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## Harcourt, Stephanie

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**From:** Langhammer, Margaret  
**Sent:** 15 July 2005 12:56  
**To:** Harcourt, Stephanie  
**Cc:** Stewart, Claire (Clarence Court)  
**Subject:** FW: PQ 05/867

Claire  
Just in case David asks, draft has been vetted by Stats Branch.  
Mgt

-----Original Message-----

**From:** Langhammer, Margaret  
**Sent:** 15 July 2005 12:23  
**To:** Sterling, David; Stewart, Claire (Clarence Court); Cullen, Paddy; Faloona, Barbara; Barbour, Peter; McKee, Martin (WRU); Creagh, Stephen  
**Cc:** Private Office, DRD; 'philip.taylor@nio.x.gsi.gov.uk'; 'claire.mccarthy@nio.x.gsi.gov.uk'; Henry, Donald; McBride, Jennifer (DRD)  
**Subject:** PQ 05/867

Claire  
Draft submission and answer for David to clear on his return on Monday. PO deadline is 10am. In my absence on leave, any queries should go to Barbara. Thanks.



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Margaret

**DRD PQ 867/05**

**DATE FOR ANSWER: 19 JULY 2005**

**Mrs Caroline Spelman (Meriden):** To ask the Secretary of State for Northern Ireland, what the conclusions of the Equality Impact Assessment were on the impact of reforming water rates on (a) Protestant areas and (b) middle class socio-economic groups. (11958)

**SHAUN WOODWARD**

- (a) The draft Equality Impact Assessment (EQIA), which issued for consultation on 29 November 2004 as part of an Integrated Impact Assessment (IIA) of the Water Reform proposals concluded that a charging system based on property capital values would result in a significant negative equality impact on Protestants due to a markedly higher representation of Protestants in those areas of Northern Ireland with higher house prices.
- (b) Section 75 of the Northern Ireland Act 1998 requires public bodies to give due regard to the need to promote equality of opportunity across nine specific groups: age; gender; religious belief; political opinion; sexual orientation; marital status; dependants; disabled; and race. The draft EQIA does not therefore reach conclusions on the basis of class or socio-economic groupings.

The conclusions of the draft EQIA are currently being reviewed in light of the comments made in the consultation and the evidence submitted of negative impacts on other Section 75 Groups, including pensioners, the disabled and other Section 75 Groups living in low-income households. The results of this review will be reflected in the final Equality Impact Assessment which will issue with the IIA Consultation Report later in the year.



## Memo

**From:** Margaret Langhammer  
Water Reform Unit

**Your Ref:**  
**Our Ref:**

**Tel:** 028 9054 0938

**Date:** 15 July 2005

**To:** 1. David Sterling  
2. Shaun Woodward MP

**cc:** Copy distribution below

### PQ 05/867

**Issue:** To ask the Secretary of State for Northern Ireland, what the conclusions of the Equality Impact Assessment were on the impact of reforming water rates on (a) Protestant areas and (b) middle class socio-economic groups.

**Timing:** Due for Answer by 19 July 2005.

**FOI Implications:** Submission not disclosable at present on the basis that it relates to policy in the course of development. It might be disclosed in due course.

**Presentational Issues:** Medium. Ongoing interest in Water Reform pending comprehensive statement on way ahead. A PQ put down in March by David Trimble regarding the impact of a charge based on property values on Protestants and Unionists did not attract much media attention, but there remains the potential for this point to be picked up and exploited.

**Recommendation:** That you approve the draft answer.

### Detail

The Question has been asked by Mrs Caroline Spelman, Shadow Secretary of State for Local and Devolved Government Affairs.

2. The draft Equality Impact Assessment (EQIA) which issued as part of the Integrated Impact Assessment (IIA) of the Water Reform Proposals for consultation on 29 November 2004, concluded that a domestic water charge based on property capital value would have significant negative differential impacts on Protestants and Unionists due to the markedly higher representation of Protestants and Unionists in



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those areas with higher house prices. Marginal differential impacts were identified on married couples, elderly people and their carers.

3. The draft Equality Impact Assessment acknowledged that there were limitations in the analysis due to the absence of data linking householders and their Section 75 characteristics with individual data on household size, water consumption, income and house value. Analysis was therefore carried out on a spatial basis linking the overall population characteristics of an area to its average household value. The analysis was carried out at electoral ward level and is considered to be robust.
4. A large number of organisations which responded to the IIA consultation commented on the draft EQIA. The screening process, the methodology used and the measures put forward to mitigate the impacts of the domestic charge, in particular the assistance proposed for low-income households and vulnerable groups, were criticised. Evidence was put forward by a number of organisations of significant negative impacts on other Section 75 Groups including pensioners, and those living in low-income households and vulnerable groups.
5. Section 75 focuses on nine specific groups and does not draw direct conclusions on middle class or other socio-economic groups. However, many Section 75 groups such as the disabled, lone parents and pensioners are over represented in low-income households. Major concerns evident in the consultation responses about the fairness and affordability of the charge for such groups have prompted a review of the protections proposed for low income households and vulnerable groups.
6. The conclusions of the draft EQIA are being reviewed in light of the evidence of other impacts put forward in the consultation. Recent research by DEFRA on water affordability will also be taken into account. In addition, Professor Hillyard of Queen's University Belfast is carrying out some work on water affordability which may gauge, at a lower level, the impact of the overall charging regime on low-income households and Section 75 groups. This may show a reduced differential impact on Protestants and Unionists and more significant impacts on the age and



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Identified

marital status categories. The results of this review will be reflected in a final EQIA which will issue with the IIA Consultation Report later in the year.

7. The revised proposals developed for low income households and vulnerable groups, which are a main Section 75 mitigation measure, will be subject to a further detailed equality impact assessment in due course, possibly associated with metering options which might offer additional scope for mitigation of Section 75 impacts.
8. The attached draft reply confirms the conclusions of the draft EQIA on Protestants, and the non-availability of EQIA assessments on a socio-economic basis. It highlights the evidence put forward in the consultation of other impacts which will be taken into account in the final EQIA.

#### **Recommendation**

9. That you approve the draft answer.

signed

**MARGARET LANGHAMMER**

#### **Copy List:**

David Sterling  
Donald Henry  
Nigel McCormick - on return  
Alan McArthur – on return  
Paddy Cullen  
Barbara Faloona  
Peter Barbour  
Stephen Creagh  
Phil Taylor  
Claire McCarthy



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