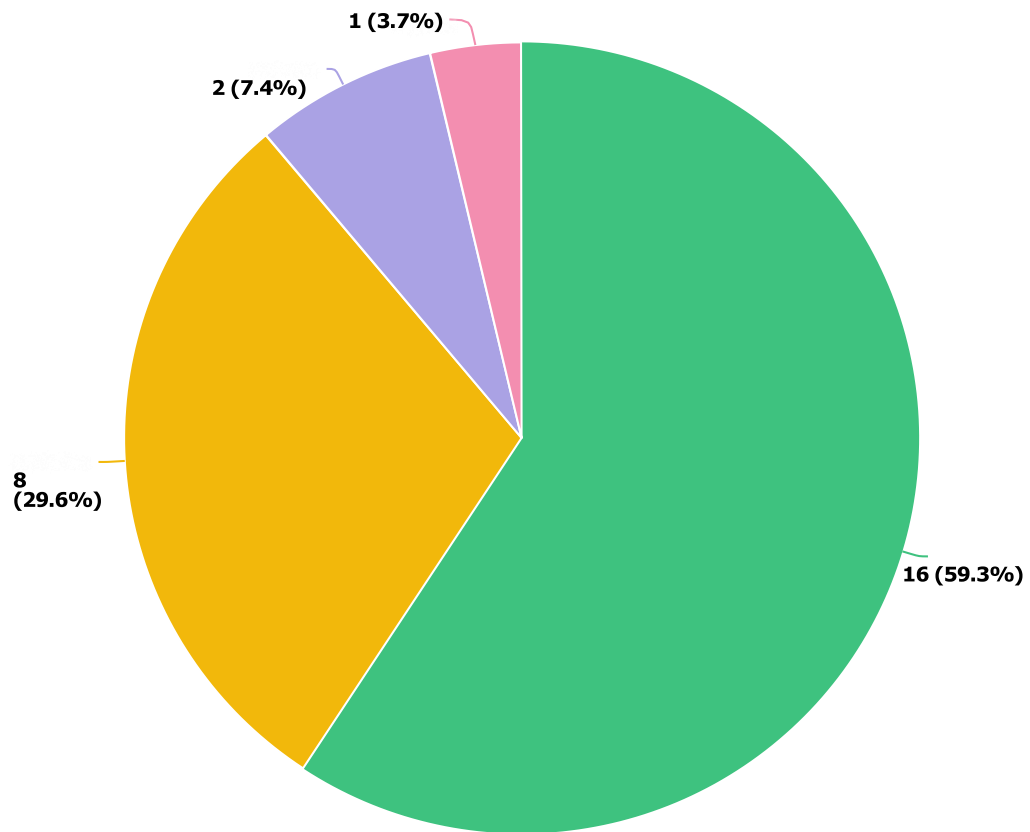
Proposing 100% Council Tax Support covering the entire bill prioritised for households who face barriers to work, such as those with a disability, single parents with children aged under 5 63% strongly agreed with his proposal and 22.2% agreed.



