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| <b>Report to :</b>   | <b>EXECUTIVE CABINET</b>  |
| <b>Date :</b>  | 26 October 2022   |
| <b>Executive Member:</b>   | Councillor Leanne Feeley – Executive Member (Education, Achievement and Equalities)   |
| <b>Reporting Officer:</b>  | Tracy Brennand – Assistant Director (People and Workforce Development)  |
| <b>Subject :</b>   | <b>SOCIOECONOMIC DUTY</b>   |
| <b>Report Summary :</b>  | This report sets out the local and national context, policy recommendations, case studies, key terms and other considerations with a view to adopting the socioeconomic duty in Tameside, in line with work taking place in other local authorities in Greater Manchester and across England.   |
| <b>Recommendations :</b>   | Board is asked to approve the proposed plan for submission to the Executive Cabinet, with the intention of securing support to implement the socioeconomic duty in Tameside as part of our wider Poverty Strategy.  |
| <b>Links to Corporate Plan:</b>  | Achieving many of the objectives and priorities of the Corporate Plan is dependent on meeting the needs of local residents, including tackling inequality, increasing well-being and improving outcomes. Successful implementation of the socioeconomic duty will be critical to achieving these objectives.  |
| <b>Policy Implications :</b>   | There may be policy implications as this Plan will impact on service delivery and outcomes for residents and businesses. Where there are new impact reports these will be brought forward by the relevant lead service areas.   |
| <b>Financial Implications:</b><br><b>(Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b> | There are no direct financial implications in this report but there may be subsequent financial implications as a result of activity associated with the socioeconomic duty and principles contained within. Where this is the case, further reports will be brought forward for approval.  |
| <b>Legal Implications :</b><br><b>(Authorised by the Borough Solicitor)</b>  | The legal implications are set out in the main body of the report for consideration.  |
| <b>Risk Management :</b>   | Failure to address the inequalities of outcome which results from socioeconomic disadvantage, including long-term systemic issues of deprivation and short term issues of immediate financial crisis, have the potential to create significant wellbeing risks for individuals and families as well as organisational risks in terms of additional demands in other high cost specialist services.                      |
| <b>Access to Information :</b>   | The background papers relating to this report can be inspected by contacting Tom Hoghton – Policy & Strategy Service Manager<br> Telephone:0161 342 3542<br> E-mail: <a href="mailto:tom.hoghton@tameside.gov.uk">tom.hoghton@tameside.gov.uk</a> |

## 1. INTRODUCTION

- 1.1 The “socioeconomic duty” is contained in Section 1 of the Equality Act 2010 and requires public bodies to, *“when making decisions of a strategic nature about how to exercise its functions, have due regards to the desirability of exercising them in a way that is designed to reduce the inequalities of outcome which result from socioeconomic disadvantage”*. (The key terms for this definition can be found in **Appendix 4**)
- 1.2 In practical terms, according to Greater Manchester Poverty Action, the socioeconomic duty “asks public bodies to consider how their decisions and policies could increase or decrease inequality that results from socio-economic disadvantage”.
- 1.3 Despite the Equality Act coming into force on 1 October 2010, successive governments have declined to implement the socioeconomic duty in England as a statutory requirement. However, the socioeconomic duty was introduced in Scotland in April 2018 as the “Fairer Scotland Duty” and in Wales in March 2021.
- 1.3 In recent years, Wigan, Trafford and Salford councils have joined a number of local authorities outside GM, including Newcastle City Council and the North of Tyne Combined Authority, in taking steps to introduce the socioeconomic duty in their areas.

