Consultation

1. CEMVO Scotland welcomes the opportunity to contribute some general views on both the Spending Review and Draft Budget. Whilst most of our comments are focused on local authorities they could apply to other public bodies. We believe that in general, spending cuts in the public sector may have a disproportionate effect on ethnic minority groups, because this is a sector where they are already likely to be disproportionately under employed.

2. In addition, recent research carried out by the Joseph Rowntree Foundation (A review of poverty and ethnicity in Scotland 2011) indicated that all ethnic minority groups in Scotland appeared disadvantaged on one or more poverty indicators (minority status, length of residence, religious background, legal status, belonging to a travelling culture). They also face high rates of racial harassment related to living in areas of deprivation and in turn have difficulty finding appropriate support from mainstream organisations.

3. CEMVO Scotland is therefore very concerned that the recession is more likely to worsen existing inequalities and discrimination for particular equality groups, rather than creating wholly new problems.

Local Authority budgets

4. Service provision and making efficiencies: We have serious concerns that the spending review may have a negative impact on current ethnic minority projects and programmes. Some local authorities attempt to ‘explain’ or justify this by saying that the work has been effectively mainstreamed (although most are unable to demonstrate that mainstream services were actually dedicating increased resources to services for ethnic minority people). However, we wish to point out that Scottish Government guidance on mainstreaming states that such a decision could be based on a misunderstanding of the concept itself by assuming that mainstreaming replaces specific equalities initiatives and further, the guidance says that on the contrary, ‘it is important to retain specific equalities policy machinery and specific equalities policy work’. If these specialist programme cuts continue to happen, ethnic minority groups may have to start to ask for evidence of any equality impact assessment carried out as well as demonstration of the success or failure of any such ‘mainstreaming’ decision in the subsequent twelve month period. The purpose of such questions would be to ensure greater accountability back to the equality sectors and in turn limit the potential disregard for equality in any unduly hasty or ill considered budget decision making process.
5. The incremental nature of cuts to discretionary funding may further remove links between key preventative specialist services for EM communities eg English as a second language training or Interpreting services. We are also concerned about reports\(^1\) of increases in charges for support such as care costs that disproportionately impact on vulnerable people. These should not be seen to be an answer to budget constraints and may only serve to further increase inequality.

6. Research carried out by ODS Consulting (\textit{Counting the Cost 2010}) found that there has already been a reduction of 11.5\% in the funding provided to ethnic minority organisations between 2007 and 2009 (this was largely due to efficiency savings although patterns within each authority were very different). The same research found that in discussions with voluntary organisations receiving funding it was felt that available funding was already limited and was rarely sufficient to meet needs. Further findings:
   - Increasing use of third sector organisations in the delivery of appropriate social care services for people from ethnic minority communities
   - The 12 local authorities considered did not use EQIAs widely in the areas under consideration during this two year period although several smaller authorities said that impact assessments were gradually becoming a more important part of their work (note: this has been a legal requirement since 2002)
   - Generally consultation activity focused on identifying service needs and it was less common for ethnic minority people to be represented in formal decision making processes
   - In smaller authorities, resource decisions were largely made on an ad hoc basis

7. As mentioned in our opening comments, additional research shows that ethnic minority people in Scotland are more likely to be in poverty than the white population and therefore likely to face a greater adverse impact in terms of possible increased charges and general service cuts. Research from the Communities Analytical Services, Scottish Government (\textit{The Position of Scotland’s Equality Groups: Revisiting Resilience in 2011}) concludes that people from ethnic minority groups are less likely to be coping financially and more likely to have no savings.

8. CEMVO believes that there is ample evidence already available to demonstrate that there is a need to prioritise work across the protected characteristics, even in a period of recession, in order to address ongoing historical disadvantage and discrimination.

