

# Equality Impact Assessment for the temporary refusal of new applications to the Warm Front scheme – 15<sup>th</sup> December 2010

## Executive Summary

1. This Equality Impact Assessment identifies possible positive and negative effects of the temporary refusal of new applications to the Warm Front scheme on different equality groups. These impacts are assessed against a baseline where new applications to the Warm Front scheme would have continued to be accepted, but would not have been processed until new Warm Front funding became available in the next financial year (see Figure 1). The overarching impact of the temporary closure is anticipated to result in a small potential delay in eligible households receiving measures.
2. The scheme will temporarily refuse new applications because available funds for 2010/11 are already fully allocated. The Home Energy Efficiency Scheme Regulations amendment announced in July 2010 obliges the Secretary of State to inform the Warm Front scheme Manager to refuse new applications at the point when all resources available for any given year have been awarded. This action is not a change in policy, but implements the amended Regulation. The temporary refusal of new applications includes not accepting new Warm Front applications, undertaking new Benefit Entitlement Checks (BECs), or issuing new £300 rebate vouchers. The refusal of new applications coincides with the launch of a consultation on the Warm Front eligibility criteria that aims to ensure the most vulnerable to fuel poverty receive assistance. It is anticipated that the Warm Front scheme will be able to start accepting new applications, potentially using new eligibility criteria, when new funds are available for the next financial year. A separate Equality Impact Assessment has been carried out for the proposed changes to the eligibility criteria in the consultation.
3. The various aspects of the temporary refusal of new applications to Warm Front considered in this Equality Impact Assessment have been found to demonstrate slight negative impacts for households no longer able to apply to the scheme in terms of the protected equality characteristics of age, disability, gender and pregnancy and maternity. A small *potential* impact in relation to race was also identified. The temporary refusal of new applications could potentially lead to a small delay in eligible applicants receiving heating and insulation measures under the Warm Front scheme. However, given that the standard waiting time for installation of measures is often several months, the temporary refusal of new applications may not lead to any significant additional delay in many cases.
4. It should also be noted, at the time when new applications are refused, all other aspects of the scheme will continue to be delivered. All existing applications will continue to be processed. Individuals will still benefit from the Warm Front scheme if an application has already been accepted, they will still receive measures, be offered a BEC and where applicable they will be able to access the after care service.

- Several actions will be implemented to mitigate the negative impacts on the equality groups including age, disability, pregnancy/maternity and gender and the *potential* negative impact on race. These actions include providing advice for individuals on other sources of assistance on energy efficiency measures and informing individuals to call the Warm Front Scheme again once new applications are being accepted next year.

### Summary of Equality Impact Assessment findings

- Relative to the baseline, the types of negative impact associated with the temporary refusal of new applications to the scheme on each of the equality groups including age, disability, gender and pregnancy and maternity are broadly similar; all individuals in these groups will be temporarily unable to apply to the Warm Front scheme and receive heating and insulation measures. This potentially limits the scope to reduce the risk of fuel poverty within these equality groups, although the impacts in all cases are expected to be minimal as the any delay in receiving measures is anticipated to be small. A small *potential* impact in relation to race was also identified. There are no impacts on religion or belief, sexual orientation, gender reassignment, marriage and civil partnership. These impacts are summarised in Table 1. Further detailed information on these impacts is included in Annex A.

**Table 1: Summary of Equality Impact Assessment Findings**

Summary Equality Impact Assessment	
Equality Duty	Warm Front Temporary refusal of new applications
Age	Negative
Disability	Negative
Gender	Negative
Race	Potential
Religion/Belief	No Impact
Sexual Orientation	No Impact
Gender Reassignment	No Impact
Marriage/Civil Partnerships	No Impact
Pregnancy/Maternity	Negative

<b>Positive</b>	= Does not discriminate against group, and only has positive impacts on group
<b>Positive + Negative</b>	= Does not discriminate against group, has positive impacts for some within group and negative impacts for others
<b>Negative</b>	= Does not discriminate against group, but has negative impacts on the group
<b>Potential</b>	= Does not discriminate against group, has potential impacts on the group, but no evidence for them
<b>Discriminates</b>	= Discriminates against group under Equality Act 2010

### Purpose

- The purpose of the Equality Impact Assessment is to identify possible positive and negative effects of the proposed temporary refusal of new applications to the Warm Front scheme on different equality groups, and gather evidence to support the assessment of impacts and, where necessary, plan action to

address them. This Equality Impact Assessment focuses on the protected characteristics that will be in place from April 2011 under the Equality Act 2010.<sup>1</sup> The protected characteristics are:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex/Gender
- Sexual Orientation.

