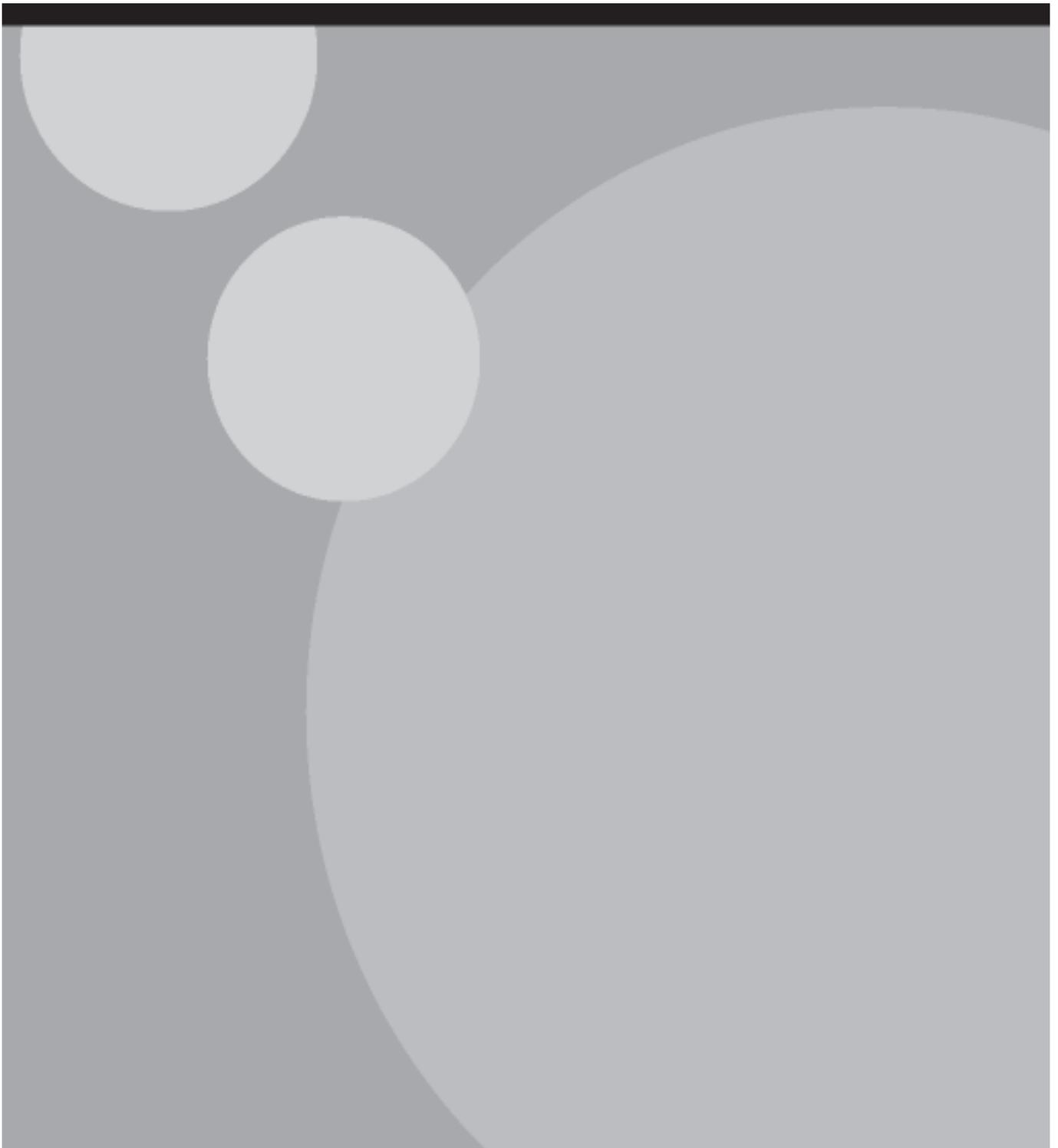


Spending Review 2010: Equality Impact Assessment

Funding for Private Sector Renewal



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DCLG Equality Impact Assessment - Initial Screening Form

1. Name of the current or proposed new or changed, policy, strategy, procedure, project or service being assessed:

Funding for Private Sector Renewal will cease at the end of 2010/11.

2. Person and team responsible for completing the Equality Impact Assessment:

Sally Randall/Dylan Grimes/Tom Quinlan, Private Sector Housing Division
Nick Wyatt, Programme Team, Statistician

3. What is the main aim or purpose of the current or proposed new or changed, policy, strategy, procedure, project or service and what are the intended outcomes?