## 2. LOCAL AND NATIONAL POVERTY STATISTICS

- 2.1 In recent years the rise of poverty has emerged as a major policy issue. This has made adopting the socioeconomic duty and other anti-poverty measures a matter of urgency. (**Appendix 2** contains a number of local and national statistics that highlight this). However, the key issues for consideration are:
- Tameside has the 5<sup>th</sup> best male Life Expectancy and Healthy Life Expectancy in Greater Manchester, but the 9<sup>th</sup> best female Life Expectancy and Healthy Life Expectancy. Life Expectancy (at birth) in Tameside is 77.57 years for men and 80.7 years for women, while Healthy Life Expectancy (at birth) is 61.9 years for men but only 58.3 years for women.
  - In the 2019 Index of Multiple Deprivation, Tameside is ranked as the 28<sup>th</sup> most deprived of 317 Local Authority districts in England, and the 5<sup>th</sup> most deprived local authority in GM. Within Tameside, 11 of the borough’s 141 lower layer super output areas (LSOAs) are also within the most deprived 5% of such areas nationally.
  - The Trussell Trust end of year data for 1 April 2020 to March 31st 2021 shows that their foodbanks in Tameside have given out the 4<sup>th</sup> most parcels in GM. This equates to 11.1% of their total food parcels for Greater Manchester, 10.6% of their parcels for adults in GM, and 12% of their parcels for children in GM.
  - According to the Resolution Foundation, the real incomes of the poorest quarter of households nationally are set to drop by 6% in 2022/23, putting an extra 1.3 million people, including 500,000 children, into absolute poverty. This will be the first recorded incident of a rise in absolute poverty in Britain outside of a recession.

## 3. CONCLUSIONS

- 3.1 While the precise details of implementation of the socioeconomic duty can vary, research by a number of organisations has identified key practical steps in all cases. (A complete breakdown of what each recommendation involved can be found in Appendix 1 and Appendix 3 contains a number of case studies of how other local authorities have implemented aspects of these in a real-world setting).

### **Short-Term Recommendations - Simple measures that can be implemented quickly.**

1. Identify Senior Members and Officers to take on the role of “Designated Leads” of the Socioeconomic Duty.

2. Integrate Socioeconomic Disadvantage into Equality Impact Assessments using appropriate proxy indicators and review processes
3. Consolidate existing poverty-related data held by the Council and partners

**Long-Term Recommendations – More involved measures that will require an element of discretion.**

4. Develop internal guidance and training for officers to consider how they can meet the Socioeconomic Duty at a service delivery level, on a day-to-day basis, outside of formal Equality Impact Assessments
5. Collaborate with residents, civil society and voluntary and community sector organisations to build awareness and understanding of the Socioeconomic Duty and people's lived experience of socioeconomic disadvantage
6. Embed accountability for the implementation of the Socioeconomic Duty through monitoring, evaluation, and sharing of best practice.
7. Deliver the Living Wage for all council staff and contracted employees, and introduce mechanisms to promote uptake of the Living Wage among other local employers

#### **4. BENEFITS OF ADOPTING AND IMPLEMENTING THE SOCIOECONOMIC DUTY**

- 4.1 Successfully implementing the socioeconomic duty in Tameside will deliver a number of benefits, including but not limited to:
- Reducing the inequalities of outcome which result from socioeconomic disadvantage.
  - Supporting coordination and partnership working, both within the Council between service areas and externally with partners in the public, private, community and voluntary sectors.
  - Raising awareness of existing socioeconomic inequalities in Tameside within the Council and among our partners.
  - Securing a widespread commitment from council services to consider their impact on local socioeconomic inequalities while carrying out their day-to-day functions.
  - Actively encouraging the participation of low-income residents in decisions that affect them, especially in the context of any proposed cuts or changes to services.
  - Achieving greater consistency in practice in both the short-term and in the long-term across political administrations and turnover of staff.
  - More rigorous and systematic approaches to Equality Impact Assessments and general assessments of policy and practice.
  - Strengthening data gathering and analysis practices, especially in the context of Equality Impact Assessments, thereby strengthening the council's evidence base and accountability to residents and partners.
  - Supporting the effective and efficient allocation of limited resources in medium and long-term planning.

#### **5. RECOMMENDATIONS**

- 5.1 As set out at the front of the report.

# APPENDIX 1

## **Recommendations for Implementing the Socioeconomic Duty in Tameside**

A number of organisations, including GMPA, Just Fair and the Equalities and Human Rights Commission, have conducted extensive research on the implementation of the socioeconomic duty in Scotland, Wales and parts of England. While the precise details of implementation can vary depending on the priorities and existing structures of individual local authorities, the following recommendations have been identified as key practical steps in all cases:

### **1. Identify Senior Members and Officers to take on the role of “Designated Leads” of the Socioeconomic Duty.**

Strong and visible leadership has been highlighted as vital to facilitating a broader cultural shift that embeds the priority to tackle socioeconomic disadvantage at all levels of decision-making within the organisation.

The nominated Designated Lead(s) should take responsibility for communicating, clearly, consistently and across all other briefs, why implementation of the Socioeconomic Duty is a priority. Consideration must also be given to preventing siloing and making sure that the Designated Leads provide a forum through which different parts of the council can engage with the Socioeconomic Duty.

