



Centre for Local Economic Strategies



Edge Hill University
CENTRE FOR LOCAL POLICY STUDIES

The implications of government policy for equalities issues

A think-piece, May 2011

Produced as part of the Equality, Big Society and Localism Research Project commissioned by the North West Infrastructure Partnership (NWIP), this think piece includes an exploration of the implications of The Localism Bill, Big Society, The Local Growth White Paper, and the latest Welfare and Health reform proposals.



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INTRODUCTION

For a decade, we have seen the development of an equality and human rights framework across Britain that has been concerned with delivering equality of opportunity, fair and equal services, and anti-discrimination. Although the Conservative-Liberal Democrat coalition has given its support to this agenda through its Equality Strategy published in December 2010 there are growing concerns that the policy framework currently being pursued by the government represents, at best, a weakened commitment and, at worst, a retreat from equality as a central aim of government policy. Since coming to power in May 2010, the government has introduced a range of policies that have been designed with the aim of reforming the relationship between the centre and the local and to change the way public services are delivered. From the Big Society and Localism agendas to Welfare and Health Reforms, the pace and scale of change proposed by the coalition government has been striking.

Whilst there has been much debate about the coalition's approach, relatively little has been said about what current policies mean for equalities issues. With government rhetoric moving away from 'equality' and towards 'fairness', there is a real concern that equalities issues are slipping off the agenda. With this think-piece we aim to introduce the debate by raising some key questions about the government's reform agenda and its impact on equality by:

- ❑ Examining briefly whether there is a retreat from equality as a core value in government; and
- ❑ analysing the implications for equality of five key policy areas in the government reform agenda: the Localism Bill; the Big Society; the Local Growth White Paper; Welfare Reform; and Health Reforms.

Authored jointly by the Centre for Local Economic Strategies (CLES) and the Centre for Local Policy Studies (CLPS), this think-piece is part of a wider piece of research being led by CLPS. Commissioned by the North West Infrastructure Partnership (NWIP), the research is exploring the equality impact of current policy in the North West. The focus of the research is upon the voluntary and community sector and particularly exploring the implications of these emerging agendas upon equalities infrastructure bodies, equalities groups, and equalities strands.

FROM 'EQUALITY' TO 'FAIRNESS'

There are a number of developments in recent months that suggest a weakening of government commitment to equality as a core value. The first sign of a different perspective on equality was a change in language. From the general election onwards we have seen a shift in the political rhetoric where fairness has increasingly replaced equality. Beyond the rhetoric there are real changes in equality policy and the management of equality in government.

'*The Equality Strategy – Building a fairer Britain*' was published in December 2010 setting out the Coalition Government's current strategic approach, commitments and structural arrangements in relation to equality. It states the government's intention of placing equality at the heart of its work and to ensuring that equality is central to the Government's decision-making processes, actions and priorities as it tackles the financial deficit¹.

¹ *'Equality is at the heart of this Coalition Government. It is fundamental to building a strong economy and a fairer society; and in these difficult economic times equality is even more important ...it is essential that we make sure that we benefit from the talents of everyone in the UK. As we take difficult decisions necessary to tackle the UK's record deficit we are determined to do so fairly, protecting the most*

Our analysis of current changes introduced under the coalition gives rise to concerns about:

- ❑ the adequacy of current structural arrangements for the promotion of equalities and race equality;
- ❑ leadership from Government and its strategy in relation to race equality, particularly concerns about the apparent re-emergence of a one size fits all philosophy and a race neutral or blind approach;
- ❑ the future and role of the EHRC;
- ❑ failures by Government and public bodies to comply with the existing public sector equality duties including the race equality duty;
- ❑ the disproportionate impact of the proposed public sector cuts on voluntary and community organisations which may undermine the promotion of equality of opportunity;
- ❑ the approach of the Home Office and longstanding concerns in relation to criminal justice and policing issues;
- ❑ the adverse impact of aspects of the Localism Bill and the Public Bodies Bill.

