

European Social Fund (England) for families with multiple problems 2011-13 equality impact assessment

Department for Work And Pensions
Labour Market Analysis and Strategy Division

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Equality impact assessment for Department for Work and Pensions European Social Fund (England) programme for families with multiple problems 2011-13

Introduction

1. The Department for Work and Pensions has carried out an equality impact assessment on the proposal to introduce the Department's European Social Fund (England) programme for families with multiple problems 2011-13, assessing the proposal in line with the current public sector equality duties.
2. This process will help to ensure that the Department has paid due regard to the need to:
 - eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
 - advance equality of opportunity between people from different groups; and
 - foster good relations between people from different groups.
3. The equality impact assessment shows how the Department has demonstrated it has paid due regard when developing new services or processes on the grounds of the protected characteristics. These are; race, disability, gender, age, gender reassignment, sexual orientation, pregnancy and maternity, religion or belief and marriage and civil partnerships (in terms of eliminating unlawful discrimination only).
4. This equality impact assessment considers the families with multiple problems element of the Department of Work And Pensions European Social Fund Strategy for 2011-2013. The Equality Impact Assessment for the additional European Social Fund funded Work Programme places for Income Support and Incapacity Benefit recipient is covered within the Work Programme Equality Impact Assessment <http://www.legislation.gov.uk/ukxi/2011/1349/memorandum/contents>. As the European Social Fund is a regional programme, implementation will be separately equality impact assessed on a Contract Package Area level and these will be reviewed annually. An equality impact assessment for the overarching European Social Fund 2007-2013 can be found at: http://www.esf.gov.uk/docs/gender_equality_equal_opps_plan_2007_2010.pdf.

Purpose and aims of the proposal

5. The European Social Fund helps disadvantaged people to improve their employability skills and consequently their job prospects. It helps European Union member states combat unemployment, prevent people from dropping out of the labour market and promotes training, to make Europe's workforce and companies better equipped to face new global challenges. Seven year programmes are planned by member states together with the European Commission and then implemented through a wide range of organisations.
6. European Social Fund priorities for the England programme for 2007-2013 concern increasing employment and reducing unemployment and inactivity. It will help to tackle barriers to work faced by people such as:
 - people with disabilities and health conditions;
 - lone parents and other disadvantaged parents;
 - older workers;
 - people from ethnic minorities;
 - people with multiple disadvantages;
 - homeless people;
 - people with low or no qualifications; and
 - young people, particularly if not in education or training.
7. The provision for 2011-13 aims to tackle entrenched worklessness by progressing families with multiple problems closer to employment. This involves working closely with Local Authorities within Contract Package Areas. Local Authorities, in most cases, already work with families with multiple problems and so will be the route for identification of the families who can benefit from this provision.
8. The focus of this provision is on providing a whole family approach, making support available to individual family members across the generations. This provision must also contribute to and add value to wider family support.
9. Providers are required to deliver tailored and flexible support for individuals and families and to add value by providing additional or complementary support, and through innovation. This support will often include outreach and key workers where appropriate when working with individuals within families with multiple problems.
10. Providers will develop an Action Plan for each individual consisting of a number of progress measures and the minimum support requirements that Providers are expected to supply for individuals. Providers will work closely with Local Authorities as the Action Plan is developed and implemented. Progress Measures will address the most significant barriers to employability faced by that individual and their family and move them further down the road to employment.
11. Providers will be able to claim job outcome payments where participants move into sustainable employment.

12. Our track record in working with smaller/niche/voluntary and community sectors within existing Welfare to Work supply chains is an excellent one. Providers supply chains include many smaller organisations that work at grassroots level and understand the need of the individual.

Background

13. The Department for Work and Pensions is an approved European Social Fund Co-Financing Organisation for England. Different arrangements are in place for Wales and Scotland and there is no direct Department for Work and Pensions delivery role.

14. The Department's Co-Financing Organisation role for England involves managing the delivery of provision using European Social Funding and the matching of funds using other Department for Work and Pensions employment programmes such as the Work Programme. The Co-Financing Organisation is also expected to ensure compliance with a range of European Social Fund requirements which will be audited regularly by the European Social Fund Audit Authority.

