A Practical Guide for Local Authority Implementation of the Socio-Economic Duty in England

This guide is intended for local and combined authority officers, local councillors and metro mayors in England interested in tackling socio-economic disadvantage. It has been developed by a number of organisations leading on efforts to address socio-economic disadvantage locally and nationally:

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The extent of wealth and income inequality is of widespread concern in England. The COVID-19 pandemic has brought the consequences of socio-economic inequalities into sharp focus, highlighted the intersecting nature of inequalities, and the way socio-economic disadvantage compounds inequalities across gender, ethnicity, disability, and sexuality.

Increasingly local authorities want to understand what tools and mechanisms are available to them and their partners to address the consequences of socio-economic disadvantage.

Nationally, for some policy makers, the ‘levelling up’ agenda seeks to address inequalities between different parts of the UK. However, there is no national policy agenda focused specifically on tackling disadvantage caused by socio-economic inequality, whether by reducing poverty or addressing socio-economic inequalities more broadly. Several local authorities across England are working with partners to address this by developing and implementing local strategies aimed at addressing inequalities, tackling poverty and creating inclusive local economies.

The Equality Act 2010 provides a legal framework to protect the rights of individuals and advance equality of opportunity for all. Local authorities have statutory obligations under this Act and can build on these obligations to address key inequalities by voluntarily adopting and implementing Section 1 – the socio-economic duty.

Section 1 of the Equality Act 2010 introduces a socio-economic duty on public bodies that requires them: “when making decisions of a strategic nature about how to exercise its functions” to “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”.

Section 1 asks public bodies to consider how their decisions and policies could increase or decrease inequality that results from socio-economic disadvantage.

Despite the Equality Act being passed by the UK Parliament in 2010, successive UK Governments have not implemented Section 1 in England. While in April 2018, Scotland brought Section 1 into force as the Fairer Scotland Duty, and in March 2021, Wales brought it into force under its A More Equal Wales policy agenda.

“It is much more than a duty: it is a commitment, a partnership, an ambition. It is about new ways of working with people, ingenuity, and creativity. It’s about having honest conversations about the sometimes-intransigent problems of poverty and inequality and developing transformative policies to deal with them.”

Mark Isherwood, Conservative Member of Senedd

Local adoption of the socio-economic duty can contribute to a ‘levelling up’ agenda.
A quick guide to what adoption of the socio-economic duty means in practice

In adopting the socio-economic duty local authorities should:

- Formally incorporate poverty and socio-economic disadvantage, alongside the existing nine protected characteristics in the Equality Act 2010, in equality impact assessments, equality plans, and the broader decision-making process and strategies.
- 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, as part of a broader cultural shift that embeds the priority to tackle socio-economic disadvantage at all levels of decision-making within the organisation.
- Recognise the value of engaging 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.
- Identify what works through monitoring and evaluation, skill-sharing and innovation and introduce mechanisms that can embed accountability for the implementation of the socio-economic duty within local authorities.

More broadly, local authorities should:

- 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.
As a first step, local authorities should voluntarily adopt the socio-economic duty and set out what that will mean in practice. This should involve identifying the measures that the authority will take to implement the duty.

The following sections outline what adoption of the duty at a local authority level should include. Some of the elements may already be in place even where local authorities haven’t formally adopted the duty. It will be important for each local authority to understand what they are and are not already doing.

1. Meaningful impact assessments to understand the consequences of socio-economic disadvantage

Adoption of the duty should involve formally incorporating poverty and socio-economic disadvantage, alongside the existing nine protected characteristics in the Equality Act 2010, in equality impact assessments, equality plans, and the broader decision-making process and strategies.

This does not necessarily mean regarding socio-economic disadvantage as an additional protected characteristic. It should, however, create the opportunity to pay due regard to socio-economic disadvantage in a way that complements existing requirements under the Equality Act 2010 and recognises the intersection between all nine protected characteristics and socio-economic status. This approach should add to, but must not detract from, compliance with the Public Sector Equality Duty contained in the Equality Act 2010.