Question options

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

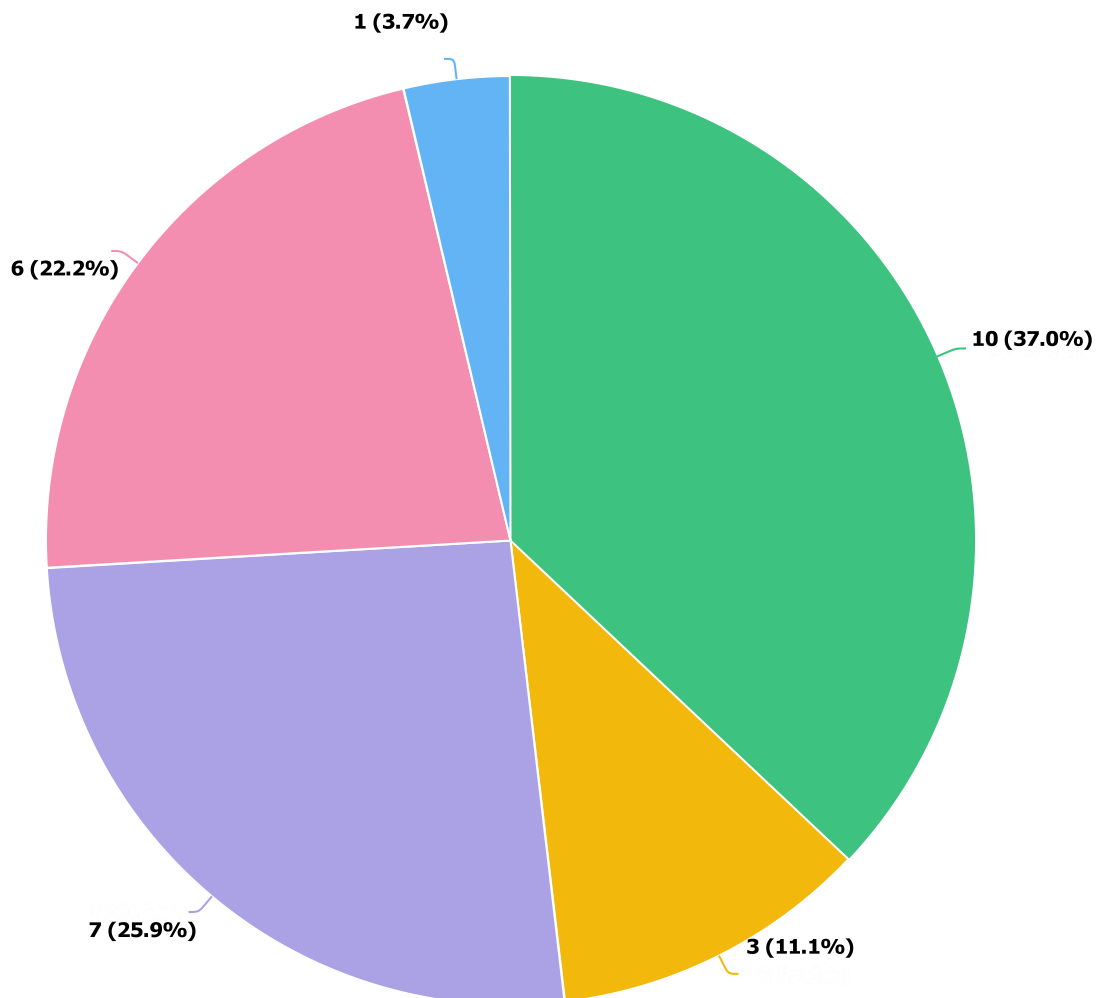
Simplifying the current scheme to reduce the number of in year changes to Council Tax bills for those households who may experience small changes to their income each month, 59.3% strongly agreed, 29.6% agreed.



