

## City of York Council

**Equalities Impact Assessment: Financial Inclusion Interim Strategy 2023-25****Who is submitting the proposal?**

<b>Directorate:</b>	Customer & Communities
<b>Service Area:</b>	Customer and Communities
<b>Name of the proposal :</b>	Financial Inclusion Interim Strategy 2023-25
<b>Lead officer:</b>	Pauline Stuchfield
<b>Date assessment completed:</b>	2/3/2023
<b>Names of those who contributed to the assessment :</b>  Data sources outlined below	

## Step 1 – Aims and intended outcomes

<b>1.1</b>	<b>What is the purpose of the proposal?</b> Please explain your proposal in Plain English avoiding acronyms and jargon.
	To produce an interim Financial Inclusion Strategy 2023-25

<b>1.2</b>	<b>Are there any external considerations?</b> (Legislation/government directive/codes of practice etc.)
	Driven by Council Plan priorities and to address priorities that will help to mitigate poverty in the City and Cost of Living Crisis impacts.

<b>1.3</b>	<b>Who are the stakeholders and what are their interests?</b>
	All residents in the city affected by financial exclusion, debt and the Cost of Living crisis. All advice York partners who contribute to partnership working in this strategy and the Climate Change Strategy All employers/businesses and education /skills partners in relation to the items contained in the York Economic Strategy All health partners in relation to priorities contained in the Health & Well being Strategy

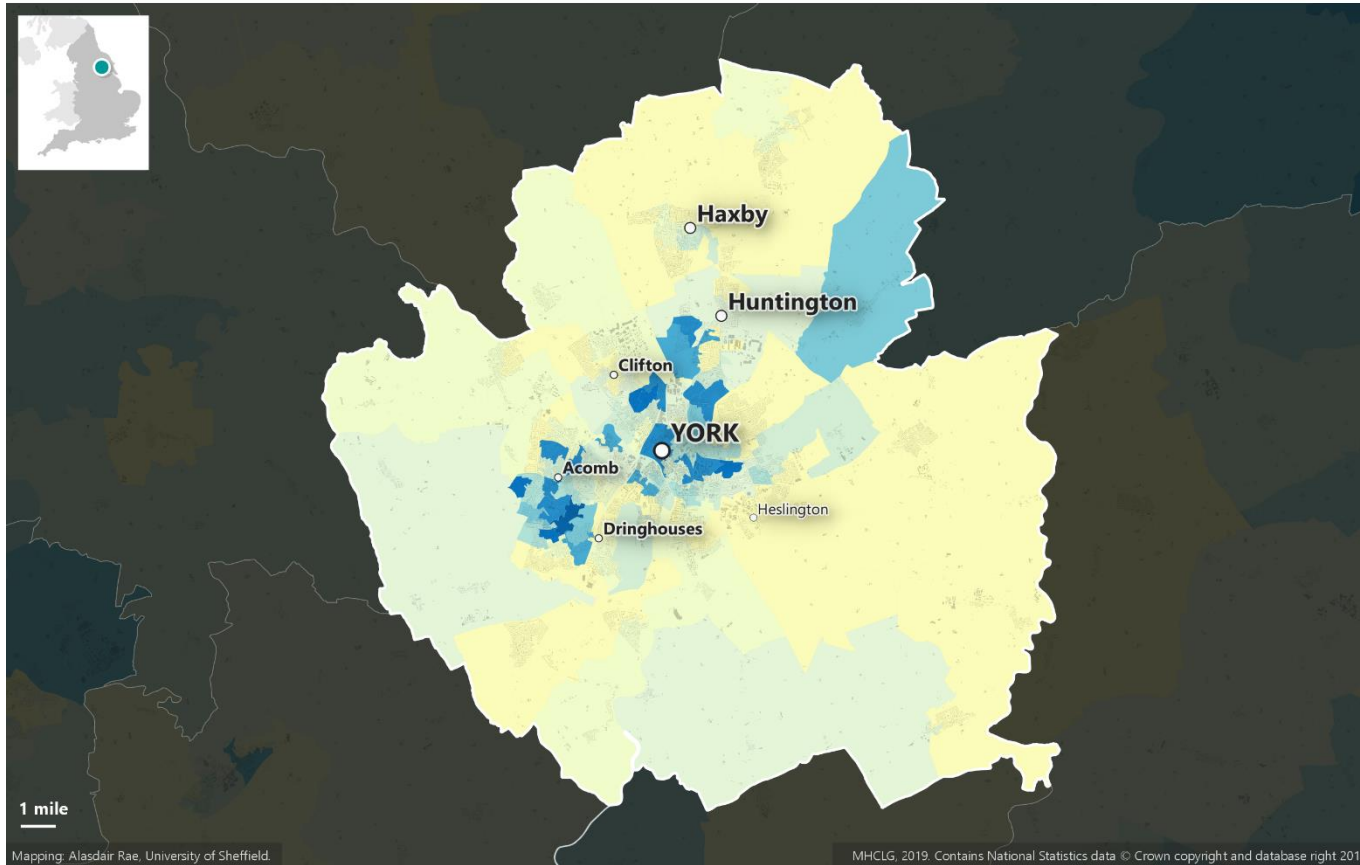
<p><b>1.4</b></p>	<p><b>What results/outcomes do we want to achieve and for whom?</b> This section should explain what outcomes you want to achieve for service users, staff and/or the wider community. Demonstrate how the proposal links to the Council Plan (2019- 2023) and other corporate strategies and plans.</p>
	<p>To provide short, medium and long term solutions to help with immediate issues but address underlying causes of poverty. Poverty impacts for York are shown below specifically – with a small number in most deprived cohort in the UK. The Cost-of-Living crisis has impacted everyone but as identified in this EIA our most marginalised residents will have been affected the most. This strategy seeks to work towards mitigating these impacts.</p> <p>The overarching principals of the strategy are:</p> <p><b>We will commit to:</b></p> <ul style="list-style-type: none"> <li>▶ <b>listening to people with lived experience</b> through for example the Poverty Truth Commission and coproduction to drive policy direction;</li> <li>▶ ensuring local responses to poverty <b>work towards long-term strategic responses to tackling the causes of poverty</b>, rather than only addressing immediate or emergency needs;</li> <li>▶ <b>inclusion for all</b>. We will seek to eliminate the disproportionate impact of poverty on, for example, black &amp; minority ethnic communities, disabled people, carers and older people. Equalities impacts will be tackled, and barriers removed by clear actions not words;</li> <li>▶ <b>working with families and their wider networks</b> to reduce poverty and the impact of it on children’s lives to ensure children get the best start in life;</li> <li>▶ being <b>responsive and timely</b> in making positive changes working in partnership with key decision makers and stakeholders <b>by understanding the data and</b> current financial inclusion <b>trends</b> and influences at local and national level; and</li> <li>▶ ensuring <b>Financial Inclusion Steering Group</b> truly operates at a city level influencing anchor institutions and wider stakeholders with clarity of role, purpose, and mechanisms for delivery through its membership.</li> </ul> <p>Priority themes (with detailed actions behind them are:</p>