In other councils that have successfully implemented the socioeconomic duty, the identity of the Designated Lead(s) varies depending on the council’s organisation and priorities. To give two examples, in Trafford Council the responsibility is assumed by the Executive Member for Culture, Leisure and Strategic Partnerships and the Assistant Director for Strategy and Resources. In Salford Council this is taken on by the Lead Member for Inclusive Economy, Anti-Poverty and Equalities, and officer actions around poverty and the socioeconomic duty are coordinated by a Principal Policy Officer (Poverty and Inequality) and allocated to the relevant Senior Officer as required.

The end goal should be to embed a commitment to the Socioeconomic Duty that can survive changes in political administration, council leadership, corporate strategy, and national policy agendas.

### **2. Integrate Socioeconomic Disadvantage into Equality Impact Assessments using appropriate proxy indicators and review processes**

At present Tameside Council uses “Low Income Households” as a category within Equality Impact Assessments. However, this could be strengthened by introducing a number of other proxy indicators to more accurately consider the impact on people vulnerable to socioeconomic disadvantage. These could include, but may not be limited to:

- People living in deprived areas.
- People in low paid employment or households of low income.
- People facing barriers to gaining employment, such as low levels of educational attainment.
- Looked after children.
- People facing multiple deprivation through a combination of circumstances such as poor health or poor housing/homelessness.

In order to accurately measure the impact of the project, policy or proposal on socioeconomic disadvantage within Tameside, further reassessment should take place at an agreed and appropriate future point. These reviews will be subject to a scrutiny process within the council and, where appropriate, may result in further mitigating action and consultation with residents.

### **3. Consolidate existing poverty-related data held by the Council and partners**

The use of quantitative data is essential to developing a clear success criteria and measures so that the impact of the socioeconomic duty on inequality of outcomes can be collected and monitored.

Given the range of data collected by councils and their partners (particularly the Department for Work and Pensions and housing associations), more could be done to identify residents vulnerable to socioeconomic disadvantage by consolidating existing poverty-related data. Appropriate datasets could include, but may not be limited to:

| Possible Metric   | Data Owner                       |
|---|----------------------------------|
| Missed Council Tax payments in last 12 months   | Local Authority                  |
| Late Council Tax payments in last 12 months   | Local Authority                  |
| No. of historic applications to Local Welfare Assistance Scheme (regardless of success) | Local Authority                  |
| Income Level (if disclosed)   | Local Authority/Housing Provider |
| Family size/status  | Local Authority/Housing Provider |
| Housing status (social rented, private rented, owned)                                   | Local Authority/Housing Provider |
| Known rent or mortgage arrears  | Local Authority/Housing Provider |
| Energy rating of home   | Local Authority/Housing Provider |
| Historic consultations with council's welfare rights team                               | Local Authority                  |
| Historic consultation with Housing Association money management team                    | Housing Provider                 |
| Historic applications for insolvency  | Local Authority                  |
| Time on Universal Credit (if applicable)  | Local Authority/Housing Provider |
| Frequency of changes to Universal Credit (if applicable)                                | Local Authority/Housing Provider |
| Food Referrals made   | Local Authority/Housing Provider |
| Real Living Wage Accredited Employers   | Local Authority                  |
| People Paid Below Real Living Wage  | Local Authority                  |
| Credit Union Membership   | Local Authority                  |
| Eligibility for Free School Meals   | Local Authority                  |
| GP Records  | GP/CCG                           |

Since the Socioeconomic Duty is not a statutory obligation in England, many of the national-level levers to tackle poverty are not readily available. This makes it especially important to identify what can be measured and monitored locally to evidence progress being made in tackling socioeconomic disadvantage and reducing inequalities of outcome.

#### **4. Develop internal guidance and training for officers to consider how they can meet the Socioeconomic Duty at a service delivery level, on a day-to-day basis, outside of formal Equality Impact Assessments**

Along with leadership from senior members and officers, meeting the Socioeconomic Duty will also require a broader cultural shift within the organisation that will embed the priority of tackling socioeconomic disadvantage within individual services on a day-to-day basis. The intention is to foster collective responsibility for the Duty among all staff members, and promote greater focus on change to outcomes rather than the decision-making process.