Question options

- Strongly agree
- Agree
- Neither agree nor disagree
- Strongly disagree

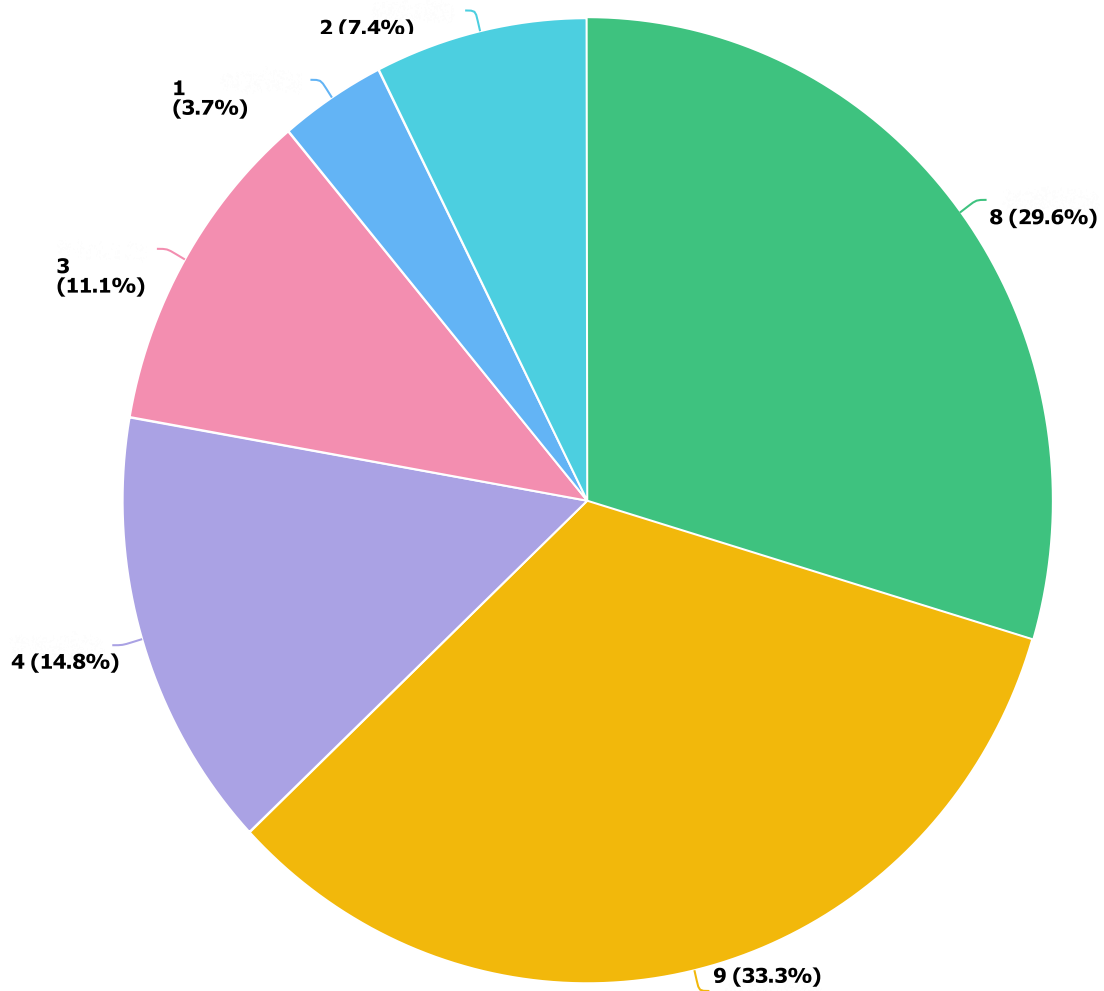
Households with couples and those with children should have a higher earnings allowance for each of the bands than those households who are single or who have no children, 37% strongly agreed, 11.1% agreed 25.9% neither agreed/disagreed.



Question options

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Simplifying the non-dependent deduction to a standard £7.50 deduction for all adults in the household 29.6% strongly agreed, 33.3% agreed 14.8% neither agreed or disagreed.