The Equality Impact Assessment has been undertaken before all the Warm Front funds for the current financial year have been allocated and in advance of the temporary refusal of new applications to the Warm Front scheme. This will help identify any potential impacts the temporary refusal of new applications to the scheme may have on each of the equality groups. A mitigation strategy has been developed for any negative impacts.

## **Background**

8. The Warm Front scheme provides a range of heating and insulation measures to vulnerable private sector households to improve the warmth and energy efficiency of their homes. It is administered and managed by Eaga plc on behalf of the Government.
9. Since its inception in June 2000 the scheme has assisted over 2 million households across England. On average, each household receiving Warm Front assistance including insulation and heating measures has the potential to save approximately £653<sup>2</sup> per year on energy bills.
10. The Warm Front scheme is funded by Government and has an allocated budget for this year of £345m.
11. In July 2010 the Home Energy Efficiency Scheme Regulations amendment was announced, which obliges the Secretary of State to inform Eaga, the Warm Front scheme Manager, to refuse new applications at the point when all resources available for any given year have been awarded.
12. Based on current levels of demand and funds available, the Warm Front scheme will need to temporarily refuse new applications before the end of this financial year. At this time the scheme will stop taking any new applications, in line with the revised Regulations. Under the temporary refusal of new applications to the scheme, £300 rebate vouchers will no longer be issued and Benefit Entitlement checks will be stopped. Measures will continue to be installed throughout 2010/11 in homes where applications have already been accepted. The After Care Service will also continue for all heating and insulation measures installed over the previous two year period.

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<sup>1</sup> Equality Act 2010, <http://www.legislation.gov.uk/ukpga/2010/15/contents>

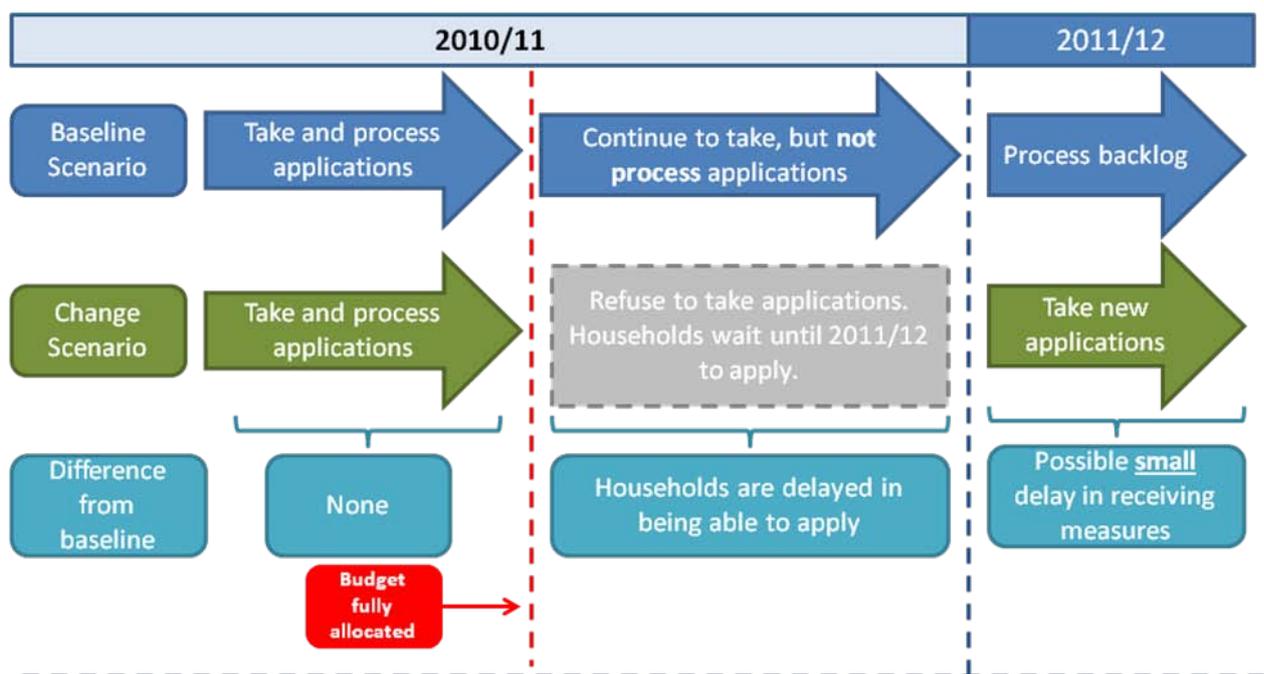
<sup>2</sup> Eaga plc, The Warm Front Scheme Annual Report -Connecting with Communities, 2009-10