- Food Insufficiency
- Cost of Energy
- Housing Insecurity for:
  - Renters
  - Homeowners
- Debt
- Advice Services
- Remove Barriers and Enable Change
  - reduce inequalities
  - digital inclusion
  - accessible information.
- Transport Costs
- Support to Business.

The context behind the need is outlined below in terms of deprivation and Absolute poverty.

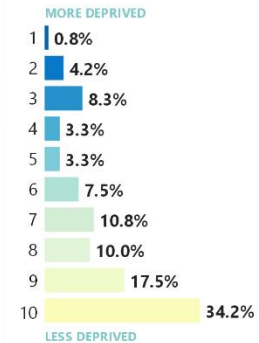
# English Indices of Deprivation 2019

## YORK



### Local deprivation profile

% of LSOAs in each national deprivation decile



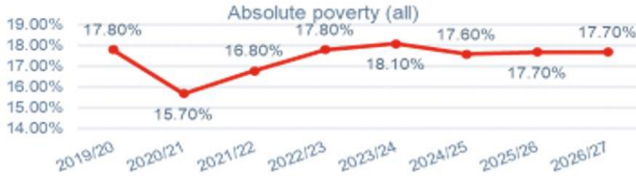

### What this map shows

This is a map of Indices of Deprivation 2019 data for **York**. The colours on the map indicate the deprivation decile of each Lower Layer Super Output Area (LSOA) for England as a whole, and the coloured bars above indicate the proportion of LSOAs in each national deprivation decile. The most deprived areas (decile 1) are shown in blue. It is important to keep in mind that the Indices of Deprivation relate to small areas and do not tell us how deprived, or wealthy, individual people are. LSOAs have an average population of just under 1,700 (as of 2017).