Eligible groups

15. As part of the overall eligibility for European Social Fund provision, all participants must be legally resident in the UK and able to take paid employment in a European Union member state. The Department expects participants on this provision to have significant and/or multiple barriers to work. There is no upper age limit for participants and the minimum age is 16.

16. It will be up to Local Authorities to identify the families that will benefit from this provision, we expect that the exact criteria used will vary from Local Authority to Local Authority and across the country.

17. European Social Fund provision uses a broad definition of 'families' as determined by Local Authorities to encompass both formal and informal groupings of adults, and there do not necessarily need to be dependant children associated with this grouping.

18. In addition to identification as a family with multiple problems by the Local Authority, the broad definition of eligibility for this provision set by the Department is that:

- At least one member of the family is on a Department for Work and Pensions working age benefit; and
- Either no one in the family is working, or there is a history of worklessness across generations.

19. Provision will progress family members towards the labour market and address barriers to employment. It will contribute to a decrease in numbers of families with multiple problems and to a decrease in the number of workless households.

20. Provision is delivered through contracts with Prime Contractors who are responsible for delivering and managing provision across the England.
21. Through the terms and conditions of contracts, providers will be required to ensure that they and subcontractors assist and cooperate with the Department to actively promote equality of opportunity for all persons irrespective of race, disability, gender, age, gender reassignment, sexual orientation, pregnancy and maternity, religion or belief and marriage and civil partnerships. The Department's providers are required to comply with an agreed equality policy and ensure that any subcontractors adopt and implement similar policies and plans.

Consultation and involvement

22. Stakeholders throughout the business have been consulted on the development of the strategy widely across the Department.
23. Between 12 April and 6 May 2011 the Department ran an online call for evidence, to gather input on European Social Fund policy design from a variety of stakeholders, including Local Authorities. Over 100 responses were received, more than 30 of which came from Local Authorities. In order to gather further input, we also held a number of engagement events with Local Authorities and related organisations.
24. The responses we received from these engagement exercises were broadly positive, across the range of issues discussed and no issues were raised relating to equality, though there was no specific equality question in the call for evidence. In particular, there was widespread support for our intention that European Social Fund family support should align with locally available support. There was further agreement that Local Authorities and their agencies would be the appropriate organisations to identify families with multiple problems.
25. The Department engaged with Local Authorities and Local Authority umbrella organisations throughout the policy development and commercial process, and this work is ongoing. Engagement activity included small and medium scale meetings and workshops, and larger scale events to which representatives from all higher tier Local Authorities in England were invited. In addition, representatives of the Local Government Association, London Councils and Greater London Authority viewed and commented on the draft specification prior to its publication. It is intended that Local Authority representatives selected by the Local Government Association, London Councils and the Greater London Authority had the opportunity to view and comment on tenders at the preferred bidder stage of the commercial process.

Impact of the proposal

26. This European Social Fund programme is not expected to have an adverse effect on any of the groups outlined in the discussion below. It may be that some groups will have a higher proportion of eligible families than others, but this is simply due to some groups having a high degree of representation within the

eligibility criteria. For example, it may be that more women than men could be eligible for the programme, but this could be because the vast majority of lone parent families are headed by women and it has been shown that lone parent households have a relatively high incidence of worklessness.

27. There is a broad definition of eligibility for European Social Fund provision, being that at least one member of the family is on a Department for Work and Pensions working-age benefit and that there is either current or a history of worklessness in the family. Within this definition, Local Authorities will identify families who are ready and able to participate in this provision because they are already working with this group to address their wider needs. Therefore the actual families supported by European Social Fund provision are likely to be a diverse group. However, the analysis in this equality impact assessment looks at the characteristics that a family is likely to have, based on the assumed eligibility criteria: receipt by at least one member of the family of a Department for Work and Pensions working-age benefit, worklessness and the Social Exclusion Task Force disadvantages (see paragraph 33). These disadvantages are examined in turn, and in combination where data permits.
28. The group of individuals claiming a Department for Work and Pensions working-age benefit (as identified using the Work and Pensions Longitudinal Survey) can be broken down by gender, age and disability; but not by race, gender reassignment, marriage/civil partnership, pregnancy/maternity, religion/belief or sexual orientation. This survey is on an individual basis, and so we do not know the characteristics of family groups in which one or more members are claiming benefits.