Question options

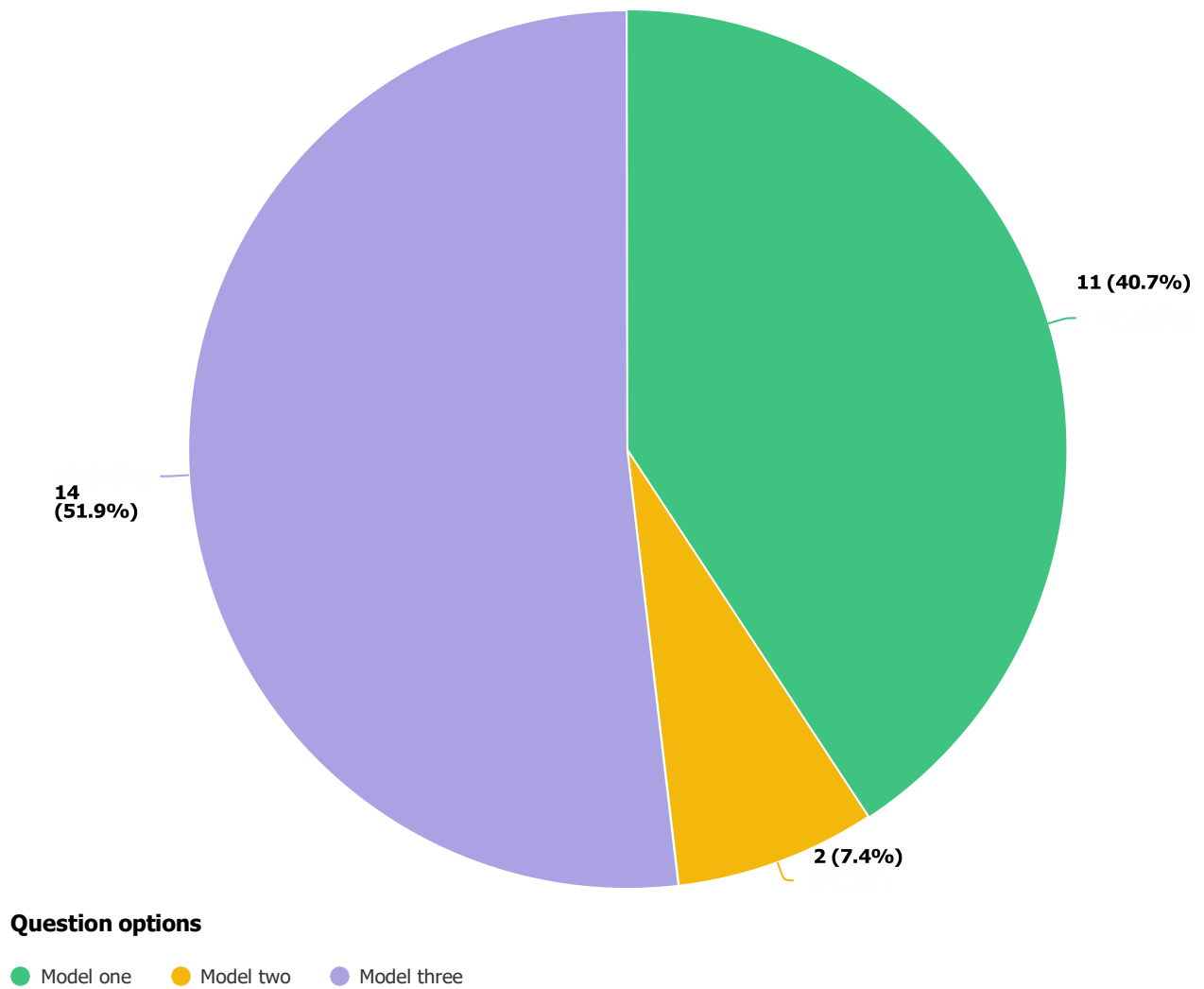
- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Not sure