- It is anticipated that the Warm Front scheme will be able to start accepting new applications, potentially using new eligibility criteria, when new funds are available for the next financial year. As part of the Spending Review, the Government will continue to fund a smaller, targeted Warm Front programme for the next two years, with £110m available in 2011/12 and £100m in 2012/13 for the scheme. To better target the scheme a consultation is being launched to amend reference to the Warm Front scheme in the UK Fuel Poverty Strategy, and consequently the eligibility criteria may be amended to ensure the most vulnerable to fuel poverty can be supported.

### Baseline

- The equality impacts of the temporary refusal of new applications to the Warm Front scheme are assessed against a baseline where applications would have continued to be taken, but not processed until the beginning of the next financial year, as shown in Figure 1. This baseline is representative of how the scheme operated before the amendment of the Home Energy Efficiency Scheme Regulations in July 2010.

**Figure 1: Baseline for conducting this Equality Impact Assessment**



### Approach

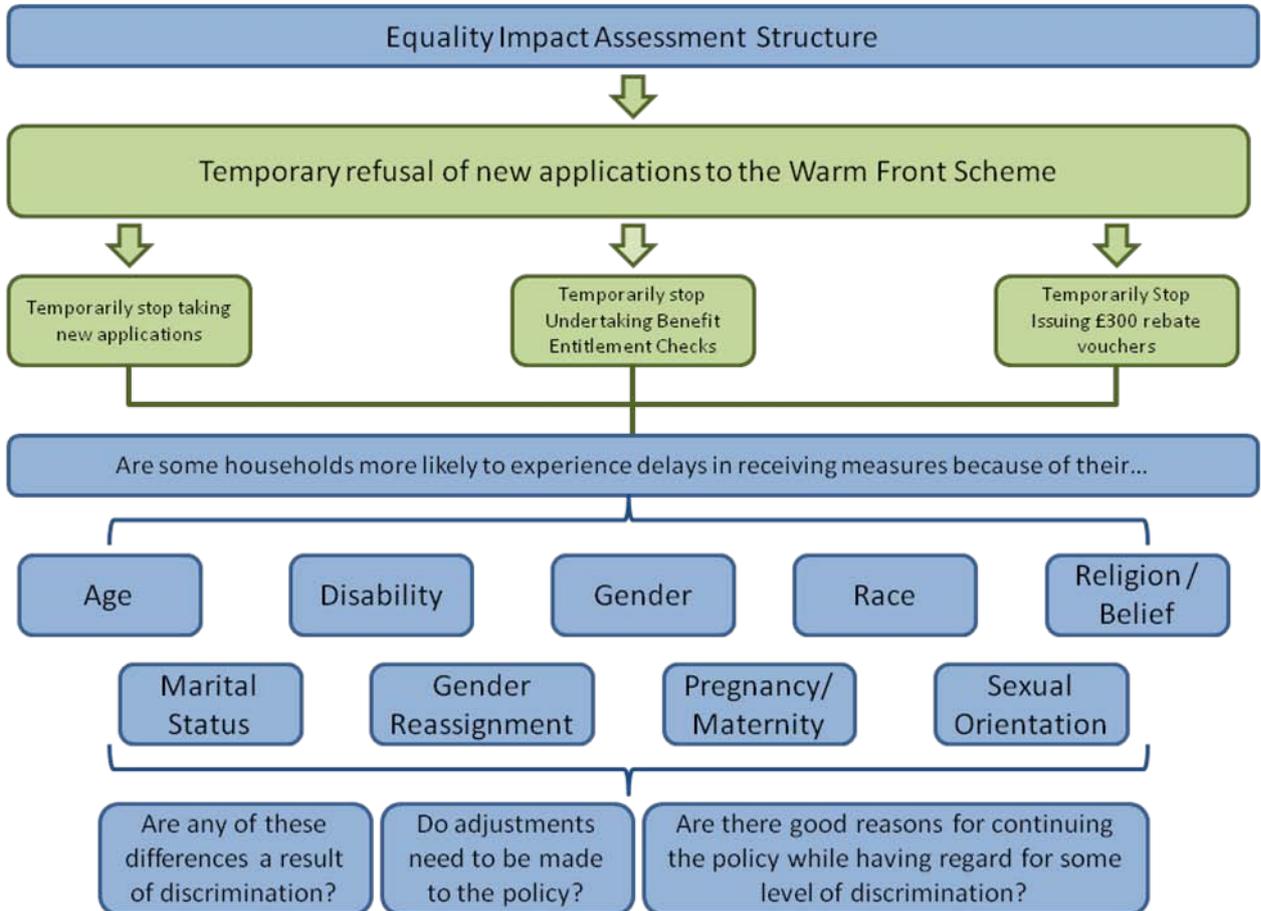
- The approach taken in conducting the Equality Impact Assessment for the temporary refusal of new applications to the Warm Front scheme is summarised in Figure 2. The temporary refusal of new applications includes stopping new Warm Front applications, Benefit Entitlement Checks (BECs) and issuing £300 rebate vouchers. The various aspects of the scheme's temporary refusal of new applications are considered in turn against the baseline, and assessed as to

whether they are likely to have positive or negative impacts on certain households compared to others, in terms of the protected equality characteristics. It is also determined whether any of these differences are a result of discrimination under the Equality Act 2010.

16. For the purposes of this Equality Impact Assessment, the baseline is the continued acceptance of new applications even though the funding for the current year has been fully allocated, as shown in Figure 1. This is compared against the refusal of new applications which is the implementation of the Home Energy Efficiency Scheme Regulations amendment that obliges the Secretary of State to inform the Warm Front scheme Manager to refuse new applications at the point when all resources available for any given year have been awarded.