Table 1: Working-age benefit claimants by protected characteristics

	% of benefit claimants	% of 16-64 population
Gender		
Male	51%	50%
Female	49%	50%
Age		
16-24	16%	18%
25-49	52%	54%
50-64	32%	28%
Disability		
Not disabled	49%	80%
Disabled	51%	20%

Source: Benefit claimants - Work and Pensions Longitudinal Survey, England, February 2011; 16-64 population - Annual Population Survey, England, year to December 2010.

29. 49% of people claiming a working-age benefit are female, and 51% are male.¹

¹ DWP CFO Policy are developing additional context around gender performance within the current programme

30. 16% of working-age benefit claimants are aged 16-24, compared with 18% of the 16-64 population, meaning that young people are under-represented in the claimant group. This is because the majority of young people are in education or training and so are not eligible for some benefits. Older people, on the other hand, are over-represented in the claimant group compared to the general population (32% to 28%), which may be because the prevalence of disability increases with age.
31. 51% of working-age benefit claimants can be identified as “disabled” as they are claiming Employment Support Allowance, Incapacity Benefit or Severe Disablement Allowance², or Disability Living Allowance not in combination with another benefit. There are also a small number of people who are claiming Jobseeker’s Allowance or Income Support with a Disability Premium who are not picked up in these figures, so this will be an underestimate.
32. In addition, there may also be people who would report a Disability Discrimination Act defined³ disability but are not claiming a “disability” benefit. Compared to the general population, where 20% of people report a Disability Discrimination Act defined disability, disabled people (as identified by the benefits they are receiving) are over-represented in the working-age benefit claimant group.

Families with multiple problems

33. In 2007 The Cabinet Office Social Exclusion Task force published a Study⁴ which observed certain common indicators of disadvantages these can be analysed using the Annual Population Survey household datasets. Note that the Annual Population Survey underestimates the number of respondents claiming benefits so these numbers should be taken as indicative only.
34. Questions are asked which allow identification of worklessness, no qualifications and disability, and these can then be broken down by some protected characteristics. From this we can identify the characteristics of individuals in households with various disadvantages and compare these to the characteristics of the whole population (although given that this is a different sample results may not match those for the whole population elsewhere in this analysis).
35. Here we look just at working-age households: those that contain at least one member aged 16-64 (i.e. excluding retired households). The data include single-

² The vast majority of these claimants are Equality Act defined disabled, although there may be a small proportion who are not.

³ The Disability Discrimination Act has been replaced with the Equality Act 2010 definition of disability. The figures here use the Disability Discrimination Act definition as a proxy as this is the data that is available.

⁴ [Families at Risk – Background on families with multiple disadvantages](#) highlights the following indicators of disadvantage; No parent in the family is in work; Family lives in poor quality or overcrowded housing; No parent has any qualifications; Mother has mental health problems; At least one parent has a longstanding limiting illness, disability or infirmity; Family has low income (below 60% of the median); and Family cannot afford a number of food and clothing items.

person households. Data on household worklessness, no qualifications and disability⁵ can be broken down by individuals' gender, age, disability and race/ethnicity but not by gender reassignment, pregnancy/maternity, religion/belief or sexual orientation.

36. As receipt, by at least one member of the family, of a Department for Work and Pensions working-age benefit is a requirement for European Social Fund families with multiple problems support, the disadvantaged households shown in Table 2 are all in receipt of these benefits in addition to having the stated disadvantage. (Note that “families” for these purposes will not always be the same as “households”, so households are a proxy rather than an exact match for families.)