Preferred Model for Council Tax Scheme for 2024/25

51.39% Model 3

40.7% Model 1

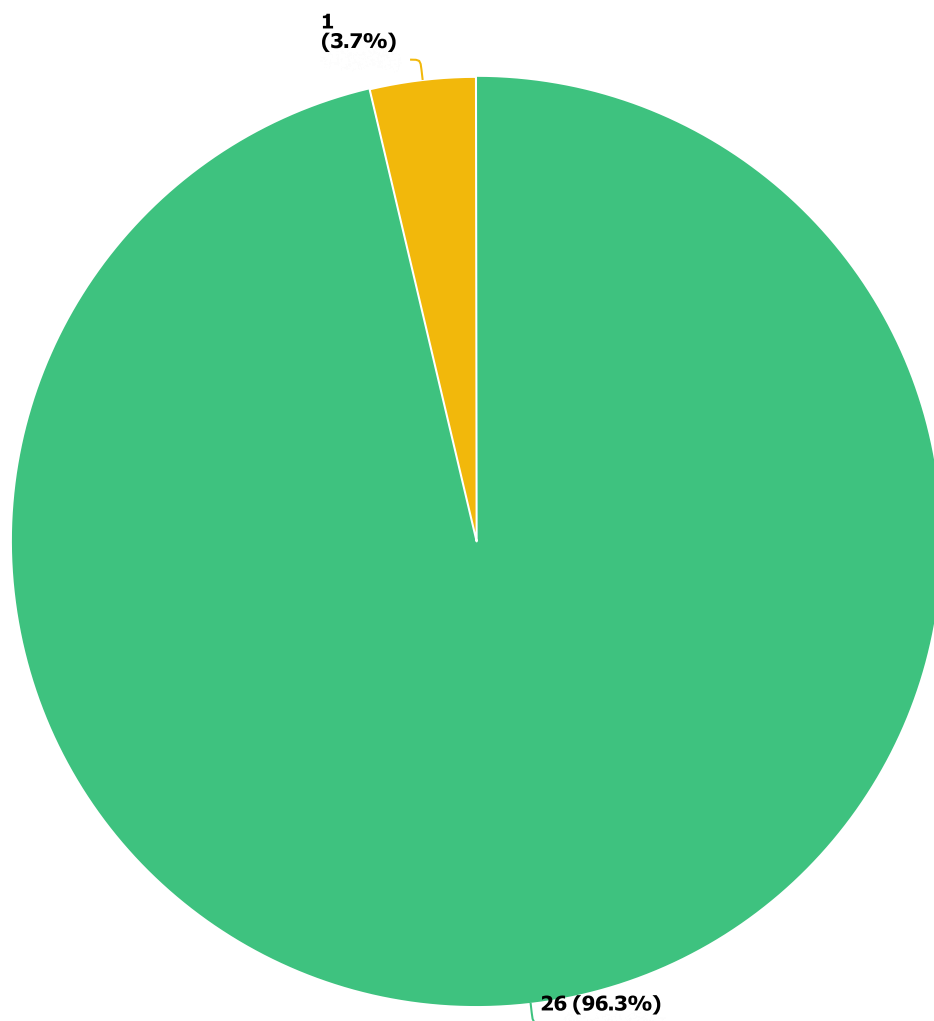
7.4% Model 2



Responses to consultation as an individual or an organisation

96.3% Individual

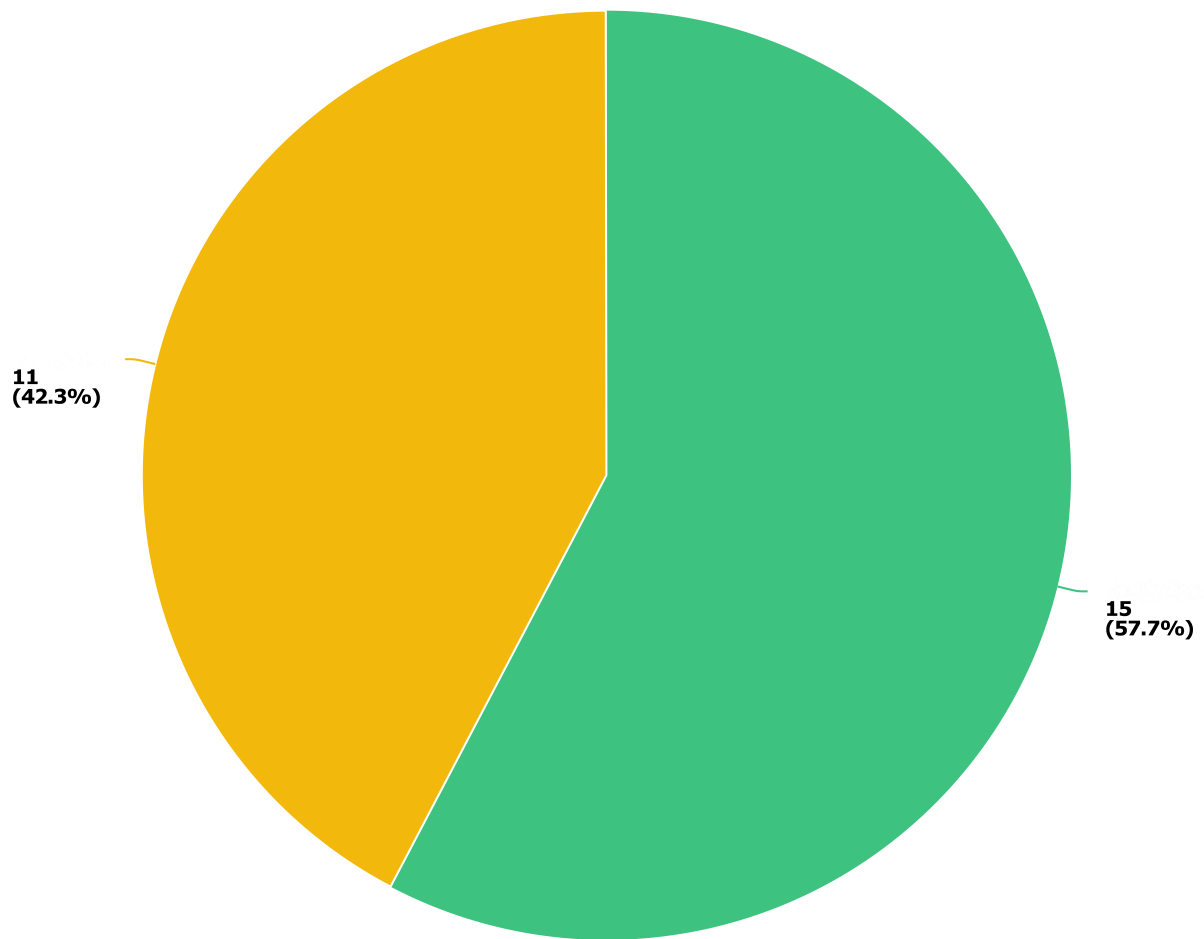
3.7% Organisation