Tackling Britain's record deficit is the Coalition Government's top priority - the consequences of not acting could be serious. The scale of the deficit has required tough choices to be made about how taxpayers' money is allocated.

The Spending Review sets out how the Coalition Government will carry out Britain's unavoidable deficit reduction plan. This is an urgent priority to secure economic stability, at a time of continuing uncertainty in the global economy, and put Britain's public services and welfare system on a sustainable long term footing. As international bodies such as the International Monetary Fund and Organisation for Economic Cooperation and Development have noted, reducing the deficit is a necessary precondition for sustained economic growth. Failure to take action now would put the recovery at risk and place an unfair burden on future generations. It would also risk pushing up mortgage rates and making housing less affordable.

In order to tackle the budget deficit all government departments are being required to work within a very tight fiscal settlement. Allocation decisions have followed a zero-based review of capital spending plans, which involved analysing and scrutinising the projects and programmes across Government. Within a reduced spending envelope, this meant reduced or no funding for lower-priority proposals for capital spending. The decision to discontinue funding the Private Sector Renewal programme, which received reduced funding in 2010-11 under the previous administration (as outlined in the March 2010 Budget), is a direct result of these constraints.

The main purpose of Private Sector Renewal has been to fund repairs to homes in the private sector, although it was an unringfenced fund and so in practice used for a very wide range of purposes. It is the view of the Government that owner occupiers are primarily responsible for the upkeep of their own properties although there may have been circumstances when it has been right for the Government to intervene.

However, the increased freedoms and flexibilities being given to local authorities as part of the Spending Review mean that discontinuing this funding stream will not necessarily result in less money being spent on repairs to the private sector. Local authorities will have greater freedom to prioritise and allocate budgets to support public services in ways which meet the needs of local people and communities. Some areas may decide to provide assistance to vulnerable private sector households, while others may prioritise other activity.

4. What existing sources of evidence will you use to help you identify the likely impacts on different groups of people?

As part of a non-ring fenced funding stream, the Government did not require monitoring data from local authorities on the use of Private Sector Renewal. It is therefore not possible to establish at a national level exactly how Private Sector Renewal funding has impacted on different groups of people and, therefore, what the impacts would be of its removal.

However, data on the national condition of private sector housing is collected as part of the English Housing Survey. This will give some indication of the sorts of groups who are over-represented in non-decent private sector housing and, therefore, likely to have benefited from Private Sector Renewal in the past. This data can be broken down by race, gender, age and disability.

5. Are there gaps in evidence that make it difficult or impossible to form an opinion on how the existing or proposed policy, strategy, procedure, project or service does or might affect different groups of people? If so what are the gaps in the information and how and when do you plan to collect additional information?

As explained above, Government did not require monitoring data from local authorities on the use of Private Sector Renewal. It is therefore not possible to establish at a national level exactly how Private Sector Renewal funding has impacted on different groups of people and, therefore, what the impacts would be of its removal.

English Housing Survey data can be broken down by race, gender, age and disability. It cannot be broken by sexual orientation, religion or belief, or by the two additional groups covered by the Equalities Act 2010 (expected to come into force in April 2011) of gender reassignment, or marriage and civil partnership.

Where information is not currently collected on equalities groups we will explore ways of filling these gaps without placing additional burdens on local authorities and which do not result in unreasonable costs.

6. Having analysed the initial and additional sources of information including feedback from any consultation, is there any evidence that the policy, strategy, procedure, project or service has or is likely to have an adverse equality impact on, and/or that there are known or anticipated different needs or requirements, for any of these different groups of people?

In 2008 there were 1.2 million vulnerable private sector households living in non-decent homes. Of the 1.2 million vulnerable private sector households living in non-decent homes:

- 323,000 include children under 16 (27% of the 1.2m)
- 138,000 include infants (under 5) (11% of the 1.2m)
- 662,000 include older people (60+) (55% of the 1.2m)
- 365,000 include elderly people (75+) (30% of the 1.2m)
- 114,000 are ethnic minority households (9% of the 1.2m)

In 2008 the 1.2 million vulnerable private sector households living in non-decent homes included 1.1 million people aged 60 years or more. Of these 1.1 million older people:

- 647,000 are women (59% of the 1.1m).

This gives some indication of the sorts of groups who are represented in non-decent private sector housing and, therefore, likely to have benefited from Private Sector Renewal in the past. The decision to discontinue Private Sector Renewal could mean that in some areas, these groups are less likely to receive support from their local authority in maintaining their home, but we cannot be certain about any particular impact.