17. The refusal of new applications coincides with the launch of a consultation on the Warm Front eligibility criteria that aims to ensure the most vulnerable to fuel poverty can be supported. It is anticipated that the Warm Front scheme will be able to start accepting new applications, potentially using new eligibility criteria, when new funds are available for the next financial year. A separate Equality Impact Assessment has been carried out for the proposed changes to the eligibility criteria in the consultation.
18. For this equality impact assessment, each aspect of the temporary refusal of new applications is assessed against the baseline through the following process:
  - a. Consider two households that are equally fuel poor, and identical in all aspects other than in terms of one or more of the equality categories shown in Figure 2;
  - b. Determine whether any difference(s) identified between the two households are likely to result in one household being more likely to be affected by the scheme's temporary refusal of new applications compared to the other;
  - c. If the difference(s) is *unlikely* to favour one household over the other, then conclude that the scheme's temporary refusal of new applications will not discriminate on the grounds outlined in Figure 2. If the difference is considered to affect certain groups differently over others, move on to step (d);
  - d. Determine whether the identified impacts on different equalities groups are the result of direct or indirect discrimination as set out in the Equality Act 2010. If discrimination is identified, consider adjusting, changing or stopping the scheme temporary refusal of new applications. If not, move on to step (e).
  - e. Consider if there are any additional provisions that could be made in the proposed changes that would reduce the likelihood of negative impacts, and increase positive impacts. Where impacts are not equal across groups, determine if there are good reasons for continuing with the policy while having regard for the issues identified, and whether the policy is a proportionate means of achieving a legitimate aim. Any impacts identified are separated into *direct* impacts – which are directly attributable to the proposed changes; and *indirect* impacts – which occur not as a direct

result of the proposed changes, but may be due to underlying population trends or existing differences between equalities groups.