9. We also strongly suggest that there is a need to revisit the Concordat and Single Outcome Agreements (SOAs). In our view, the SOAs and related performance management systems are not sufficiently robust. The main issue would appear to be that there is no needs analysis providing the evidence base upon which priorities and therefore indicators are selected for inclusion in the SOA. In addition, the ability for local authorities to set their own targets and indicators leads to very little comparable information and this has also made it impossible to provide a national overview.

\(^1\) The Herald 16\(^{th}\) September 2011, p1 and p20
10. We have seen no real evidence that the current national indicators set have made a difference to Scotland’s ethnic minority communities (and although we do not doubt the commitment to putting basic processes in place we are unclear about the added value for money to date in terms of quality, customer satisfaction levels and delivering actual change on the ground). The only national outcome currently set in the Concordat is ‘We have tackled the significant inequalities in Scottish society’ and evidence would suggest that ‘inequalities’ is often very narrowly interpreted to mean socio economic factors and postcode deprivation. This means we do not have a clear equality outcome either as part of SOAs or indeed as a HEAT target for health boards.

11. CEMVO Scotland believes that it would strengthen the Draft (Specific Duties) Regulations laid before the Scottish Parliament requiring each listed authority to publish a report on the action it has taken and the progress it has made to mainstream equality, if a specific national equality measurement/target(s) was also set, with progress reported annually to the Scottish Government. Without working on these improved systems, moves towards focusing more on outcomes than outputs risk being misunderstood and thereby ineffective. Local authorities will continue to work without the tools to effectively make decisions on where to make efficiency savings, see whether a contractor is delivering improvements in care or if a policy is being implemented.

Workforce reductions

12. We support a number of the Christie Commission’s recommendations but in particular to give Audit Scotland a stronger remit to improve performance. Evidence indicates that whilst there has been considerable progress made with organisational processes over the last 10 years, workers from ethnic minorities remain disadvantaged in the labour market and continue to experience discrimination in employment.

13. The Department for Work and Pensions carried out research (A test for racial discrimination in recruitment practice in British cities 2009) which highlighted continued racial discrimination in recruitment practice in British cities and evidenced considerable variation between ethnic minority groups in the severity of the ethnic penalties observable in labour market outcomes. The test found high levels of name based net discrimination in favour of white applicants in the early stage of the recruitment process which meant that candidates where denied access to a range of jobs in a range of sectors across British cities as a result of having a name associated with an ethnic minority background. CEMVO Scotland is very concerned that the current recession will have an even greater adverse impact on ethnic minority applicants if preventative action such as the immediate introduction of positive action measures is not used to redress this. This also applies to any redundancies (voluntary or compulsory) which occur as a result of cutbacks.

14. There is considerable additional evidence to support the findings from the DWP eg:
   The JRF research (mentioned above) found:
   - High unemployment rates in certain minority ethnic groups
• Mismatches between educations qualifications and types/levels of employment
• Potential for employment discrimination eg across local authorities in Scotland only 1% of the workforce is currently from ethnic minorities. This figure is disproportionately low given that the overall figure is 3%

15. Scottish Government Social Research (Coping with Change and Uncertainty: Scotland’s equalities groups and the Recession 2010):
• People from ethnic minority communities have lower employment rates than the white population
• Between 2007 and 2009 the employment rates for ethnic minorities have been more greatly, or more quickly, affected by the economic downturn
• The EHRC have reported that the recession has reversed some of the progress which has been made in narrowing the employment gap between ethnic minorities and the rest of the population in recent years. This is also true at a Scotland level.

16. The Scottish Social Attitudes Survey 2010 found that that has been an increase in the proportion who felt that people from ethnic minority groups and people from Eastern Europe take jobs away from other people in Scotland. This would seem to indicate that there is a very real danger that particular groups will be scapegoated for economic problems and this will have a negative impact both in terms of local authorities being able to meet the General Duty but also in terms of the cumulative impact on community confidence and social cohesion.

Procurement

17. Outsourcing services: Integrating race equality into the procurement process can improve the quality of services, making them more appropriate and more responsive to the needs of different communities.