However, as stated above, because central Government does not hold information on how Private Sector Renewal has been spent previously, it is not possible to establish at a national level exactly how Private Sector Renewal funding has impacted on these groups of people and, therefore, what the impacts would be of its removal.

Given the mandatory nature of programmes such as the Disabled Facilities Grant programme it is possible that the removal of a separate funding stream for Private Sector Renewal will result in pressure on Disabled Facilities Grant instead. However, the increased freedoms and flexibilities being provided to local authorities as part of the Spending Review mean that they will have greater freedom to prioritise and allocate budgets to support public services in ways which meet the needs of local people and communities. Therefore, it is feasible that local authorities spend more money on repairs to private sector housing, if it is deemed a real priority.

7. Is a full Equality Impact Assessment Required?
(If no, please explain why not)

Yes.

DCLG Full Equality Impact Assessment

1. Which group(s) of people has been identified as being disadvantaged by your proposals? What are the equality impacts?

As part of a non-ring fenced funding stream, the Government did not require monitoring data from local authorities on the use of Private Sector Renewal. It is therefore not possible to establish at a national level exactly how Private Sector Renewal funding has impacted on different groups of people and, therefore, what the impacts would be of its removal.

However, English Housing Survey data shows that women, older people and people from an ethnic and minority background are over-represented in non-decent private sector homes, so it is reasonable to assume that they would have benefited from Private Sector Renewal in the past. The decision to discontinue Private Sector Renewal could mean that, in some areas, these groups are less likely to receive support from their local authority in maintaining their home, but we cannot be certain about any particular impact and individual funding decisions will continue to be made by local authorities.

2. In brief, what changes are you planning to make to your current or proposed new or changed policy, strategy, procedure, project or service to minimise or eliminate the adverse equality impacts?

As part a result of Spending Review, local authorities will have greater freedom and flexibility to make local spending decisions according to local priorities: indeed very little funding will be ring-fenced for particular purposes. This will both give them greater freedom and flexibility to make spending decisions according to local priorities and enable them to be innovative and deliver greater efficiencies by combining what have previously been separate funding streams.

Local authorities as public bodies are subject to a legal requirement to carry out equality impact assessments of the effect their policies and practices will have on equality. Should they discover that ceasing activities funded by Private Sector Renewal grant would have a disproportionate impact on particular groups, they would be able to correct for this by using other un-ring-fenced funds.

It is our clear belief that by devolving power to local authorities, neighbourhoods and individuals, we can secure better services for less, and refocus services around the priorities of people and places.

We will give greater freedom, by streamlining grant funding and removing burdens so councils can prioritise and allocate budgets to support public services in ways which meet the needs of local people and communities.

We will increase fairness by devolving control over budgets to local authorities so they can move towards more personalised and effective provision of services for vulnerable groups.

We will give more responsibility by freeing up funding and reducing bureaucratic controls so local authorities and their partners can focus on their priorities, helping to manage demand on services and reduce costs to society.

3. Please provide details of whom you will consult on the proposed changes and if you do not plan to consult, please provide the rationale behind that decision.

No specific consultation is proposed on the decision to discontinue this funding stream. However, we propose to meet with the representatives bodies of interested partners to discuss the impact of the decision to discontinue this funding stream. These include Local Government Regulation, Chartered Institute of Environmental Health Officers and Foundations (the national co-ordinating body of Home Improvement Agencies).

4. Can the adverse impacts you identified during the initial screening be justified without making any adjustments to the existing or new policy, strategy, procedure, project or service? Please set out the basis on which you justify making no adjustments.

As set out in the initial screening, tackling Britain's record deficit is the Coalition Government's top priority - the consequences of not acting could be serious. The scale of the deficit has required tough choices to be made about how taxpayers' money is allocated.

The Spending Review sets out how the Coalition Government will carry out Britain's unavoidable deficit reduction plan. This is an urgent priority to secure economic stability, at a time of continuing uncertainty in the global economy, and put Britain's public services and welfare system on a sustainable long term footing. The Coalition Government inherited one of the most challenging fiscal positions in the world. Last year, Britain's deficit was the largest in its peacetime history – the state borrowed one pound for every four it spent. The UK currently spends £43 billion on debt interest, which is more than it spends on schools in England. As international bodies such as the International Monetary Fund and Organisation for Economic Cooperation and Development have noted, reducing the deficit is a necessary precondition for sustained economic growth. Failure to take action now would put the recovery at risk and place an unfair burden on future generations. It would also risk pushing up mortgage rates and making housing less affordable.