**Figure 2: Summary Approach to Conducting this Equality Impact Assessment**



**Summary of Results**

19. The findings of the assessment undertaken for the temporary refusal of new applications to the Warm Front scheme are summarised in matrix form in Table 1 above. Detailed findings for each of the aspects of the temporary refusal of new applications are described in Table A1 in Annex A.
20. The impact of the temporary refusal of new applications to the Warm Front scheme is anticipated to be a small potential delay in eligible applicants receiving heating and insulation measures under the Warm Front scheme. However, given that the standard waiting time for installation of measures is often several months, the temporary refusal of new applications may not lead to any significant additional delay in many cases. As such, should be emphasised that any negative impacts identified in this assessment resulting from possible delays are likely to be small or may not materialise at all.
21. The current eligibility criteria for Warm Front are predominantly focused on the receipt of the benefits associated with low income and disability, some of which

are also associated with vulnerable groups such as the elderly, families with young children and the long term sick and disabled. As such the small potential negative impacts identified in this assessment due to the temporary refusal of new applications to the scheme are limited to a small number of equality groups.

22. Overall, none of the aspects of the temporary refusal of new applications to the Warm Front scheme are found to discriminate against any of the groups defined by the protected characteristics under the Equality Act 2010. However, the temporary refusal of new applications was found to have non-discriminatory, negative impacts against several of the equality groups as outlined below, although these impacts are expected to be small.
23. The aspects of the temporary refusal of new applications to the Warm Front scheme, including stopping taking new applications, stopping BECs and stopping issuing £300 rebate vouchers, each have a direct, small negative impact on the individuals within multiple equality groups including age, disability and pregnancy/maternity. The types of impacts these factors have on each of the equality groups are broadly similar. All individuals within the group are temporarily unable to apply to benefit from the Warm Front scheme, and may therefore experience a small delay in receiving heating and insulation measures under the scheme. These aspects of the temporary refusal of new applications to the scheme are also found to have an small indirect negative impact in relation to gender. Individuals in receipt of Attendance Allowance are more likely to be female because the benefit is available to those over 65 years who meet the eligibility criteria and there is a higher number of females in the over 65 population (see Figures B1 and B2 in Annex B). This implies females are more likely than men to be negatively impacted by the temporary refusal of new applications to the scheme.
24. *Potential* indirect negative impacts are identified in relation to race, however there is not substantial evidence for these impacts. There is a greater concentration of individuals of a white ethnic origin over the age of 60 compared to under 60 in the wider population (see Table B3). It is therefore possible, but not necessarily the case, that households with an eligible member of white ethnic origin may be more likely to be eligible for Warm Front assistance, and therefore more likely to experience any potential delay in receiving measures as a result of the temporary refusal to take new applications.
25. No impacts have been identified on any of the other groups under the Equality Act 2010 including religion or belief, sexual orientation, gender reassignment, marriage and civil partnership. More details on all the impacts can be found in Table A1.
26. The negative impacts on the age, disability, pregnancy/maternity, race and gender equality groups can be mitigated in several ways. These include:
  - a. Eaga, Warm Front scheme Manager, suggesting other sources of assistance for individuals, for example, Local Authorities in some areas have funding available for assistance with heating repairs or insulation measures and advice is available through the Energy Saving Trust or local Citizen Advice Bureaus on the Carbon Emissions Reduction Target (CERT) which places an obligation on energy suppliers to promote

(typically with a subsidy) energy efficiency measures particularly insulation with a greater focus on helping low income households.