Table 2: Adults¹ in disadvantaged working-age households by protected characteristics

%	Receiving working-age benefits ² and:			All adults
	All 16+ are workless	All adults have no qualifications	At least one adult has a disability ³	
Gender				
Male	47	47	51	50
Female	53	53	49	50
Age				
16-24	15	11	16	14
25-49	51	46	44	54
50-64	28	40	35	28
65+	7	3	6	5
Disability³				
Not disabled	44	38	35	79
Disabled	56	62	65	21
Race/ethnicity				
White	85	86	86	88
Ethnic minority	15	14	14	12

Source: Annual Population Survey household datasets, England, January-December 2010

¹ Individuals aged 19+ or aged 16-18 not in education

² Jobseeker's Allowance, Income Support, Employment and Support Allowance or Incapacity Benefit

³ Both DDA-defined and work-limiting disabilities

37. Adults in workless households or households in which all adults have no qualifications (“no qualification households”) are slightly more likely to be female than the general population, whereas individuals in households in which at least one adult has a disability (“disabled households”) are slightly more likely to be male than the general population.

⁵ [Families at Risk – Background on families with multiple disadvantages](#) data highlighted the indicators of disadvantages relating to disability as: ‘mother has mental health problems’ and ‘at least one parent has a longstanding limiting illness, disability or infirmity’. The Annual Population Survey data cannot identify the type of disability, so here we can only look at adults with either a DDA-defined or work-limiting disability.

38. Adults in no qualification and disabled households are disproportionately more likely to be aged 50-64 (41% and 35% respectively) than the general population (28%). Adults in workless households are slightly more likely to be aged 16-24 or 65+ and slightly less likely to be aged 25-49 or 50-64 than the general population.
39. Adults in disadvantaged households are disproportionately more likely to be disabled: 56% of adults in workless households and 63% of adults in households with no qualifications are disabled, compared to 22% of the general population.
40. Adults in workless, no qualification and disabled households are slightly more likely to be from an ethnic minority background than the general population.
41. These disadvantages can also be analysed in combination. There are no large-scale surveys available which collect information on all of the Social Exclusion Task Force's indicators of disadvantage, and actual families with multiple problems will be identified by Local Authorities. Nonetheless, a "families with multiple problems" group can be defined within the available data to give an indication of the potential characteristics of individuals within these families. Here "families with multiple problems" are defined as working-age households which are workless, at least one member is claiming a Department for Work and Pensions working-age benefit and either all adults have no qualifications or at least one adult has a disability (both Disability Discrimination Act defined and work-limiting).

Table 3: Adults¹ in "families with multiple problems" by protected characteristics

%	"Families with multiple problems"	All adults
Gender		
Male	50	50
Female	50	50
Age		
16-24	11	14
25-49	47	53
50-64	34	28
65+	8	5
Race/ethnicity		
White	89	90
Ethnic minority	11	10

Source: Annual Population Survey household datasets, England, January-December 2010

¹ Individuals aged 19+ or aged 16-18 and not in education

42. Adults in "families with multiple problems" are split 50%-50% by gender, as is the general population. They are disproportionately more likely to be aged 50-64, but this is largely as a result of the "qualifying" criteria of households with no qualifications or a disability (and as shown in Table 2 these groups are disproportionately likely to be aged 50-64). There is a slightly higher proportion of

adults from an ethnic minority background in “families with multiple problems” than in the general population.

43. Clearly this definition of “families with multiple problems” leads to some circularity, with disability both a “qualifying criteria” and a protected characteristic. For this reason disability as a protected characteristic is omitted from Table 3, but given the assumed qualifying criteria it is likely that disabled people will be disproportionately represented in the actual “families with multiple problems” group.
44. 32% of adults living in the “families with multiple problems” identified here have dependent children in their household, compared to 37% of adults in the general population.
45. As described above, this is only a partial estimate of families with multiple problems as the Annual Population Survey does not capture information on many of the Social Exclusion Task Force’s disadvantages. These should therefore be taken as very broad estimates of the potential characteristics of families with multiple problems, for example we might expect Local Authorities to target a greater proportion of families with children than indicated here.
46. Analysis of the Families and Children Study performed by the Social Exclusion Taskforce found that the risk of experiencing five or more disadvantages listed in paragraph 18 (the threshold for a “family with multiple problems”) was 2% for all families with children. Families where the mother’s main language is not English, the mother is aged 16-24 or the mother’s ethnicity is Black all face a (statistically significant) higher-than-average risk of experiencing multiple problems.
47. The Department of Work and Pensions does not hold information on gender reassignment, sexual orientation, religion/belief or pregnancy/maternity (apart from where pregnancy/maternity is the primary reason for incapacity). However, the Department does not envisage an adverse impact on these grounds.