This could be facilitated in the first instance by using internal communications such as the Chief Executive's Brief, staff portal and LiveWire to promote information and awareness raising on anti-poverty initiatives locally and nationally, make principled arguments about why implementing the Socioeconomic Duty is the right thing to do, and challenge unconscious bias, negative attitudes and stereotypes often aimed at people living in poverty.

On a longer time scale, collaboration with Workforce Development could lead to information about the Socioeconomic Duty being embedded into the council's staff induction and training processes. Individual departments could also be equipped with a set of bespoke questions to informally assist them in implementing the socioeconomic duty at service delivery level. This framework from Denbighshire County Council is a potential example of this approach:

- Stage 1 (Planning)
  - Is this decision a strategic decision?
- Stage 2 (Evidence)

- What evidence do we have about socioeconomic disadvantage and inequalities of outcome in relation to this decision?
  - Have we engaged with those affected by the decision?
  - Have we considered communities and places of interest?
- Stage 3 (Assessment and Improvement)
  - What are the main impacts of the proposal?
  - How can the proposal be improved so it reduces inequalities of outcome as a result of socioeconomic disadvantage?
  - Have we considered communities and places of interest?
- Stage 4 (Strategic Decision Making)
  - This stage is for senior decision makers (For example: Cabinet, Senior Leadership Team, Members, board executives and committee members) to confirm that due regard has been given.
  - They must be satisfied that we have understood the evidence and the likely impact, and have considered whether the policy can be changed to reduce inequality of outcome as a result of socioeconomic disadvantage.
- Stage 5
  - This stage is how the process of evidencing and recording how “due regard” has been given. At this point changes to the decision should be made and recorded.

**5. Collaborate with residents, civil society and voluntary and community sector organisations to build awareness and understanding of the Socioeconomic Duty and people’s lived experience of socioeconomic disadvantage**

The Duty recognises that the best expertise and experience about how to tackle poverty and inequality is often held by those in our communities who live with the reality of socioeconomic disadvantage. Participative consultation and engagement allows officers and residents to find new and sustainable ways to develop strategies to tackle highlighted issues together by combining lived experience, statistical analysis and policy knowledge through collaboration and co-production.

It is essential that this collaboration involves a more in-depth approach than simply gathering as many stories or “case studies” as possible. Instead, meaningful involvement is delivered by understanding the collective experience of those experiencing socioeconomic disadvantage and ensuring that it is accurately and truthfully represented. This will include involving people from the outset, committing to processes rather than one-off events, and exploring how diverse forms of expertise are best incorporated into policymaking.

In Tameside there are a number of organisations that could assist in facilitating this collaborative approach, including the Tameside Poverty Truth Commission, We Shall Overcome, Tameside Poverty Action Group, Citizens Advice Bureau, food banks and other religious or community groups. Efforts should be made to broaden and deepen our collaboration with these partners and stakeholders, particularly through existing forums such as the Partnership Engagement Network, Community Champions and Inequalities Reference Group, with a view to building understanding, awareness and engagement with the Socioeconomic Duty.

**6. Embed accountability for the implementation of the Socioeconomic Duty through monitoring, evaluation, and sharing of best practice.**

Successful implementation of the Socioeconomic Duty on an ongoing basis requires a robust monitoring and evaluation process, including explicitly identifying the tackling of socioeconomic disadvantage as a priority in all strategic plans, building transparent and accountable consideration of socioeconomic disadvantage into annual budget setting and all decision-making processes (including scrutiny arrangements), and a systematic assessment of impact using both quantitative and qualitative data with appropriate tracking and review. This should be supported by working internally and with partners to highlight best practice and areas where further improvement may be necessary.

Internally, it should be established at the earliest possible stage what changes the adoption of the

Duty should bring about in Tameside Council. This document could then be referred back to at regular intervals to assess whether these changes have happened and if they are being sustained. The initial suggestion would be every 6 months – with the possibility of scaling back once the Duty is appropriately embedded.

In addition, a number of local authorities who have either implemented the Socioeconomic Duty (Newcastle, Salford) or are interested in doing so (Stockport) have expressed a desire to meet to learn and share best practice. This could be facilitated through informal meetings between officers, or through existing structures such as the GM Local Authority Officers Forum.

The public must also be assured that implementation of the Socioeconomic Duty is not just a publicity activity, but has led to meaningful change and is being taken seriously. This could be achieved by an external communications campaign to raise awareness of the duty and what it means for residents, along with making our plan for implementation and any subsequent assessments as described above publically viewable.