- b. Individuals may be able to contact organisations such as Age UK, NEA, Citizen Advice Bureau and Energy Saving Trust for advice on fuel debt, fuel poverty and energy efficiency measures.
  - c. Individuals may be able to contact the Department for Work and Pensions for advice on whether they are claiming all the benefits they are entitled to and that may assist with energy bills such as cold weather payments and winter fuel payments.
27. In order to mitigate the negative impact on individuals from the temporary refusal of new applications to the Warm Front scheme the following actions have been implemented:
- i. DECC have made provisions for Eaga's customer contact centre to provide information on other sources of advice for households, and inform individuals to call the Warm Front scheme again once new applications are being accepted again next financial year.
  - ii. The Warm Front policy team have made provisions for the DECC correspondence team to provide information on other sources of advice for households.

**Annex A: Table A1: Equality Impact Assessment for Temporary refusal of new applications to Warm Front**

Protected Characteristic	Groups Affected	Positive Impacts	Negative Impacts
<b>Age</b>	Households above 65 years and eligible for Attendance Allowance (AA)	None identified	<u>Direct impact</u> Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out Benefit Entitlement Checks (BECs) and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.
	Households under 65 and eligible for Disability Living Allowance (DLA)	None identified	<u>Direct impact</u> Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.
	Households with a child under 16 or a child under 20 in full time education eligible for Child Tax Benefit (with income less than £16,040)	None identified	<u>Direct impact</u> Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.

Protected Characteristic	Groups Affected	Positive Impacts	Negative Impacts
	Households between 16 years and state pension age eligible for Income Support	None identified	<u>Direct impact</u> Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.
	Households with children under 16 or households over 60 years without children eligible for Council Tax Benefit or Housing Benefit	None identified	<u>Direct impact</u> Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.
	Households between 60 years and state pension age or under state pension age with children under 16 eligible for Employment and Support Allowance	None identified	<u>Direct impact</u> Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.

Protected Characteristic	Groups Affected	Positive Impacts	Negative Impacts
	Households between 60 years and state pension age or households between 18 and state pension age with children eligible for Job Seekers Allowance (income-based)	None identified	<p><u>Direct impact</u></p> <p>Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.</p>
	Households over state pension age with children under 16 or households over 60 eligible for Pension Credit	None identified	<p><u>Direct impact</u></p> <p>Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.</p>
	Households between 60 and state pension age or households under state pension age with children under 16 years eligible for Income Support	None identified	<p><u>Direct impact</u></p> <p>Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.</p>

Protected Characteristic	Groups Affected	Positive Impacts	Negative Impacts
<b>Disability</b>	Households eligible for AA, DLA, War Disablement Pension (including a mobility supplement or Constant Attendant Allowance) or Industrial Injuries Disablement Benefit (including constant Attendant Allowance)	None identified	<u>Direct impact</u>  Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.
	Households eligible for Council Tax benefit, Housing Benefit or Income Support with a disability premium	None identified	<u>Direct impact</u>  Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.
	Households eligible for Working Tax Credit with a disability element and an income of less than £16,040.	None identified	<u>Direct impact</u>  Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.

Protected Characteristic	Groups Affected	Positive Impacts	Negative Impacts
	Households under state pension age with children under 16 or households between 60 years and state pension age without children eligible for Employment and Support Allowance	None identified	<p><u>Direct impact</u></p> <p>Small delay in households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) which delays the contribution of Warm Front measures in reducing the risk of fuel poverty within this group.</p>
<b>Gender</b>	Females receiving AA and/or Pension Credit	None identified	<p><u>Indirect impact</u></p> <p>Receipt of AA and Pension Credit does not depend on gender, but in the wider population and among claimants of AA and Pension Credit there are more females than males over 65 due to differences in life expectancy and underlying population trends. This means that more women than men may be delayed from receiving the contribution of Warm Front measures in reducing their risk of fuel poverty (see Figures B1 and B2).</p>