18. **We would urge local authorities to follow previous guidance issued by the CRE (pre EHRC) in relation to race equality and public procurement** which suggested that they:
• Build race equality requirements into contract specifications (including the requirement to take positive action where appropriate)
• Build race equality requirements into tenders and evaluation processes
• Review approved lists and develop a wider range of suppliers, including greater involvement of small businesses, social enterprises, ethnic minority businesses and community organisations. Since the vast majority of ethnic minority businesses are small businesses – employing fewer than 50 people – this would mean that any steps local authorities take to remove barriers, or increase opportunities for small businesses is likely, at the same time, to improve opportunities for ethnic minority businesses. These same businesses can often offer value for money, a more personal service, a quick response, innovative solutions and flexibility to meet specific customer needs.
19. The Christie Commission also recommended that we should apply commissioning and procurement standards consistently and transparently.

**Impact of UK policies**

20. The Equality Act 2010 has a general duty which requires public bodies to
   a) eliminate unlawful discrimination, harassment and victimisation
   b) advance equality of opportunity between different groups; and
   c) foster good relations between different groups

21. The JRF report suggested that better information sharing about major public bodies was vital for ensuring safe spaces for all who reside in the country. **We support this and are very concerned that local authorities will fail to acknowledge or address the requirements of the General Duty sufficiently when looking at their budgets and reconsidering priorities.**

22. Equality Outcomes set under the Equality Act 2010 and specific duties will need to be precise and measureable in order to minimise the discriminatory effect of the recession. Outcomes set under SOAs, as we have already highlighted, have to date failed to robustly embed equality or evidence actual difference to people’s daily lives. Part of this is due to the increase in decision making at a CPP level, so SOAs can not be clearly ‘owned’ by any one public body nor legally accountable as a collective partnership in relation to the Equality Act 2010 since the partnership is a “non corporate entity.”

23. We should take this opportunity to learn from and build on legacy reports such as Audit Scotland’s work on race equality in 2009 which stated that “Councils now need to get better at engaging with people from minority ethnic communities; develop a clearer understanding of their experiences and service needs; and ensure that race equality is given higher priority in everyday council business. This will help improve council services for everyone.” The report also went on to say ‘Councils lack full and robust information about minority ethnic communities and their needs’.

24. **CEMVO Scotland urges local authorities and community planning partnerships to work in partnership with the ethnic minority third sector in order to develop local Outcomes which address the General Duty and are specific to the needs of ethnic minority people living in Scotland today.**

25. **We also suggest that guidance is quickly needed in order to clarify for all public bodies requirements under both the Equality Act and the Scottish Concordat in relation to ‘outcomes’.**
Other issues

21. CEMVO Scotland would like to highlight 4 key issues:

- Funding should be driven by need – not by postcode areas. Whilst the Christie Commission focuses on poverty and inequalities, in our view it fails to recognise institutional and structural racism and so there is a very real risk that no systematic changes will be built in. Individuals face racism and racial harassment regardless of the area they live in. We therefore urge public bodies – in all of their future financial decision making - to ensure equitable treatment according to need rather than treating everyone the same.

- An essential companion to improved involvement and engagement cultures is the need for public bodies to fund ethnic minority organisations to build capacity to influence policy making and decision making. Without this commitment in the short term, public bodies will find it harder to achieve their long term outcomes. Relevant input from the third sector is thus often missed and the likelihood of challenges being made is increased – leading to overall waste of resources.

- Data collection is currently largely an academic debate which is seen by many public bodies as an added burden rather than an analytical tool which can be used to evidence real change. CEMVO Scotland welcomes the recent draft revisions to the specific duties in Scotland as they seek to redress this gap and we would welcome similar consideration of the SOAs.

- Concluding observations of the Committee on the Elimination of Racial Discrimination (September 2011) included ‘Notwithstanding the economic downturn, the State party (UK) should ensure that any austerity measures do not exacerbate the problem of racial discrimination and inequality’.

Thank you for the opportunity to provide our evidence.

CEMVO Scotland

20th October 2011