Since the Socioeconomic Duty is not a statutory obligation in England, a new accountability mechanism should also be set up to allow local organisations and residents to challenge decisions that they believe fail to comply with the Duty, and provide access to justice and redress if this is proven to be the case.

#### **7. Deliver the Living Wage for all council staff and contracted employees, and introduce mechanisms to promote uptake of the Living Wage among other local employers**

Tameside Council has implemented the Living Wage for directly employed staff and is currently looking into seeking accreditation with the Living Wage Foundation, which also requires having a plan in place to pay all contracted staff a living wage.

There is an important connection between voluntary implementation of the Living Wage by local authorities and their commitment to the Socioeconomic Duty, both being levers for promoting fairness and equality. Increasing requirements for pay transparency and action to tackle pay inequality has also shown that the Living Wage particularly benefits low-paid, part-time, women, and ethnic minority employees.

As well as benefitting significant numbers of employees, Tameside Council's influence as a major employer makes the Living Wage a key policy lever to reduce the prevalence of in-work poverty within the borough.

Mechanisms that the Council could undertake to increase the number of Living Wage employers locally include raising awareness of the benefits of paying the Living Wage, offering support to help cover the accreditation costs for local SMEs, or explicitly giving weight to the Living Wage at the tender evaluation stage of procurement as a valid Social Value consideration or as a method of achieving financial Best Value.

## APPENDIX 2

### Local Context: Poverty in Tameside

- Tameside as a borough faces significant issues with poverty that make adopting the socioeconomic duty and other anti-poverty measures an urgent issue.
- As with the rest of the country, Covid-19 has had a major impact on every aspect of life, particularly on income, health and wellbeing. There are limitations on the data available when trying to understand the full impact of Covid-19 on poverty in Tameside, though it is fair to state that pre-existing inequalities have been greatly exacerbated by the global pandemic.
- In the Index of Multiple Deprivations 2019, Tameside is ranked as the 28th most deprived of 317 Local Authority districts in England. Tameside is the fifth most deprived authority district in Greater Manchester, with Manchester, Rochdale, Salford, and Oldham also in the most deprived 10% of authorities nationally. Within Tameside, 29 of the borough's 141 lower layer super output areas (LSOAs) are within the most deprived 10% of such areas nationally, with 11 of these within the most deprived 5% nationally.
- Data taken from July 2020 to June 2021 shows that 4.1% of the general population in Tameside are unemployed, for Great Britain this number is 4.8%. 7% of residents with disabilities are unemployed. Men with disabilities more likely to be unemployed than non-disabled men, the difference (5.9%) being much more notable than the difference between disabled and non-disabled women (0.8%).
- 75% of white residents are in employment compared to 70.1% of ethnic minority residents, and 55% of people with disabilities/health conditions lasting over 12 months are in employment. Tameside has a 50.8% employment rate for men of working age with an Equality Act core or work-limiting disability. This rises to 57% amongst women. The lowest discrepancy in employment between genders is found in the mixed ethnic group (1.2%), with the largest discrepancy in the Pakistani/Bangladeshi group (28.7%) The cumulative population from ethnic minority communities makes up 13.8% of Tameside's general population.
- 88.3% of men in employment are employed full time, compared to 70.9% of women. Men are also more likely to be both in full time employment and working a greater number of hours.
- Tameside's average net household income (after housing costs) is £23,670. This is slightly below the GM average of £24,862 and eighth (from highest to lowest) in GM. Within Tameside, the highest net household income (after housing costs) can be found in Stalybridge South at £29,100; and the lowest in St Peter's at £17,100.
- As of April 2020, 8.1% of the borough's population are claiming Universal Credit, with 36.2% of claimants in Tameside being in employment. By gender, 10.1% of men and 6% of women are claimants.
- Disability Living Allowance Cases in Payment, as of May 2021, show that the most claimants are in MSOA E02001248 (Hyde Newton, with 404) and the fewest are in E02001242 (Audenshaw, with 113). To break this down by gender, men make up 3,393 (53.2%) and women 2,985 (46.8%) of the total. Similarly for Cases with Entitlement, as of May 2021, the same MSOAs are the highest and lowest with 408 and 113 respectively, and the breakdown by gender is almost identical (53.3% male, 46.7% female).
- The most recent available data from 2019-2020 shows that the highest percentage of child poverty in Tameside can be found in St Peters (52%) and the lowest in Denton West (23.1%). According to DWP statistics the number of children in Tameside in absolute and relative low income families has been growing since the 2015/16 financial year until the 2019/20 financial year where there is a slight decline. This data does not take into account the full impact of the pandemic.