Principally we are concerned about how the combined impact of these changes reduces the ability of people with the protected characteristics will secure continued progress towards equality and social justice and challenge discrimination;

As government departments have moved to implement the range of policies we look at in this paper there is some evidence through equality impact assessment that the reality of adverse impacts on people with protected characteristics will occur. In the impact assessments these adverse impacts have, in most cases, been 'mitigated' through aspects of policy. Our initial research would suggest that any mitigation that has been introduced is limited and there will be major adverse effects for disabled people, for women, for BAME communities; for older people and the young; and for disadvantaged people with all the protected characteristics. The weakening of the regulatory structures implied by the government's policies will substantially weaken attempts to seriously address these issues and genuinely promote equality.

As we write, the uncertainty regarding the future of equalities under the present government has been brought into question by a number of other factors. These include current delays and revisions in the proposed specific duties under the Equality Act 2010 which may weaken the public sector's role in driving equality. Secondly, the government has placed the Equality Act 2010, in its entirety on the 'Red Tape' website, in effect, inviting comment on consultation on the whole of equality legislation. The government's Equality Strategy signals both a movement away from equality of outcome based policy-making and towards the vague, relative and immeasurable concept of 'fairness' and a questioning of the current law on equalities.

vulnerable and prioritising equal opportunities for all. [The Equality Strategy - Foreword by the Minister for Women & Equalities, Theresa May]

THE IMPLICATIONS OF GOVERNMENT POLICY FOR EQUALITIES ISSUES

While the form of government commitment to equality appears to be under review the evidence suggests that a range of current policies fail to acknowledge, appreciate or engage with equalities issues, they may in fact prove to exacerbate inequalities experienced by communities of interest². Taking five key policy areas, we consider the potential implications of each for equalities issues and pose a number of key questions to the coalition government.

Theme 1: The Localism Bill

The Localism Billⁱ was published on 13 December 2010. The aim of the Bill: *'to make the case for a radical shift of power from the centralised state to local communities'*. To achieve this ambition, the coalition government hopes to re-localise the running of services with an emphasis upon communities running services in their neighbourhoods. Indeed, the coalition government's attempts to decentralise and localise run in parallel to the emerging Big Society agenda whereby communities take greater responsibility for the design and delivery of public services. The Bill also introduced greater powers for communities to shape the development of their local area via 'Neighbourhoods Plans'.

Localism Bill: How might it affect equalities?

- ❑ The equality impact studies carried out by government recognise potential negative impact for black and minority ethnic groups and disabled people. These negative impacts have, it is argued, been mitigated in the Act but there are real dangers that the new planning processes would marginalise people from protected characteristics, thereby, affecting participation and the provision of services.
- ❑ Changes to the specific equality duties on local authorities means that equality impact assessment would not be a requirement and there will be a weaker regulation of equality through the Equality and Human Rights Commission and the Government Equality Office. There is a major risk that the management of equality at a local level will be weakened.
- ❑ **How do we ensure that the needs of marginalised groups are met?** The diversification of public service suppliers means that the state has less control over the design and delivery of services. With increasing pressures to do more with less, the cuts might mean that service providers focus on those who are successfully accessing their services already, therefore excluding the most marginalised members of the community.

² Communities of interest that associate with a shared identity based on: faith; race; gender; age; disability; and sexuality; and/or shared identity formed around individuals' status as gypsies or travellers; or refugees or asylum seekers.

Theme 2: The Big Society

The Big Society has emerged as the landmark policy of the Conservative-Liberal Democrat coalition government. For the coalition, the Big Society is a vision for greater personal, professional and civic responsibility where social problems are solved by the communities they affect; social action is prioritised over state intervention.

Big Society: How might it affect equalities?