Question options

● An individual ● An organisation

Responses from those that are currently in receipt of Council Tax Support 57.7% are in receipt of Council Tax Support 42.3% are not.



Question options

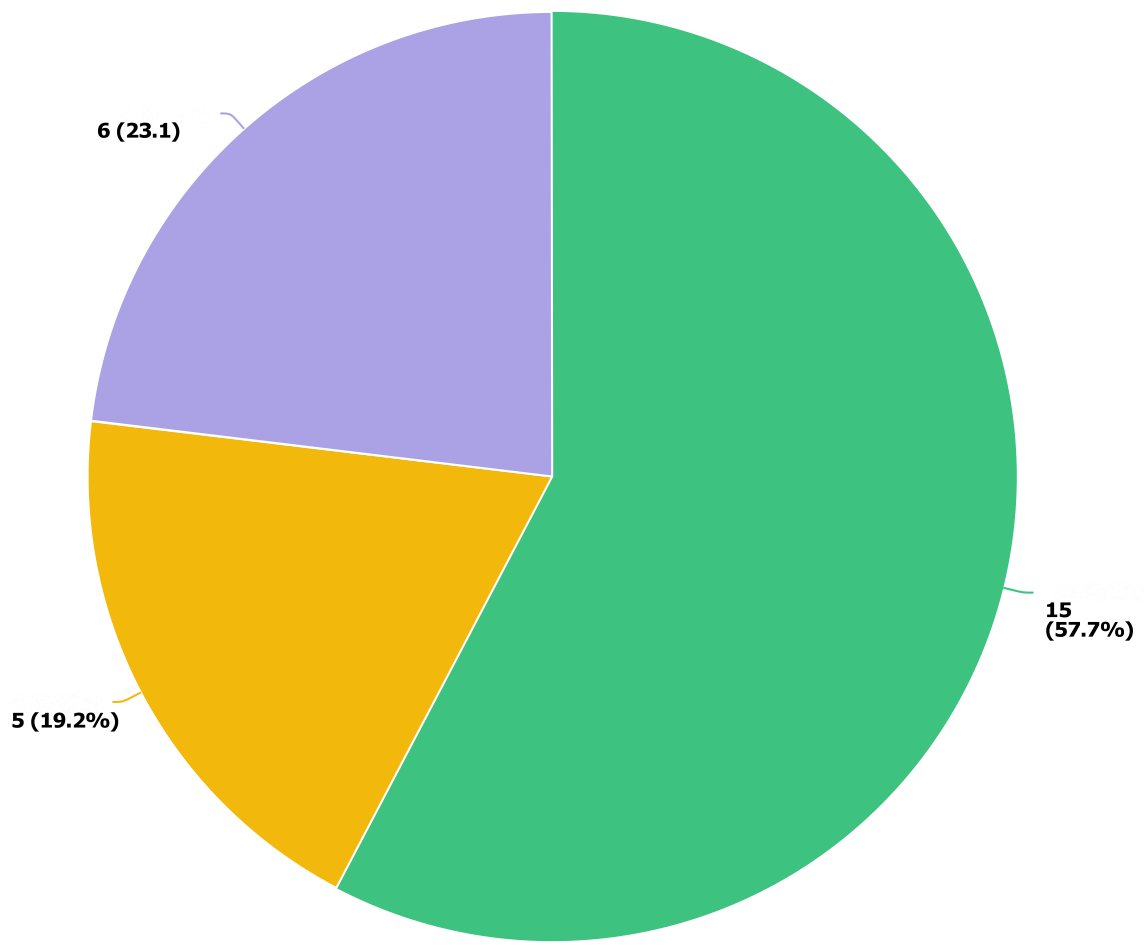
- Yes
- No

Responses from those:

