

Report to:	Cabinet	Date of Meeting:	7 September 2023
Subject:	Socioeconomic Duty		
Report of:	Executive Director - Place	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Communities and Housing		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

Socioeconomic disadvantage impacts many aspects of life in Sefton, including health, life expectancy, housing, employment and educational attainment. The 'socio-economic duty' (SED), Part 1 of the Equality Act (2010), aimed to deliver better outcomes for those who experience this disadvantage. The duty states that certain public bodies, when making strategic decisions on, for example, priorities or objectives, must consider how their decisions might help to reduce the inequalities associated with socioeconomic disadvantage. Although this section of the Act was passed with the rest of the Equality Act in 2010, it has never been enforced.

A number of local authorities in England, as well as the devolved governments of Scotland and Wales, have adopted the duty voluntarily. Authorities across the Liverpool City Region have also adopted the duty or are looking at how they can adopt the duty, and are working collaboratively on development and implementation.

This report recommends the adoption of the Socioeconomic Duty in Sefton, for incorporation within the Council's Equalities, Diversity and Inclusion strategy and action plan, and the Council's Equality Impact Assessment processes.

Recommendation(s):

- (1) That Sefton Council notes the continued challenges faced by many Sefton residents during this difficult economic period and the ongoing cost of living crisis, and remains focused on support for our most vulnerable residents and communities;
- (2) That Sefton Council adopts the Socioeconomic Duty, for incorporation into the Council's ongoing work and processes relating to Equalities, Diversity and Inclusion;
- (3) That Sefton Council will take socioeconomic disadvantage into account in terms of its public sector equality duty; and
- (4) That Sefton Council continues to work with partner agencies and other local authorities across the Liverpool City Region on the development and

implementation of action plans associated with the Socioeconomic Duty.

Reasons for the Recommendation(s):

Adoption of the duty by local authorities can deliver a number of benefits, including:

- Improving outcomes for local people experiencing socio-economic disadvantage.
- Supporting cross organisational and cross departmental working.
- Raising awareness of socio-economic inequalities within organisations and among partners.
- Ensuring widespread organisational commitment to, and consideration of, socio-economic inequalities.

It is proposed that the Socioeconomic Duty aligns closely with the vision, values and core purpose of Sefton Council already, but adoption will support sustained focused on continuity and consistency in application of the emerging action plan.

Alternative Options Considered and Rejected: (including any Risk Implications)

Not adopting the Duty would leave the Authority out of step with our Liverpool City Region partners, and may lead to missed opportunity in terms of tackling inequality.

What will it cost and how will it be financed?

(A) Revenue Costs

At this time, there are no revenue costs expected to emerge directly from this report or the recommendations or actions therein. Any additional cost requirements associated would be reported and managed in accordance with the Council's financial procedure rules.

(B) Capital Costs

There are no capital costs associated with this report.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

There are no resource implications associated with the Socioeconomic Duty adoption. Actions will be addressed via existing resources in service areas and in the ongoing work of the Corporate Equalities Group.

Legal Implications:

Whilst not in force S.1 of the Equality Act 2010 states:

1 Public sector duty regarding socio-economic inequalities

(1) An authority to which this section applies must, when making decisions of a strategic nature about how to exercise its functions, have due regard to the desirability of exercising them in a way that is designed to reduce the inequalities of outcome which result from socio-economic disadvantage.

Equality Implications:

Adoption of the Socioeconomic Duty will have positive implications from an equalities perspective. These are identified within this report.

Impact on Children and Young People: Yes

As above, adoption of the Socioeconomic Duty will have positive implications from an equalities perspective, including for families and young people (including care experienced young people) who experience socioeconomic disadvantage. These are identified within this report.

Climate Emergency Implications:

The recommendations within this report will

Have a positive impact	No
Have a neutral impact	Yes
Have a negative impact	No
The Author has undertaken the Climate Emergency training for report authors	No

There are no environmental implications directly associated with adoption of the Socioeconomic Duty, and any implications associated with any emerging future actions will be considered and (where applicable) mitigated at that time.

Contribution to the Council's Core Purpose:

Protect the most vulnerable: The principles of the Socioeconomic Duty and the actions emerging will directly support the protection of our most vulnerable, given the implicit focus on those experiencing socioeconomic disadvantage.

Facilitate confident and resilient communities: As above, the principles of the Socioeconomic Duty and the actions emerging will directly support the protection of our most vulnerable, given the implicit focus on those experiencing socioeconomic disadvantage.

Commission, broker and provide core services: Through recognition, all strategies, policies and projects in all service areas will consider the implications of the Socioeconomic Duty as part of their review and approval processes.

Place – leadership and influencer: As with much of the Council's Equalities, Diversity and Inclusion work, the aim will be to collaborate with partner agencies across Sefton and the Liverpool City Region on the Duty itself and the actions emerging, championing the Duty for adoption and for recognition.

Drivers of change and reform: As above, the aim will be to collaborate with partner agencies across Sefton and the Liverpool City Region on the Duty itself and the actions emerging, championing the Duty for adoption and for recognition.