To ensure socio-economic disadvantage is meaningfully incorporated into equality impact assessments, local authority officers and councillors should ask the following questions. These questions are based on guidance given to public bodies in Scotland on implementation of the Fairer Scotland Duty³. They can be applied (and developed further where appropriate) by local authorities when considering socio-economic status as part of any equality impact assessment:

- 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?

“Our intention in adding a socio-economic duty that will be incorporated into our Equality Impact Assessments is specifically to address socio-economic disadvantage. We know that we will not achieve our ambition for an inclusive economy without proactively seeking to tackle poverty through a range of measures from employability to skills, ensuring we support those individuals and communities who need it most.”

Jamie Driscoll, Labour Mayor of North of Tyne Combined Authority⁴
2. Using data effectively as a tool for decision-making and accountability

Data has an important role to play in supporting and guiding decision making and understanding the consequences of policy and practice on people experiencing socio-economic disadvantage. In adopting the duty, local authorities should commit to:

- Collecting and actively considering quantitative data alongside qualitative evidence of the lived experience of residents in the implementation of the socio-economic duty.
- Developing clear success criteria and measures so that the impact of the socio-economic duty on inequality of outcomes can be collected and monitored.
- Developing a mechanism so that public bodies can be held accountable for the duty. For example, transparent and accountable consideration of socio-economic disadvantage should be built into annual budget setting and all key decision-making processes, including scrutiny arrangements.
- Developing a collective responsibility for the duty among all staff members within the local authority.
- Creating a greater focus on changes to outcomes rather than decision-making processes.

3. Encouraging strong and visible leadership

Meaningful implementation of the duty requires senior elected member and officer buy-in within the authority. A senior member, the leader or an executive member of the authority should work on tackling socio-economic disadvantage and communicate clearly and consistently why it is a priority.

Many local authorities have executive members with responsibility for equalities, and some with members with responsibility for poverty. Consideration should be given to how the different but related issues fit together. This may be led by the same person who is responsible for broader equalities issues, or where one is in place, the local authority’s poverty, or inequality strategy.

A commitment to tackling socio-economic disadvantage should survive changes in political administration, council leadership, corporate strategy, and national policy agendas. This should be achieved through a cultural shift that embeds the priority to tackle socio-economic disadvantage within all levels of decision-making in the local authority. Cross-party support should be sought for tackling socio-economic inequalities so that the commitment to the duty is retained regardless of any changes in political leadership.
4. Principles of working in partnership with people with lived experience of socio-economic disadvantage

Implementation and monitoring of the duty requires working in partnership with people with lived experience of socio-economic disadvantage. To do this effectively will often require local authorities to fundamentally alter the way in which they engage with residents affected by socio-economic disadvantage through a radical process of reimagining expertise, and recalibrating working processes.

These principles should be applied by local authorities when working in partnership with people with lived experience of socio-economic disadvantage:

- Recognise that knowledge about how best to tackle poverty and inequality by enacting the socio-economic duty is held by those in communities who have lived experience of socio-economic disadvantage.

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- Understand that meaningful involvement is not about gathering many stories or ‘case studies’, but about understanding the collective experience, and ensuring that it is accurately and truthfully represented. This includes involving people from the outset, committing to processes of engagement (rather than single events) and exploring how diverse forms of expertise are best incorporated into policymaking.

- Accept that real success comes when there is a bringing together of different types of expertise (lived experience and other learned expertise such as statistical analysis or policy knowledge) through collaboration and co-production.

“It is so important for councils to adopt the socio-economic duty. The coronavirus pandemic has shown that, yet again, it is the lower income families that are disproportionately affected, and we must do everything we can to mitigate it.”

Councillor Paula Wakefield, Lead Member for Equalities and Domestic Violence at Wigan Council.

“The fact that socio-economic disadvantage is now part of our Equality Commitment means that every time a new policy is developed, we are required to consider the impact it will have on those from lower income households. If we think it may have a detrimental effect, we discuss what we can do to make sure that does not happen.

“Our voice means something, and we have the knowledge, skills and abilities that should inform the debates, that lead to policies that have had a major impact on our lives.”