- ❑ **Who has the capacity to participate in the Big Society?** As highlighted in a recent publication by the New Economics Foundation (nef)ⁱⁱ, not all individuals have the same capacity to help themselves and to help others. Levels of capacity depend on a range of factors, including: education and income, family circumstances and environment, knowledge and confidence. Clearly some individuals, particularly those from marginalised communities, will struggle to participate. People with disabilities might face barriers in accessing locations in which decisions are made; whilst those who do not speak English as a first language, for example, may struggle to engage with the decision-making process.
- ❑ **Will the Big Society fail to tackle inequalities?** The barriers that prevent individuals from getting involved in their local communities are often rooted in structural inequalities in society. Whilst individuals coming together can have a powerful role in solving local problems, this must go hand in hand with structural changes to society and the economy. Not only might the Big Society agenda fail to tackle inequalities, it might actually exacerbate inequalities by failing to meet the needs of marginalised groups.
- ❑ **Can voluntary and community sector suppliers retain their capacity to challenge and contest?** The Big Society agenda does potentially present opportunities for voluntary and community sector equalities organisations to bid to deliver public services that are targeted to the needs and challenges of marginalised groups. However, questions remain as to what impact the shift towards service delivery will have on VCS equalities organisations' ability to act as advocates for marginalised groups.

Theme 3: Local Growth White Paper

The White Paper, *Local growth, realising every place's potential*ⁱⁱⁱ, was published in 2010 and set out the coalition government's vision for an economy that is driven by private sector growth. The White Paper criticised previous policy for being driven by centrally defined targets and is an attempt to shift power/responsibility from the centre and support the Localism agenda through Local Enterprise Partnerships (LEPs) and the transition from Regional Development Agencies (RDAs). The Local Growth White Paper also set out plans for the Regional Growth Fund: £1.4 billion of 'focused investment' with the aim of helping government address market failure by stimulating enterprise and private sector growth/jobs creation and also in supporting those areas currently dependent on public sector economies.

Local Growth White Paper: How might it affect equalities?

- ❑ **How do we ensure that opportunities lead to greater equality?** The Local Growth White Paper is underpinned by principles of traditional economic growth, i.e. increasing GVA, and the belief that increased wealth will 'trickle-down' to the most deprived people and places. However, experience shows us that this often does not happen: all too often the opportunities that economic growth brings, such as new jobs, are not enjoyed by marginalised groups – whether that is the older workforce, disabled people or certain ethnic minority communities.
- ❑ **Whose voices will be heard?** The funding that has been made available through the Local Growth White Paper, the Regional Growth Fund, is being delivered via largely competitive processes. There is a real risk that the allocation of funding will exacerbate spatial inequalities between and within the regions. Moreover, the competitive nature of the Fund means that it naturally advantages those who are articulate, socially active and whose voices are already heard. Therefore, what opportunity will marginalised communities have to be involved in these emerging processes and mechanisms?
- ❑ **Where does responsibility for equalities now sit?** Following the election of the Conservative-Liberal Democrat coalition last year, it was confirmed that Regional Development Agencies (RDAs) would be abolished to be replaced by Local Enterprise Partnerships (LEPs). With their emphasis on driving private sector growth, it is unlikely that LEPs will have the same interest in promoting equality across marginalised groups as the RDAs did. Who or what will be responsible for ensuring the legacy of this activity?

Theme 4: Welfare Reform

Reforming the welfare system, and tackling unemployment and worklessness in particular, has been a key priority of the coalition government. There are two key elements of the reforms: the introduction of the Work Programme; and the move towards a Universal Credit.

Welfare Reform: Implications for equalities issues

- ❑ The equality impact assessments carried out by the Department for Work and Pensions acknowledge the potential adverse impact of these policies on disabled people, on women, on black and ethnic minorities, and on younger and older people. The impact of measures is set out in a series of equality impact assessments but the overall effect on equality is not effectively assessed or presented.
- ❑ **How will changes to the benefits system affect marginalised groups?** The coalition government has an overall ambition to reduce the cost of welfare to the public purse. One of the steps that the government is taking to achieve this is the 'crackdown' on incapacity claimancy. From 4 April 2011, claimants will be written to and asked to re-submit their assessments. The government hopes that this will identify claimants that can be moved off Employment Support Allowance and onto Jobseeker's Allowance. Critics have challenged the format of the assessment, whilst the Disability Alliance^{iv} has warned that it may result in an increase in disability poverty.
- ❑ **Does the Work Programme provide real incentives for people to move into employment?** Questions remain as to whether the Work Programme has been designed correctly in terms of the financial incentives available to providers supporting claimants requiring intensive and longer term support. The current Work Programme only offers a real difference in payment levels once a claimant is placed into employment for 13 weeks, something which might be difficult given the current job market and the complexity of health related barriers that ESA claimants will need support to overcome. This could encourage 'cherry picking' while truly individualised support is unaffordable. As such, to what extent will the Work Programme be able to tackle structural, entrenched disadvantages in the labour market?
- ❑ **To what extent do prime contractors understand equalities issues?** Overcoming the inequalities in the labour market will require tailored, bespoke and holistic services that understand the barriers that marginalised communities might face in accessing the labour market. What is the track record of prime contractors in delivering this? There is also a concern over whether Work Programme prime contractors fully understand the diversity of the voluntary and community sector and whether they have knowledge of the activities of equalities focused groups in particular.