- In non-working families, it is more likely for lone-parent households to have children in relative poverty, whereas in working families it is more likely for couple households. As of October 2021, there are 9,676 pupils in Tameside claiming free school meals. This number is lowest in Denton West at 177 (1.8%) and highest in St Peters at 944 (9.8%)
- According to the ONS, the number of people in the borough aged 16-64 without any academic qualifications has been trending steadily downwards since 2017, however the most recent available data is from Jan-Dec 2020, so the impact of the pandemic cannot yet be fully seen. The percentage of people of working age with no qualifications has decreased from 9.2% in 2016 to 7.5% in 2020. This compares to 7.5% in England, and 9.4% in Greater Manchester. When compared by gender, 8.25% of men have no academic qualifications in comparison to 7.25% of women.
- 10.7% of households in Tameside face fuel poverty, defined as having required fuel costs that are above the national median level and, were they to spend that amount, being left with a residual income below the poverty line. This is below the North West and England averages of 14.5% and 14.8% respectively. The highest percentage of fuel poor households can be found in LSOA Katherine/Police Station in St Peters (23.8%), and the lowest is in Little Moss (East) in Droylsden East (6.8%).
- Residents are more likely to be fuel poor when living in private rented households (26.8%), in comparison to social housing (18.4%) and owner occupied homes (8.2%). In terms of household composition, lone parent households are most likely to be fuel poor (28%), whereas a household of a couple under sixty with no dependent children is the least likely to be fuel poor (5.6%). Fuel poverty among ethnic minority communities in the borough is at 19.8%, while fuel poverty among White communities is 12.6%.
- Data provided by the Economic Social Research Council shows that households in West Park in St Peter's are at the highest risk of food poverty in Tameside, and Mottram Road (Middle)/Woodlands in Stalybridge South in the least likely. For those over 65, food insecurity is most prevalent in Dukinfield Stalybridge (45.99%) and lowest in Hyde Newton (26%).
- The Trussell Trust end of year data for April 1st 2020 to March 31st 2021 shows that their foodbanks in Tameside have given out the fourth most parcels in Greater Manchester. This equates to 11.1% of their total food parcels for Greater Manchester, 10.6% of their parcels for adults in GM, and 12% of their parcels for children in GM.
- The recently released (January 2022) government statutory homelessness statistics for July-September 2021 show that there are 186 households assessed as homeless in Tameside; this makes up 6.1% of Greater Manchester's total. Single adult males make up the largest percentage of these 186 households, with male single parents with dependent children being the lowest.
- Life Expectancy (at birth) for men is 77.57, with Healthy Life Expectancy for men being 61.9. For women Life Expectancy (at birth) is 80.7, however Healthy Life Expectancy is only 58.3.
- In comparison, male LE and HLE for England is 79.63 and 63.36 respectively, and the female expectancies are 83.21 and 63.88. In Greater Manchester these numbers for men are 77.99 and 60.86, and 81.48 and 60.76 for women. Tameside has the 5th best male Life Expectancy and Healthy Life Expectancy in Greater Manchester, but the 9th best female Life Expectancy and Healthy Life Expectancy.

### **National Context: The Cost of Living Crisis**

- The national context, particularly the cost of living crisis, has further intensified the need to develop better ways of combating poverty and socioeconomic disadvantage in Tameside. The cost of living has been increasing across the UK since early 2021. In March 2022 inflation also reached its highest recorded level since 1922, further affecting the affordability of goods and services for households.

- According to the Resolution Foundation, the poorest quarter of households are set to see their real incomes drop by 6% in 2022/23. The Joseph Rowntree Foundation estimate that 19% of the incomes of low-income families could be spent on energy costs in 2022/23.
- Low-income households spend a larger proportion than average on energy and food, and will therefore be relatively more affected by increases in prices. In 2019/20, 13.8% of spending among households in the bottom tenth of incomes was on food and non-alcoholic drink compared to 8.5% with incomes in the top tenth (This does not include spending in restaurants or in pubs and bars).