Kathleen, Poverty2Solutions

References:

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5. Engaging with residents, civil society, and voluntary and community sector organisations

Collaborative engagement should take place from the outset, and all the following examples should be designed, facilitated, and/or reviewed by people with lived experience of socio-economic disadvantage. Practical steps should include:

- Arranging internal training for local authority representatives and staff to build skills in participatory approaches and engagement with the public and people with lived experience of socio-economic disadvantage.
- Building awareness, understanding and engagement with the socio-economic duty by creating collaborative dialogue between local authority representatives and staff, and the public about socio-economic disadvantage and inequality, and the steps the local authority is taking to address socio-economic disadvantage in decisions and strategies.
- Facilitating understanding of people’s lived experience across council members and staff, voluntary and civil society organisations, residents, and other stakeholders.
- Engaging in participative consultation and problem-solving with socio-economically disadvantaged people and relevant stakeholders to effectively strategise about how to tackle socio-economic disadvantage.
- Where structures and an agreed engagement strategy is already in place, people with lived experience of socio-economic disadvantage should review these structures.

As part of this approach, consideration should be given to how people experiencing socio-economic disadvantage can inform and shape policy and practice through a permanent forum (for example a socio-economic scrutiny forum). This could build on existing time-limited engagement activities (such as Poverty Truth Commissions) and should be supported by, but independent from, the local authority. The scrutiny forum should consist of substantive and formal processes of engagement and guidance on the socio-economic duty.

“We are the voice of our communities with the skills and experience to influence change. We are solution focussed and innovative.”

Corrina, Poverty2Solutions

6. Ensuring access to justice and monitoring impact and compliance

Collecting evidence about the impact of implementing the duty is important. It can help to build an evidence base about the duty and identify what works when it comes to tackling unequal outcomes that are caused by socio-economic disadvantage. To achieve this, local authorities should:

- Log the changes that they have made within the organisation as a result of adopting the duty.
- Meet with other local authorities who have adopted the duty, or local authorities where the duty is in force to learn and share best practice.

It is also important to monitor compliance with the duty across the organisation on an ongoing basis to demonstrate that implementation is not just a publicity activity but is leading to meaningful change and being taken seriously.

That means clearly establishing, at an early stage, the changes that adoption of the duty should bring about in the organisation and assessing at regular intervals whether this change has happened and is being sustained. This assessment could be done every 6 months and should be made publicly available.

To complement this work, the local authority should consider mechanisms which provide access to justice where the local authority has failed to comply with the socio-economic duty and has increased socio-economic disadvantage.
What are the benefits to local authorities?

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.
- Supporting the participation of low-income residents in decisions that affect them, especially in the context of (proposed) cuts to services.
- Achieving greater consistency in practice - and an increased likelihood of maintaining such consistent practice across political administrations and between changes of individual leadership and turnover of staff.
- Improving systematic approaches to equality impact assessments and assessment of policy and practice more broadly.
- Strengthening systematic data gathering and analysis, especially in the conduct of equality impact assessments, thereby strengthening accountability.
- Supporting the effective and efficient allocation of resources.

In addition to these benefits, as cited in Just Fair’s 2018 research, local authorities may also notice financial benefits.

“...local authorities’ motives for tackling socio-economic inequality and its adverse consequences extend beyond moral and ethical concerns to include medium to long term financial planning. Just Fair considers it significant that the voluntary adoption of a responsibility to tackle socio-economic disadvantage was cited by many interviewees as being motivated by a need to achieve financial efficiencies and inform tough decisions about the allocation of resources that are required to be made.”

Just Fair, Tackling socio-economic inequalities locally

Further reading

Doughty Street Chambers, Theo Huckle QC (2021), ‘The Socio-economic duty rules OK!’
Equality and Human Rights Commission (2020), How coronavirus has affected equality and human rights
Equality and Human Rights Commission (2021), How mayors can make England fairer
Equality and Human Rights Commission (2021), Evaluating the socio-economic duty in Scotland and Wales
Just Fair (2018), Tackling socio-economic inequalities locally
Oxford Human Rights Hub (2019), The SED: A powerful idea hidden in plain sight in the Equality Act
Welsh Government (2021), The Socio-economic Duty: guidance and resources
Notes


3 Sourced on 11th May 2021 at: https://justfair.org.uk/north-of-tyne-combined-authority-implement-socio-economic-duty/


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