Facilitate sustainable economic prosperity: As above, the principles of the Socioeconomic Duty and the actions emerging will directly support the protection of our most vulnerable, given the implicit focus on those experiencing socioeconomic disadvantage.

Greater income for social investment: As above, the principles of the Socioeconomic Duty and the actions emerging will directly support the protection of our most vulnerable, given the implicit focus on those experiencing socioeconomic disadvantage.

Cleaner Greener: Not applicable.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD7331/23) and the Chief Legal and Democratic Officer (LD.5531/23) have been consulted and any comments have been incorporated into the report.

Internal consultations on the Socioeconomic Duty and the associated actions have been, and remain, ongoing with the Council's Corporate Equalities Group, comprising membership from across the whole organisation.

(B) External Consultations

There have been no formal external consultations on the Socioeconomic Duty. External engagement has been ongoing, and will continue, with partner agencies and the other local authorities across the Liverpool City Region in terms of consistency of approach and effective implementation of actions.

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet Meeting.

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Appendices:

There are no appendices to this report

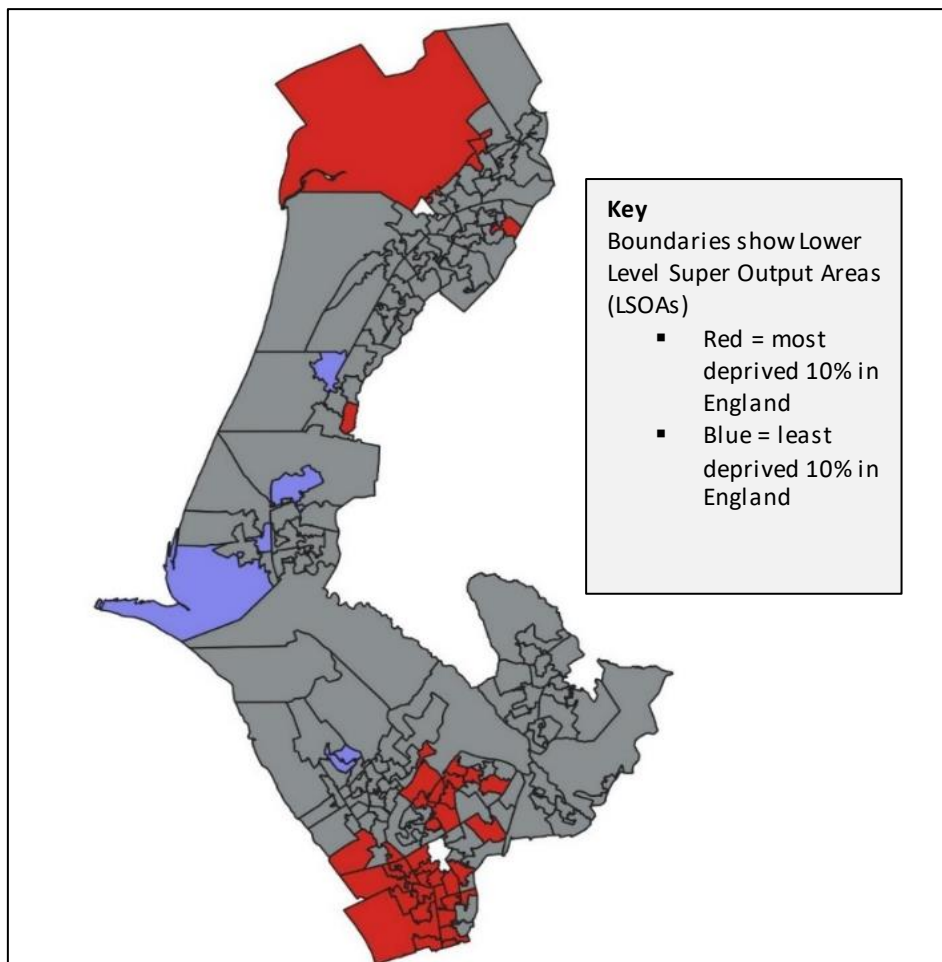
Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 As part of the Liverpool City Region, Sefton is a diverse borough with significant variances in terms of socioeconomic status, health and education outcomes. The borough is home to some of the wealthiest, and most deprived wards in the region.
- 1.2 Global and national challenges, such as austerity, recession, COVID, and the cost of living crisis, have exacerbated poverty and inequality across the borough. Council services and budgets continue to be under pressure, and this creates a situation where the most vulnerable may be put at risk.
- 1.3 1 in 5 Sefton residents live in the most deprived 10% of England Lower Super Output Areas, which amounts to approximately 54,500 residents.

Map of areas of Income Deprivation - Sefton



Source: Indices of Multiple Deprivation 2019 (DLUHC)

- 1.4 One area of Bootle is now ranked as the 28th most deprived in terms of income across England (out of 32,844 areas) and its ranking is falling (ranked 197th in 2007).
- 1.5 According to an ONS study on local income deprivation, Sefton has the 2nd most clustered distribution of wealth and poverty out of 316 authorities in England.