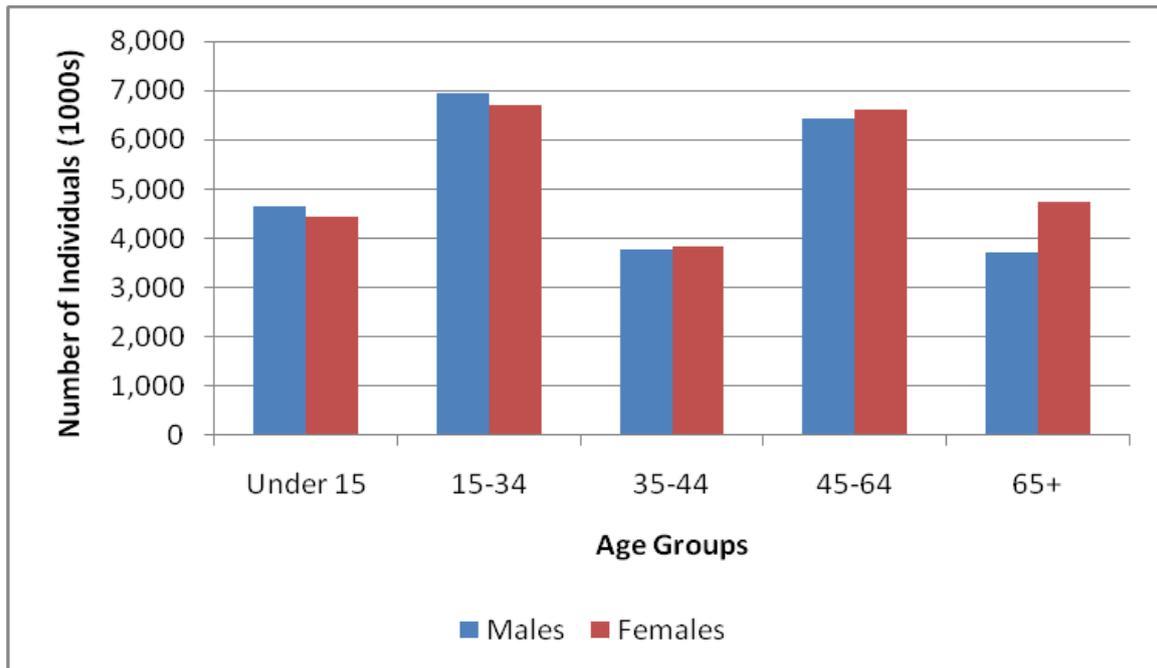
Protected Characteristic	Groups Affected	Positive Impacts	Negative Impacts
<b>Race</b>	Households with an eligible member of White ethnic origin	None identified	<p><b><u>Potential Indirect Impact</u></b></p> <p>Eligibility for Warm Front is not specified in terms of race or ethnic origin. No evidence has been identified to imply that some ethnic groups may be disproportionately affected by the refusal of new Warm Front applications where individuals are in receipt of AA and/or Pension Credit.</p> <p>However, AA and Pension Credit have age eligibility thresholds, and the proportion of the over 60s that are of White ethnic origin is disproportionately high compared to the rest of the population (see Table B3). This does not necessarily mean that this translates into a disproportionate number of individuals of White ethnic origin claiming AA or Pension Credit, and therefore potentially experiencing a delay in receiving the benefits of Warm Front measures due to the temporary refusal of new applications, but it is a <i>potential</i> impact.</p>
<b>Religion or Belief</b>	None identified	None identified	None identified
<b>Sexual Orientation</b>	None identified	None identified	None identified

Protected Characteristic	Groups Affected	Positive Impacts	Negative Impacts
<b>Gender Reassignment</b>	None identified	None identified	None identified
<b>Marriage and Civil Partnerships</b>	None identified	None identified	None identified
<b>Pregnancy and Maternity</b>	Households with pregnant member receiving Income Support, Council Tax Benefit, Housing Benefit, Job Seekers Allowance (income-based) or Income-related Employment and Support Allowance	None identified	<p><u>Direct impact</u></p> <p>Potential number of households receiving Warm Front assistance (including installing heating and insulation measures, carrying out BECs and issuing £300 rebate vouchers) decreases and limits the scope to reduce risk of fuel poverty within this group.</p>

## Annex B: Supporting Evidence

1. This section details the evidence that supports the conclusions detailed in Table A1 in Annex A.
2. Figure B1 shows the population distribution of households by age and gender for 2009, the latest year for which figures have been released by the Office for National Statistics. The figure shows that the population split between males and females are broadly similar until the over 65s category, where there are more females than males. This reflects the higher average life expectancy in females relative to males.

