

## **EQUALITY ISSUES**

### ***Introduction***

1. Public bodies are subject to gender, race and disability duties as set out in section 76A of the Sex Discrimination Act 1975, section 71(1) of the Race Relations Act 1976 and section 49A of the Disability Discrimination Act 1995 (“the equality duties”). A summary of these duties is included at Appendix A.
2. This Annex sets out our consideration of the equality issues associated with the grant reductions.

### ***The need for grant reductions and the identification of grant streams***

3. Since coming to office the Government has made clear that its most urgent priority is to tackle the UK's record deficit in order to restore confidence in our economy and support the recovery. On Monday, 24 May, the Chancellor of the Exchequer and Chief Secretary to the Treasury announced the first step in tackling the deficit, setting out how the Government intends to save over £6 billion from spending in 2010-11. Included in that savings package was an expectation that savings of over £1 bn would be delivered by local government.
4. In considering local authority grant and funding streams to be reduced for these purposes, the Government:
  - gave priority to protecting the funding for schools and Surestart and 16-19 year olds; and
  - did not reduce funding in the specific grants and/or funding streams for adult social care, housing benefit administration, main programme funding for Supporting People and for the fire service
5. The Government examined whether it would be possible to focus the reductions on grants which have not been included in grant determinations, or grants which are not subject to statutory restrictions. This was possible to some extent. Some of the reductions occur in grants where there are underspends, where the money has yet to be allocated, or where a grant determination has not yet been made. However, it has been necessary to reduce some grant allocations included in grant determinations.
6. The Government is clear that local government needs increased flexibility to take decisions locally and has, therefore, removed certain ringfences. This gives councils extra flexibility to make decisions about where savings are found, although this is subject to the usual rules which ensure that capital funding is used on capital expenditure.

### ***The data-checking exercise***

7. Detail about the reductions was published and local authorities were allowed two weeks to check the data. Responses from local authorities have been carefully considered before reaching final decisions about the reductions.
8. CLG considered equalities issues. Summaries of the responses from those officials responsible for relevant CLG grants are attached at Appendix B.

## ***Consideration of equality issues***

9. The Government is legally required to assess the impact of changes in policy on men and women, people of different races or those with disabilities ('the equality target groups'). We have given consideration to the equality issues related to the grant reductions and, in particular, considered with other Government departments the need for a full EqIA.
10. The starting point is that the grant reductions must be made for macro-economic reasons. With that in mind it is important to consider the possible equality impacts of the reductions and ensure as far as possible that no significant unintended bias is caused against any of the equality target groups.
11. Looking at the individual grant streams:-
  - Many reductions were carried out on a pro-rata basis and so are consistent with the existing bases of allocation and the methodology underlying for those bases. Any equality issues should, therefore, be very similar to those which existed when the grant was originally announced.
  - For those grants streams which have not been reduced on a pro-rata basis allocations have been reduced in a way which we consider to be fair to all authorities.
  - Five CLG grants (including funding within ABG) which are subject to reduction, were originally subject to EqIAs. Other grants for various reasons were not. Information in relation to these grant is set out at Appendix B.
12. Looking at the grant reductions as a whole:-
  - By implementing the 2% protection we have ensured that no area experiences a disproportionate reduction in relation to the revenue grants that are being reduced where final allocations were available. .
  - The impact of the reductions locally will be decided by each local authority. Local authorities are themselves responsible delivery agents and also bound by equality legislation.
  - Certain ringfences have been removed in relation to the grant streams which are being reduced. This should increase the ability of local authorities to react to any equality issues which they may identify and so again we consider that no significant issues are likely to arise.
13. Our overall conclusion, therefore, is that the way in which the necessary grant reductions have been implemented is unlikely to cause significant unintended bias against any of the equality target groups. For these reasons we do not consider that there are likely to be any significant equality issues which require a full EqIA.
14. However, we will keep the impact of the reductions under review and reassess the position as part of future funding decisions should any equality issues be brought to light by this process.

### **The general duties on race, disability and gender**

#### **Race**

The Race Relations Act 1976 places a duty on listed public authorities, when carrying out their functions, to have due regard to the need to:

- eliminate unlawful racial discrimination
- promote equality of opportunity, and
- promote good relations between people of different racial groups.

#### **Disability**

The Disability Discrimination Act 1995 places a duty on all public authorities, when carrying out their functions, to have due regard to the need to:

- promote equality of opportunity between
- disabled persons and other persons
- eliminate discrimination that is unlawful under the Act
- eliminate harassment of disabled persons that is related to their disabilities
- promote positive attitudes towards disabled persons
- encourage participation by disabled persons in public life, and
- take steps to take account of disabled persons' disabilities, even where that involves treating disabled persons more favourably than other persons.

#### **Gender (including gender identity)**

The Sex Discrimination Act 1975 places a duty on all public authorities, when carrying out their functions, to have due regard to the need:

- to eliminate unlawful discrimination and harassment, and
- to promote equality of opportunity between men and women.

The duty to eliminate unlawful discrimination also includes equal pay legislation.

**Summary of responses from CLG in relation to equalities issues**

The following records responses from CLG Policy Teams when they were asked them to provide responses detailing what they had done to ensure that their funding streams were subject to appropriate Impact Assessments.

Housing Planning Delivery Grant (HPDG)

HPDG Impact Assessment reviewed and concluded that there is nothing to suggest that any equalities issues would be raised.

Working Neighbourhood Fund (WNF)

EIA Part 1 Screening and Part 2 Full Assessment for the Working Neighbourhoods Fund (WNF) undertaken.

*[Some information on budget reductions by other Departments made as part of the 24 May announcement has been removed, as it does not relate directly to Communities and Local Government].*