Theme 5: Health Reforms

The NHS White Paper, *Equity and excellence: Liberating the NHS*^v, was published in July 2010 and set out the coalition government's long-term vision for the future of the National Health Service. The most prominent, and indeed contentious, proposals within the White Paper are the changes to GP commissioning: in particular, that of giving clinicians greater control over health budgets with the aim of improving efficiency and effectiveness in healthcare.

Health Reforms: Implications for equalities issues

- ❑ A complex series of Impact Assessments have been published in relation to the Health and Social Care Bill. These documents do not provide an accessible way of assessing equality impact.
- ❑ **How do we ensure accountability?** As a recent briefing^{vi} by the British Medical Association notes, although the White Paper stated that GP-led consortia would be legal entities, the Health Bill is unlikely to be prescriptive about their status, for example, whether they are partnerships, Limited Liability Partnerships (LLPs), companies or social enterprises. There is clearly a need to ensure clear duties and accountability in any emerging structures: open and transparent decision-making will be vital in order to maintain patient confidence, to protect patients' interests, ensure equal access and to avoid conflicts of interest.
- ❑ **How do we ensure consistency?** Devolving powers and responsibilities to GP-led consortia and to local authorities raises concerns about consistency across different geographies. Research by the Race Equality Foundation with Black and Minority Ethnic-led voluntary and community organisations^{vii}, for example, uncovered wide regional disparity in the relationship between the VCS and the NHS. There are therefore concerns around ensuring that the needs of marginalised communities are met and that they have equal access to health services.
- ❑ **Will reforms encourage competition rather than efficiency?** A key element of the health service reforms and the Localism agenda more broadly is that of opening up service delivery to a diversity of suppliers. The BMA^{viii} have expressed concerns that creating a purchaser-provider split and the introduction of payment by results could discourage the type of collaboration between providers that can be so important for meeting the needs of marginalised groups with multiple barriers to improved health. Moreover, the introduction of any payment on results system inevitably opens up the risk that providers target 'quick wins', i.e. people that are already engaged with health providers, rather than those with entrenched challenges and barriers.

CONCLUSIONS AND NEXT STEPS

An analysis of current policy reveals the coalition government's engagement with equalities issues is superficial and the mechanisms for actively pursuing greater equality have been weakened. The rhetoric of 'fairness', over equality of outcome, is coming to the fore. Unlike 'equality', 'fairness' is vague and highly relative: one person's 'fair' is another person's 'unfair', thus making 'fairness' difficult to measure; when we consider the coalition government's dismantling of target setting and monitoring, perhaps this is intentional.

The failure to effectively engage with equalities issues, carries the potential risk that current policies, from the Big Society to Health Reforms, will have significant implications for equalities issues and may in fact exacerbate established inequalities across the protected characteristics.