- 1.6 26% of Sefton children are living in poverty after housing costs.
- 1.7 Sefton's most deprived populations spend, on average, 18 years less in good health than those in the most affluent areas of the borough.
- 1.8 Life expectancy in the most deprived ward in Sefton is 11 years lower for men and 9 years lower for women than in the least deprived ward.
- 1.9 The percentage of workless households in Sefton is higher than in the Liverpool City Region, the North West, and England.
- 1.10 16% of children in Sefton (aged 0 to 19) are living in relative low-income families.
- 1.11 In September 2022 Sefton Council received a report in relation to the Cost of Living crisis, which included significant information and context for the Socioeconomic Duty – please see [Report to: \(sefton.gov.uk\)](https://sefton.gov.uk).

2. The Socioeconomic Duty

- 2.1 The socioeconomic duty requires public bodies to adopt transparent and effective measures to address the inequalities that result from differences in occupation, education and place of residence. The socio-economic duty helps public bodies to recognise the link between different forms of poverty and the integrated approach needed to tackle them.
- 2.2 The duty provides another mechanism to support the most vulnerable in our society and which will be extremely important when we recover from the current cost of living crisis.
- 2.3 Research from Greater Manchester Poverty Action highlights the adoption of the SED/working in spirit of the SED in LAs across England. The development highlights the following:
 - One in seven councils have voluntarily adopted the socioeconomic duty.
 - A large number of councils are 'acting in the spirit of the duty', with over half considering socioeconomic status in equality impact assessments and in strategic decision making and policy development.
 - Both Labour and Conservative controlled councils have adopted the duty.
 - The percentage of local authorities who have adopted the socio-economic duty varies greatly across England. The regions with the highest proportion of local authorities adopting the duty are London, the North East and the North West.
 - Local authorities with high levels of child poverty are more likely to have voluntarily adopted the duty.

2.4 Within the Liverpool City Region, the Combined Authority and three other authorities (Halton, Knowsley and Liverpool) have adopted the Socioeconomic Duty, along with Merseyside Fire and Rescue Service.

3. What Does Adopting the Duty Mean In Practice?

3.1 Adopting the Socio-Economic Duty would mean that Sefton would, when making decisions:

Actively consider, at an appropriate level, what more can be done to reduce the inequalities of outcome caused by socio-economic disadvantage, in any strategic decision-making or policy development context.

3.2 In practical terms, this would involve the following actions and objectives:

- Formally incorporate poverty and socioeconomic disadvantage, in equality impact assessments, equality plans, and the broader decision-making process and strategies.
- Develop and use a range of relevant data, including quantitative and qualitative, to inform the implementation of the socio-economic duty and develop clear success criteria to measure the impact of the implementation.
- Ensure that implementation of the socio-economic duty enjoys strong and visible commitment from senior leaders.
- Embed the priority to tackle socioeconomic disadvantage at all levels of decision-making within the organisation.
- Engage with people with lived experience of socio-economic disadvantage and commit to finding new and sustainable ways to incorporate diverse expertise in policymaking to achieve successful outcomes.
- Collaborate with residents, civil society, and voluntary and community sector organisations to build awareness and understanding of the socio-economic duty and people's lived experience of socio-economic disadvantage, facilitate participative consultation and develop strategies to tackle socio-economic disadvantage together.
- Carry out monitoring and evaluation, skill-sharing and innovation and introduce mechanisms that can embed accountability for the implementation of the socio-economic duty.

3.3 As part of the equality assessment process, officers and elected members will be required to ask additional questions to identify and address opportunities to tackle economic disadvantage.

3.4 Examples of the questions used in the Fairer Scotland Duty guidance are as follows:

- What are the potential impacts of the proposal/ decision as we currently understand them?
- Are there any unintended consequences of the proposal/decision on people experiencing poverty and at the sharp end of inequality?
- How could the proposal/decision be improved so it reduces or further reduces inequalities of outcome, with a particular focus on socio-economic disadvantage?
- How will this policy or service assist us to reduce inequality in outcomes overall?
- How can we ensure the views and experiences of people in poverty and at the sharp end of inequality inform decisions and service design?
- [If planning to adjust a proposal/decision], can we adjust our decision further to benefit particular communities of interest or of place who are more at risk of socio-economic disadvantage?

4. Next Steps

- 4.1 Work together with our Liverpool City Region partners on a joint approach to adopting the Socio-Economic Duty.
- 4.2 Amend the Equality Assessment process to include an analysis of the impact on inequality of any policies and functions being assessed. Review the monitoring questions used in consultation and engagement and data collection to include socio-economic data.
- 4.3 Develop data sources to inform the equality assessment process.
- 4.4 Further develop the Economic Strategy and Caring Business Charter to incorporate the Duty.
- 4.5 Develop training for officers and elected members on the Socio-Economic Duty.