

# Agenda Item 2

## Communities, Equality and Local Government Committee

CELG(4)-05-11 : Paper 1

### Evidence paper to the Communities, Equality and Local Government Committee by the Minister for Finance and Leader of the House

#### The Budget 2012-13: Equality Impact Assessment

1. In February 2011, The Equality Impact Assessment (EIA) of the Draft Budget 2011-12 was published alongside the Final Budget 2011-12. Departments undertook an EIA of their own budget allocation decisions, which resulted in a number of adjustments. This EIA was carried out on the strategic decisions that Cabinet made and resulted in increases to funding to social services and housing for vulnerable people.
2. This year's allocations are largely unaltered from those in last year's budget, which was a three year budget; therefore the Welsh Government has not repeated the detailed work undertaken last year. However, we have undertaken assessments where there has been a budgetary change. It is important that this years EIA and the EIA for the Budget 2011-12 are considered together.
3. Where spending plans have changed from those published in last year's Budget they have been equality impact assessed and, in particular, this includes additional allocations on:
  - Our **Five for a Fairer Future** commitments;
  - Continuing to deliver our suite of universal benefits; and
  - Ensuring financial sustainability in the NHS

#### Assessing the changes for the Budget 2012-13

4. The equality duty requires public authorities to demonstrate that they are making financial decisions in a fair, transparent and accountable way, considering the needs and the rights of different members of their community. This is achieved through assessing the impact that changes to policies and practices could have on different protected groups.
5. In order to be confident that the equality impact has been assessed in the budget areas, Welsh Government departments undertook an initial screening to consider whether there may be a potential equality impact as part of the Welsh Government's Inclusive Policy Making (IPM) process.

6. During the screening stage, officials were guided to consider the availability and quality of the evidence on which to base the decisions regarding the level of likely adverse differential impact the policy may have on any of the equality strands. The quality of the evidence gathered was measured as well as the likely differential impact.
7. Following the initial screening, if it was apparent that proposed changes would have a significant impact on people with one or more of more of the protected characteristics, then a detailed assessment was required to better understand the potential impact of the proposed budget allocations.
8. The detailed assessment would typically involve a more in-depth assessment of the policy or practice aims and objectives, how they relate to equality and if there are ways they could better advance equality, based on the evidence and research gathered during the screening stage. It should result in a considered judgement about the level of impact that the policy or practice could have on any or all equality strands.
9. It was made clear that those departments where potential equality impact assessments would be undertaken that they must engage with and take account of the views of relevant stakeholders where appropriate and ensure that they were based on sound evidence.

### **Inclusive Policy Making**

10. As mentioned in paragraph 5, within the Welsh Government our method for assessing budgetary decisions for equality impacts is through the Inclusive Policy Making (IPM) process.
11. Welsh Government Departments used the IPM guidance to help access all the relevant material when making their assessments and in advising Ministers on their decisions.

<http://wales.gov.uk/topics/equality/publications/ipmguide2/?lang=en>

**Jane Hutt AM**

**Minister for Finance and Leader of the House**