In regards to energy, households in the lowest income group spent 7.1% of their overall spending on electricity and gas, compared to 2.5% for households in the highest income group. Due to energy prices rising particularly quickly, the Institute for Fiscal Studies estimated in January that the lowest-income tenth of households will face around 1.5% more inflation than the highest income tenth. Research by the Resolution Foundation estimated in April 2022 that a £600 increase in annual energy bills would lead to households in the bottom tenth of income seeing the proportion of total spending going on energy bills rising from 8.5% to 12%. This is three times the proportion for households in the top income group.

- As a result of this, the Resolution Foundation estimates that an extra 1.3 million people will fall into absolute poverty in 2023, including 500,000 children. An individual is defined as living in absolute poverty if they live in a household with income less than 60% than median income in 2010/11, adjusted for inflation. This will be the first recorded incident of a rise in absolute poverty in Britain outside of a recession.  
Relative poverty is projected to rise to the highest level since the 1990s, with a third of children in relative poverty by 2026/27. As a result of national insurance contribution increases and a real decrease in the value of benefits, The Joseph Rowntree estimates that relative poverty will rise by 600,000 in 2022/23.

# APPENDIX 3

## **Case Studies**

### **Leadership on Financial Inclusion – City of York Council**

- York's Financial Inclusion Steering Group has been in place since 2012. The Leadership Group retains Executive Member and senior officer engagement and includes key representatives from the voluntary and community sectors.
- A wider networking group is in place with the inclusion of other council and external partners.
- The Group is the driving force behind the implementation of the Council's commitments as set out in their Financial Inclusion Policy and Action Plan, supporting the City's Economic Strategy.
- The Group distributes funding and grants for crisis loans and financial inclusion initiatives. The allocations for 2022/23, which amount to £157,000, can be found on their website [here](#).
- A thematic approach acknowledges the multi-faceted nature of financial inclusion, with a focus on mental health in 2018.

### **Promoting the Living Wage – Cardiff Council**

In 2012 Cardiff Council started paying its entire workforce the Living Wage. Since gaining accreditation in 2015, the Council has actively promoted the Living Wage across Cardiff. In 2017-18, Cardiff Council was awarded the title of Living Wage for Wales Champion as a result of this work. Actions include:

- Displaying the Living Wage logo in all council buildings and on the Council jobs page.
- Flying 40 Living Wage flags, sourced from another Living Wage Employer, from Cardiff Castle's ramparts during Living Wage Week
- Amending tender documentation to ask tenderers a range of questions on fair work practices including encouraging payment of the Living Wage
- Publicising a blog from the Cabinet Member for Finance, Modernisation and Performance, Chris Weaver, about the Council being named the Living Wage for Wales Champion 2017-18
- Developing and then circulating a Living Wage leaflet to businesses in Cardiff and handing out at Economic Development Business Forum meetings
- Making a video with Living Wage Employers and employees to promote the benefits of paying the real Living Wage
- Embedding the Living Wage into the Council's key strategic documents including "Capital Ambition", the five year plan for Cardiff, and the "Socially Responsible Procurement Policy" which sets out the Council's values and principles
- Establishing and marketing a Living Wage Accreditation Support Scheme to 4,000 business to encourage more SMEs to pay the Living Wage by covering their accreditation costs for 3 years
- Publicising the fact that 2,200 full and part-time Council staff get an annual pay uplift, at a cost of around £1 million
- Putting Living Wage advertisements on bin lorries.

### **Impact on Welfare and Social Security Benefits and Advice Provision – Newcastle City Council**

- The need to understand and, where possible, address the impact of welfare reform on residents was cited by some authorities as a driver for using the socioeconomic duty.
- Newcastle City Council have examples of how assessing the impact of council budget proposals has shaped their approach to mitigating benefit cuts.
- Adopting the socioeconomic duty through the use of integrated impact assessments has directly influenced spending priorities, resulting in continued funding for the Council's Welfare Rights Service.
- The assessment process and work on financial inclusion means the authority has clear sight of the amount of resources Welfare Rights advice has secured for residents and households in the city, together with a full understanding of the negative impacts should the service be reduced or withdrawn.
- Newcastle also emphasised the importance of investing in information-sharing across the authority, and with partners, to build a picture of residents' financial circumstances, noting that

its joined-up approach has prevented escalating debts from pushing people into crisis.

- One such scheme has been delivered by Citizens Advice offering advice in GP surgeries, and its success has resulted in it being considered as part of the organisation's core service provision review.