Working Age household 57.7%

State Pension Age household 19.2%

Prefer not to Say 23.10%



Question options

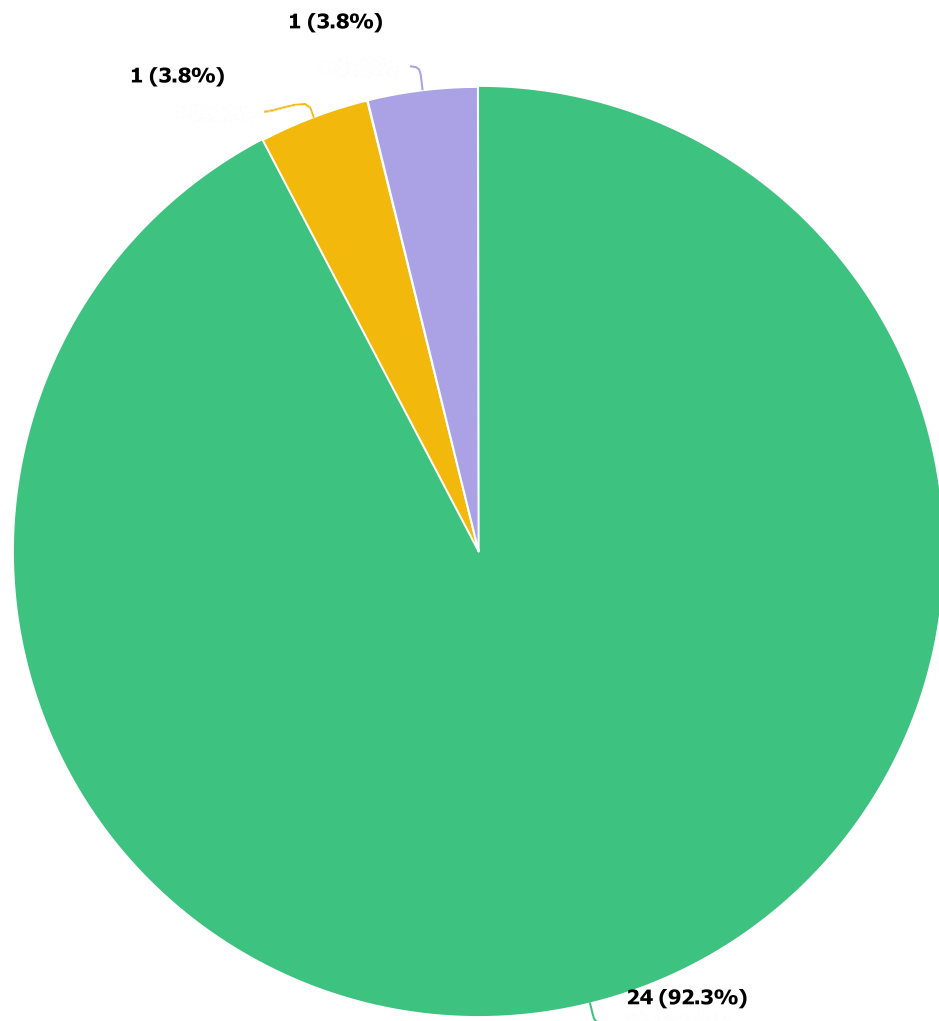
- Working age household
- State pension age household
- Prefer not to say