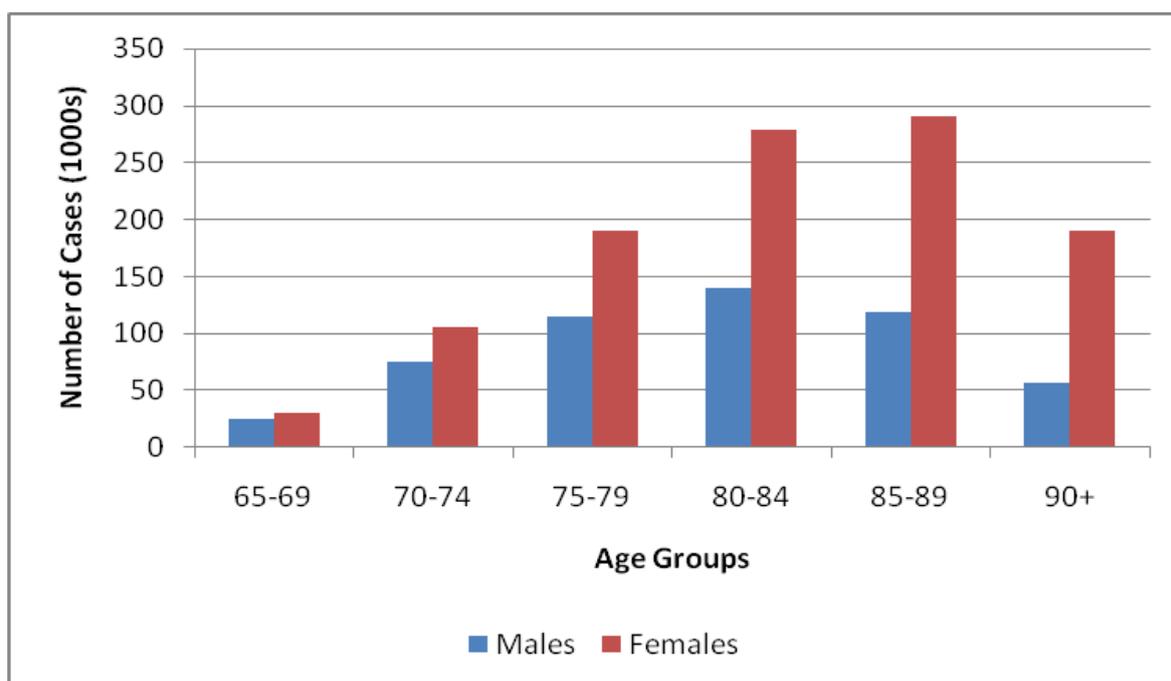
**Figure B1: Population Distribution of England by Age and Gender, 2009**



*Source: Office for National Statistics*

3. Figure B2 shows the distribution of claims in payment for Attendance Allowance by age and gender, as of February 2010. All claims are made by individuals over 65 as this is the qualifying age threshold for this benefit. The figure shows that the number of females is higher than for males, particularly as the age groups approach 90+. Again this reflects the greater life expectancy of women relative to men.

**Figure B2: Distribution of Attendance Allowance Claims by Age and Gender**



Source: Department for Work and Pensions. Figures are current number of claims as of February 2010.

4. Table B3 shows the population distribution of individuals in under 60 and over 60 age groups by ethnic group, for the latest year for which estimates are available. It shows that the ratio of individuals from a White ethnic origin to those from mixed, Asian, Black, Chinese and Other ethnic origins is significantly higher in the over 60 age group compared to the under 60 age group.

**Table B3: Distribution of population of England and Wales in under 60 and over 60 age groups by ethnic group, mid-year 2007**

Ethnic Group	White	Mixed	Asian	Black	Chinese & Other
Under 60	86.7%	2.0%	6.4%	3.1%	1.8%
60 +	96.1%	0.3%	2.1%	1.2%	0.4%

Source: Office for National Statistics