### **Joining Up the Data – Bristol City Council**

- The “Fair and Inclusive” strategic priority in Bristol City Council has been emphasised in the development of various initiatives, such as an Inclusive Economic Development Strategy, the “One City Plan”, a “collaborative partnership approach to how we work in the city” and “One Public Estate”.
- The One City Plan seeks to strengthen the sharing and use of data across the city, utilising the Joint Strategic Needs Assessment, the Quality of Life survey with residents, and the Open Bristol Data platform.
- A partnership has been formed with the Thriving Places Index, which brings together 48 local level indicators to give an overall assessment of the wellbeing of citizens and communities in terms of sustainability, local conditions, equality and other domains.
- These are based on data drawn from the Office for National Statistics, Public Health England and the Index of Multiple Deprivation. Unemployment, overwork and deprivation all feature within the six indicators in the “Work and Economy” domain.
- Bristol City Council is considering the socioeconomic duty as part of a review of equalities practice, echoing the approach of a number of other councils to better understand and address the needs of communities.

### **Poverty Truth Commission – Salford City Council**

The Salford Poverty Truth Commission (PTC) was launched in July 2016 and consisted of 15 people with personal experience of poverty and 15 people in business or public life, whose positions might enable them to make changes happen.

After 15 months of work, in October 2017 the findings of the PTC were shared at a public event: Salford Poverty Truth Commission – Our Story So Far. People from across Salford and around the country gathered at the The Sanctuary, Salford Quays to hear first-hand stories of how the PTC has influenced and inspired change in Salford.

Through listening to the voices and strong evidence of those with first-hand experience, working closely with the council to influence key parts of the Tackling Poverty Strategy, and altering the way that the council speaks with, writes to and meets with residents, the Salford PTC has inspired the organisation to:

- Review its debt recovery and income collection systems to ensure they are as sensitive as possible and do not create further hardship, distress or difficulty for vulnerable people.
- Stop using enforcement agents when recovering debts from the most vulnerable residents who receive a council tax reduction, adopting the Local Government Association's and Citizen Advice Bureau's “Collection of Council Tax Good Practice Protocol”.
- Launch new face-to-face coffee drop-in sessions for people seeking help and advice on debt.
- Rewriting its standard letters to prevent “brown envelope syndrome” (a common term for people being scared to open official letters out of fear that it contains bad news).
- Give full Council Tax exemptions for Salford care leavers.
- Waive the £11 charge for copies of birth certifications for homeless people, enabling them to more easily obtain the official identification they need to access benefits.

Some of these measures are now being discussed across Greater Manchester and in London.

## APPENDIX 4

### Key Terms

The socioeconomic duty aims to ensure that **strategic decisions** are carefully thought through so that they are effective as possible in tackling socioeconomic disadvantage and reducing inequalities of outcome. Such decisions may only be taken annually or, in other cases, they will come up more often. The duty applies to both new strategic decisions and when reviewing previous strategic decisions.

These are some examples of strategic decisions public bodies may make:

- Medium to long term plans (Corporate Plans, Development Plans, Service Delivery and Improvement Plans)
- Changes to and development of public services
- Strategic financial planning
- Major procurement and commissioning decisions
- Strategic policy development

“**Due regard**” is an established legal concept in equalities law, by which public bodies must give weight to a particular issue in proportion to its relevance. Decision makers within public bodies must be satisfied that the evidence and likely impact of a policy on reducing inequality of outcomes as a socioeconomic disadvantage has been considered.

**Socioeconomic disadvantage** is defined as living in less favourable social and economic circumstances than others in the same society. This can be disproportionate in both “communities of interest” – those who share an identity (For example: lone parents, carers, common language or one or more of the protected characteristics listed in the Equality Act 2010) – and “communities of place” – those who share a geographical location where they work, reside, visit or otherwise spend a substantial portion of their time. Socioeconomic disadvantage can also be increased further when intersectionality is considered.

**Inequality of outcome** relates to any measurable difference in outcome between those who have experienced socioeconomic disadvantage and the rest of the population. Examples of socioeconomic disadvantage and inequalities of outcome include:

| <b>Socioeconomic Disadvantage</b> | <b>Inequality of Outcome</b>   |
|-----------------------------------|--|
| Area deprivation                  | Education  |
| Low or No Wealth                  | Health   |
| Socioeconomic Background          | Employment   |
| Low or No Income                  | Justice and Personal Security  |
| Material Deprivation              | Living Standards   |
|                                   | Participation in Decision-Making, Communities and Accessing Services |