Disability

48. There is no evidence that the European Social Fund programme for families with multiple problems will pose a risk to any aspect of the Department’s Equality duties. The strategy is designed to include individuals with disabilities and providers will be required to provide appropriate access to premises. The ultimate aim of the provision is to encourage and support people with disabilities to overcome any disadvantages they face in gaining access to the labour market. The provision promotes equality of opportunity and encourage individuals with disabilities to reach their full potential and make a valuable contribution to the economy.

Gender

49. The European Social Fund provision offers access to both male and female participants. Lone parents are one of the key target groups for the European Social Fund, and they will be eligible for this provision. Statistics show that this group consists mainly of women and there is therefore a strong focus on helping

Age

50. The European Social Fund provision offers access on an equal basis to participants of all ages, aged 16 and over. Older people are one of the target groups for the European Social Fund, and analysis shows that this group are disproportionately represented within the potential claimant group and so are likely to receive support (dependent on other circumstances). The age of participants will be monitored through the programme evaluation.

Race

51. Individuals from ethnic minority backgrounds are one of the target groups for the European Social Fund. The contracting process will require providers to develop an Equal Opportunity Strategy to include both participants and provider staff. This is closely monitored as part of the contract. European Social Fund provision supports individuals from whatever their ethnic background to overcome barriers to obtaining work and to help people achieve their full potential.

Religion or belief

52. No data is available on the religion or faith of claimants who will be impacted by this proposal. All individuals undertaking European Social Fund provision for families with multiple problems will be treated fairly, irrespective of their religion or beliefs. They will not be asked to undertake any activity which goes against their beliefs, and allowances will be made to reflect religious holidays and practices. It is not anticipated based on knowledge of policy and provision design that the religion or belief of individuals will affect their eligibility or take-up as providers will offer support tailored to individual circumstances.

Sexual Orientation

53. No data is available to assess whether the Department for Work and Pensions European Social Fund Provision for families with multiple problems will have an equality impact relating to sexual orientation. It is not anticipated based on knowledge of policy and provision design that sexual orientation will affect individuals' eligibility or take-up because the provision will offer support tailored to the individual.

Gender Reassignment

54. No data is available to assess whether the Department for Work and Pensions European Social Fund Provision for families with multiple problems will have an equality impact relating to gender reassignment. It is not anticipated based on knowledge of policy and provision design that gender reassignment will affect

individuals' eligibility or take-up because the provision will offer support tailored to the individual.

Pregnancy and maternity

55. No data is available to assess whether the Department for Work and Pensions European Social Fund Provision for families with multiple problems will have an equality impact relating to pregnancy and maternity. It is not anticipated based on knowledge of policy and provision design that pregnancy and maternity will affect individuals' eligibility or take-up because the provision will offer support tailored to the individual.

Staff Impact

56. We do not anticipate any equality issues relating to the impact on staff from the introduction of the Department for Work and Pensions European Social Fund provision for families with multiple problems.

Monitoring and evaluation

57. An evaluation strategy has been developed which includes evaluation of performance in delivering diversity and equality. Evaluation will consist of three strands of work:

- qualitative research including case studies and interviews
- inclusion of individuals from families with multiple problems in the ESF cohort study; and
- analysis of Management Information and Performance Management Information.

58. Evaluation is scheduled to commence Spring 2012 and will be overseen by an evaluation steering group which will include representatives from the new Troubled Families Unit in Communities and Local Government, Department for Education, Delivery Directorate, DWP Co-Financing Organisation and the ESF Managing Authority for England

Keys Dates

ItT issued to Framework Providers	30 June 2011
Bidder event for Framework Providers	7 July 2011
Closing date for bids	30 August 2011
Bid evaluation	31 August to 28 September 2011
Preferred bidders announced	17 October 2011
Go live	December 2011 (and will run for 3 years)

Contact details

Iain Walsh

Iain.Walsh@dwp.gsi.gov.uk