In order to tackle the budget deficit all government departments are being required to work within a very tight fiscal settlement. Allocation decisions have followed a zero-based review of capital spending plans, which involved analysing and scrutinising the projects and programmes across government. Within a reduced spending envelope, this meant reduced or no funding for lower-priority proposals for capital spending. The decision to discontinue funding for Private Sector Renewal is a direct result of these constraints.

As part of the Spending Review, local authorities will have greater freedom and flexibility to make local spending decisions according to local priorities – if a local authority wishes to continue with the type of activities previously funded through

Private Sector Renewal then they can do so. Where Private Sector Renewal activities are a local priority, local authorities may chose to use their capital funding, or switch some revenue funding to capital funding, to provide support packages for vulnerable private sector households. In other areas they may choose to prioritise other activity, only taking enforcement action against property owners where a tenant or neighbour complains.

Furthermore, in making funding decisions, local authorities will need to carry out their own equality impact assessment. There is already a legal requirement for local authorities, as "public bodies" within the meaning of the equality legislation, to carry out equality impact assessments of the effect their policies and practices will have on equality in relation to race, disability, gender, sexual orientation, religion or belief, and age. The Equality Act 2010 will, when the relevant provisions are in force (expected to be in April 2011), extend this requirement to the additional "protected characteristics" of gender reassignment and marriage and civil partnership.

5. You are legally required to monitor and review the proposed changes after implementation to check they work as planned and to screen for unexpected equality impacts.

Please provide details of how you will monitor/evaluate or review your proposals and when the review will take place.

This will be reviewed as part of future spending decisions made by the Government.

Individual funding decisions will be made by local authorities. DCLG's role is to set the overall framework for local government funding. By encouraging greater transparency about how public money is used, local communities will be enabled to hold their authorities to account for how the available funding is used. As such, this will also make available the information needed for central Government to assess adverse impacts on equalities groups, without having to ask local authorities to produce additional information.

6. Sign off

Name of Person Signing Off the Full Equality Impact Assessment: Neil McDonald

Role: Director

Date: 05 November 2010

Full Equality Impact Assessment - Action Plan

Actions taken or proposed	Rationale for the Action	Beneficiaries of the Action	Timing	Responsibility
Changes made: Changes that have been made to policy as a result of the Equality Impact Assessment.				
Funding for Private Sector Renewal will cease at the end of 2010/11.	In order to tackle the budget deficit all Government Department's are being required to work within a very tight fiscal settlement. The decision to end Private Sector Renewal funding is a direct result of these constraints.	Public Finances	Funding to end in March 2011.	DCLG
Mitigation: For areas where a policy may have a differential impact on certain groups, what arrangements are in place or proposed to mitigate these effects?				
<p>We propose to meet with the representatives bodies of interested partners to discuss the impact of the decision to discontinue this funding stream.</p> <p>These include Local Government Regulation, Chartered Institute of Environmental Health Officers and Foundations (national Co-ordinating body of Home Improvement Agencies).</p>	To give interested partners an understanding of the impact of the decision on their private sector activities.	Interested Partners	Meetings to commence in November/December 2010.	DCLG

Actions taken or proposed	Rationale for the Action	Beneficiaries of the Action	Timing	Responsibility
Justification: For areas where a policy may impact negatively (but not illegally) on certain groups but mitigation is not possible (e.g. an overriding societal driver) there needs to be a strategy for handling issues of unfairness.				
Opportunities: Please state actions designed to maximise positive effects, i.e. opportunities identified for: promoting equality, good relations or knowledge about groups; increasing civic & democratic participation; or addressing inequalities.				
We propose to meet with the representative bodies of interested partners to discuss the impact of the decision to discontinue this funding stream.	To explore options available where Private Sector Renewal activities are a local priority.	Private Sector Households	Post March 2011	Local Authorities
Monitor: how will you monitor the impact and effectiveness of the new policy?				
This will be reviewed as part of future spending decisions made by the Government.	Individual funding decisions will be made by local authorities. DCLG's role is to set the overall framework for local government funding.	Interested Partners	Post March 2011	DCLG
Publish: give details of how the results of the EqIA will be published.				
We propose to publish the full EQIA for Private Sector Renewal alongside the Department's announcement of the Local Government Settlement.	Requirement of the process.	Interested Partners	December 2010	DCLG