Responses from those that pay council tax to Islington Council

92.3% Yes

3.8% No

3.8% Do not know/cannot say

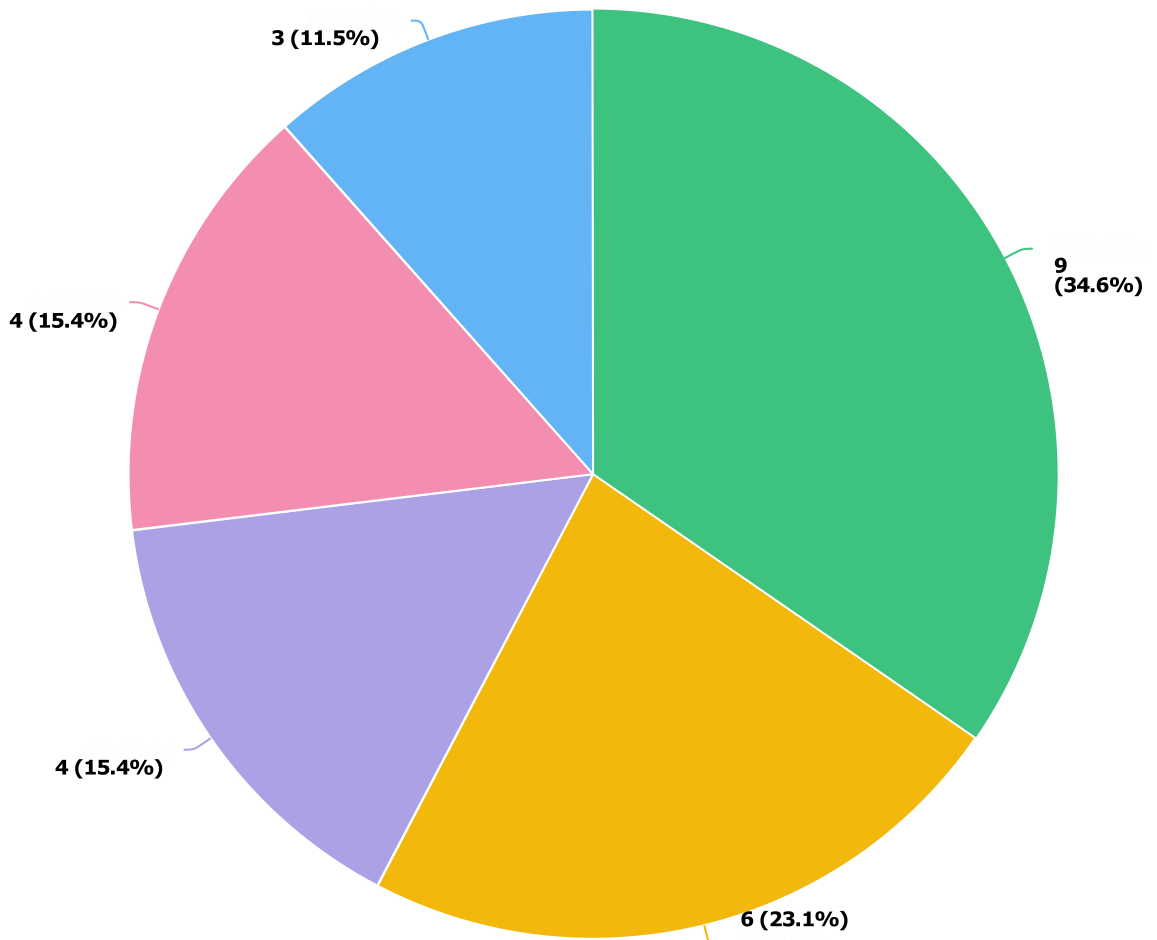


Question options

● Yes ● No ● Do not know/can not say

Current circumstances from those that responded

- 34.6% Working and not in receipt of benefits
- 23.1% Not working and in receipt of benefits
- 15.4% Working and in receipt of benefits
- 15.4% Retired
- 11.5% Other



Question options

- Working, not in receipt of benefits
- Not working and in receipt of benefits
- Working and in receipt of benefits
- Retired
- Other (please specify)

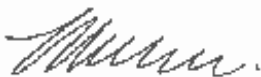
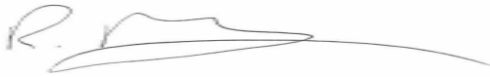
6. Once the proposal has been implemented, how will impacts be monitored and reviewed?

Please provide details in the table below.

Action	Responsible team or officer	Deadline
Initial review of CTS caseload	Robbie Rainbird	Sept 24
Annual review	Robbie Rainbird	Annually 25/26 onwards

Please send the completed EQIA to equalities@islington.gov.uk for quality checking by the Fairness and Equality Team. All Equality Impact Assessments must be attached with any report to a decision-making board and should be made publicly available on request.

This Equality Impact Assessment has been completed in accordance with the guidance and using appropriate evidence.

Member	Name	Signed	Date
Staff member completing this form	Theresa Williams		12 Oct 2023
Fairness and Equality Team	Courtney Stephenson	<i>C Stephenson</i>	4 th December 2023
Director or Head of Service	Robbie Rainbird		23 Oct 2023

