

EQUAL OPPORTUNITIES COMMITTEE
SESSION 4 BUDGET REVIEW
SUBMISSION FROM UNIVERSITY OF GLASGOW

I thank you for the opportunity to contribute to the Equal Opportunities Committee scrutiny of the draft budget. My comments are focused on the consideration given to socio-economic inequality alongside ‘protected characteristics’ as defined by the 2010 Equalities Act. I have focused my comments on issues which could potentially lead to future improvement, organised under two headings: Embedding low income as a protected characteristic; and Improving the evidence base.

Embedding low income as a protected characteristic

I was interested to see that the impact of the draft budget on socio-economic inequality, with a focus on people on low income, is given a similar status to those protected characteristics which were commenced after the enactment of the 2010 Equalities Act. This is despite the fact that the socio-economic duty was not commenced at the time the Act came into force. I am also aware that the impacts of policies and practices on people on low incomes is a consideration for some other parts of the public sector in Scotland – for example, the Local Government Benchmarking Framework.

There have recently been some high profile calls for the socio-economic duty to be commenced – by the First Minister’s Independent Poverty Advisor and in SURF’s 2016 Manifesto for Community Regeneration *Planning Ahead for regeneration*. Additionally, in 2010, the Poverty Alliance called for the duty to be commenced. In adding my own voice to these calls, I would make the following points:

- The commencement of a socio-economic duty (appropriately developed and modified for the current Scottish context) would have the effect of affording people on low incomes the same degree of protection in an equalities sense as other protected groups. It might also contribute to some reduction of the stigmatisation of people who experience a low income.
- Whereas the Scottish government and other parts of the public sector have effectively afforded low income the status of a protected characteristic in

some aspects of their work, the extent to which this is replicated across all relevant activities in sector remains a matter of choice. Moreover, commencing the duty would help to 'future proof' the important work currently being done by the Scottish Government on poverty and inequality - making it more difficult for future administrations to fail to recognise the need to tackle the issue.

Improving the evidence base

The Equality Statement identifies the need for continuous improvement in the equality evidence base. This would appear to be a particularly important consideration in times when public spending is contracting rather than growing in relation to need, and when the budget process is more than usually concerned with identifying which activities should be subject to savings rather than investments. Indeed, it is striking that the Statement largely draws attention to the benefits of government initiatives and investments for equalities groups and people with a low income, rather than exploring the trade offs and tensions involved in taking decisions in a tough fiscal climate. There are very few references that I could find to the impacts of budget reductions on specific programmes and therefore, potentially, on equalities groups. (The discussion of the potential impact of reductions in addictions services on children is one of the few exceptions.)

Arguably the focus in the Statement on socio-economic inequality draws attention to trade offs and tensions involved in the budget setting process, not least because it refers to a spectrum of circumstances across the whole population. In terms of improvements to the evidence base, it would therefore seem appropriate to consider the impact of budget decisions on people across the socio-economic spectrum. This would obviate the danger that a narrow focus on people with a low income could reduce the attention paid to how resource allocation decisions benefit or otherwise people in other parts of the spectrum, whether an intentional or inadvertent policy intention.

An example of such an approach to assessing the impact of savings decisions across the socio-economic spectrum is the Social Impact Tool¹ developed to allow local authorities to produce a robust assessment of the implications of their savings plans for service user groups experiencing varying levels of socio-economic deprivation. The Tool has been developed from a programme of research funded by the Joseph Rowntree Foundation and conducted by a team from the Universities of Glasgow (Professor Annette Hastings, Professor Nick Bailey and Maria Gannon) and Heriot Watt University (Professor Glen Bramley). The research focused on the impacts of local government funding cuts on the sector, on services and on poor people and places in England and, to a lesser extent, in Scotland. The Tool is based on analysis which shows how the use of and benefit from different local government services varies by socio-economic status. It allows councils to readily calculate the distributional impact of the savings strategies developed to manage budget gaps via analysis of the relative and absolute level of savings achieved from specific services.

The Social Impact Tool has already been used by Birmingham City Council as an aid to strategic reflection and to help in the mitigation of the harm of service cuts.² It is currently being made available to all councils in Scotland and England. Fifteen Scottish councils have begun to engage with it to varying degrees. The research team is currently considering further development of the Tool to increase its value in relation to the assessment of socio-economic inequality, for local government and potentially for other parts of the public sector. It might also be possible to adapt the Tool to assess the impact of savings strategies on equalities groups defined according to, for example, age or ethnicity.

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Professor Annette Hastings, Professor of Urban Studies
School of Social and Political Sciences
University of Glasgow

¹ <https://www.jrf.org.uk/report/cost-cuts-social-impact-tool-local-authorities>

² https://researchbcc.files.wordpress.com/2015/02/bcc-future-and-impact-of-cuts-report_srt_nov2014.pdf