With this in mind, the role of voluntary and community sector organisations that meet the needs of, and lobby for, targeted communities of interest will become increasingly important. Yet, the sector is under threat as a result of public sector spending cuts and the subsequent reductions in local authority grants. There is a real risk that equalities-focused voluntary and community sector organisations, which are often smaller and more reliant on volunteers than 'mainstream' organisations, will lack the capacity to deliver public services and as a result get left behind. Moreover, those organisations that are in a position to engage in commissioning and contracting may find that their ability to contest government on issues affecting communities of interest is constrained. In raising these key issues, the aim of this document is to provide a theoretical backdrop to the second stage of the research which will seek to:

- ❑ gauge the impact of current policy on equalities infrastructure and voluntary and community sector groups in the North West;
- ❑ assess the impact of current policy on equalities;
- ❑ use case studies to demonstrate the social and economic value of equalities organisations in the North West; and
- ❑ develop a set of equalities indicators.

ⁱ <http://www.communities.gov.uk/localgovernment/decentralisation/localismbill/>

ⁱⁱ Coote, A. (2010), *'Ten Big Questions about the Big Society'* (nef: London), accessed at: http://www.neweconomics.org/sites/neweconomics.org/files/Ten_Big_Questions_about_the_Big_Society.pdf

ⁱⁱⁱ <http://www.bis.gov.uk/policies/economic-development/local-growth-white-paper>

^{iv} <http://www.bbc.co.uk/news/uk-12960283>

^v <http://www.dh.gov.uk/en/Healthcare/LiberatingtheNHS/index.htm>

^{vi} http://www.bma.org.uk/images/whitepaperbmbriefingdec2010_tcm41-202540.pdf

^{vii} <http://www.raceequalityfoundation.org.uk/publications/consultation-responses/informed-conversations-BME-VCO-on-health-changes>

^{viii} http://www.bma.org.uk/images/whitepaperbmbriefingdec2010_tcm41-202540.pdf

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- The series of Research Roundtable discussions that will test the think-piece and examine the evidence base across the North West: www.vsnw.org.uk/events/view/288

About NWIP: **The North West Infrastructure Partnership** is a developing partnership of 28 regional and sub-regional VCS infrastructure organisations who come together to provide a coherent voice for the voluntary and community sector at regional level. It is facilitated by VSNW. NWIP includes ten specialist equalities infrastructure organisations: www.vsnw.org.uk/networks/NWIP

NWIP are directly engaged in the **Equality, Big Society and Localism research project** through a steering group which includes representatives from 1NW (regional BME network), North West Disability Infrastructure Partnership, The Lesbian + Gay Foundation (LGF) and VSNW. Following a national selection process, The Directory of Social Change is also represented on the steering group. NWIP's research work is managed by VSNW: www.vsnw.org.uk/networks/NWIP/research

About CLES: Established in 1986, the **Centre for Local Economic Strategies** is an independent think-doing organisation and network of subscribing organisations involved in regeneration activities, local economic development and local governance. CLES is involved in a number of activities, including: policy research; information and briefing service; events and training; consultancy trading arm; and policy advice function. CLES is a national organisation, with our work supporting regeneration and local economic development in localities across the United Kingdom. CLES has recently acquired New Start magazine and launched a new online service; increasing our capacity to disseminate research findings and policy messages to a wide audience of policy-makers and practitioners across the economic/community development and regeneration sector: www.cles.org.uk

About CLPS: **The Centre for Local Policy Studies** has been established, since 1993, at Edge Hill University to provide a focus for work on local governance and community development. Within this framework we are concerned with all aspects of policy, organisation and management at the local and sub-national level as they occur in Britain, Europe and inter-nationally. In addition to local policy and theory, the Centre has a concern with those aspects of national policy-making which impact on local and regional structures. Specialist areas of work include: Equality, third sector, engagement and partnerships: www.edgehill.ac.uk/clps

About VSNW: **Voluntary Sector North West** is the regional voluntary sector network for the North West. The purpose of VSNW is to ensure that the voluntary, and community sector (VCS), in all its diversity, takes its full part in shaping the future of the North West. VSNW members provide community services, regenerate neighbourhoods, support individuals, promote volunteering and tackle discrimination. Through members and infrastructure partners VSNW is in contact with at least 19,800 local voluntary and community sector groups in the North West – just under two-thirds (63%) of the region's VCS groups. Through a number of specialist networks, VSNW is in direct contact with just under 2,000 people working in and for VCS groups in the North West: www.vsnw.org.uk