# Absolute Poverty (after housing costs)

Produced by the Business Intelligence Hub

<p><b>Definition</b>                  Absolute low income: An individual is in absolute low income (or absolute poverty) if they are living in households with income below 60% of the 2010/11 median, uprated for inflation.</p> <p>By using an income threshold that is fixed in time, this measure looks at how living standards of low-income households are changing over time.</p> <p>After Housing Costs (AHC) measures allow an assessment of living standards of individuals whose housing costs are high relative to the quality of their accommodation.</p> <p>Calculating poverty after housing costs give a more accurate measure of how much families have to live on.</p>	<p><b>Prediction</b>                  Absolute poverty:                  18 per cent in 2019 -20                  16 per cent in 2020 -21</p> <p>Resolution foundation modelling predicts a rise to 17% per cent in 2021-22 and 18% in 2022 -23.</p> <p>Fall in 2020-21 was due to the £20 per week uplift to Universal Credit.</p> <p>60% of the weekly wage, before housing costs, is approximately £370 per week.</p> <p>IFS report shows that the absolute -poverty line after housing costs for example families in 2019 -20 is:</p> <p>£309 for couple with one child                  £258 for childless couple                  £201 for lone parent with one child                  £149 for single adult</p>	<p><b>Impact nationally</b>                  Resolution Foundation produced modelling of Absolute Poverty (after housing costs) at a national level:</p>  <p><b>Impact for York</b>                  Applying these percentages to York data in the graph below:</p>  <p><b>This shows:</b>                  2021/22 14,713 households                  2022/23 prediction = 15,626 households</p> <p><b>Approximately an additional 910 York households experiencing absolute poverty after housing costs</b></p>
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## Step 2 – Gathering the information and feedback

<p><b>2.1</b></p>	<p><b>What sources of data, evidence and consultation feedback do we have to help us understand the impact of the proposal on equality rights and human rights?</b> Please consider a range of sources, including: consultation exercises, surveys, feedback from staff, stakeholders, participants, research reports, the views of equality groups, as well your own experience of working in this area etc.</p>
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Source of data/supporting evidence	Reason for using
National Citizens Advice Data Profiles Joseph Rowntree Data (UK Poverty 2023)	Identifies communities of interest at risk Identifies communities of interest at risk
Stakeholder feedback (10 year strategies). These are not repeated here but can be reviewed in the links.	<p><b>Climate Change Strategy:</b>  <a href="https://democracy.york.gov.uk/documents/s163769/Annex%20Biv%20Climate%20change%20Strategy%20Equalities%20Impact%20Assessment.pdf">https://democracy.york.gov.uk/documents/s163769/Annex%20Biv%20Climate%20change%20Strategy%20Equalities%20Impact%20Assessment.pdf</a></p> <p><b>York Economic Strategy</b>  <a href="https://democracy.york.gov.uk/documents/s163769/Annex%20Biv%20Climate%20change%20Strategy%20Equalities%20Impact%20Assessment.pdf">https://democracy.york.gov.uk/documents/s163769/Annex%20Biv%20Climate%20change%20Strategy%20Equalities%20Impact%20Assessment.pdf</a></p> <p><b>Health &amp; Wellbeing Strategy:</b>  <a href="https://democracy.york.gov.uk/documents/s163765/Annex%20Dii%20Health%20and%20Wellbeing%20Strategy%20Equalities%20Impact%20Assessment.pdf">https://democracy.york.gov.uk/documents/s163765/Annex%20Dii%20Health%20and%20Wellbeing%20Strategy%20Equalities%20Impact%20Assessment.pdf</a></p>
Information gathered during the course of	<ul style="list-style-type: none"> <li>• A number of workshops with the partnership Financial Inclusion Steering Group<sup>1</sup> in 2022.</li> <li>• ‘Solutions Lab’ discussions at the Cost-of-Living Summit held on 31<sup>st</sup> October 2022, which focussed on the draft Financial Inclusion strategy themes, and resulted in themes being added.</li> </ul>

<sup>1</sup> The membership of the group includes: Welfare Benefits Unit, Joseph Rowntree Foundation, York CVS, Explore York, Citizens Advice York, Community First Credit Union, York Food Bank, NHS, Two Ridings and a number of CYC directorate representatives. The Executive Members for Housing & Safer Neighbourhoods, for Finance & Performance and for Adult Social Care & Health are members of the group. There is a standing invitation to a representative of the Parish Councils.

constructing the strategy:	<ul style="list-style-type: none"> <li>• As a result of recommendations from the Summit a cross reference with the original 2012 Fairness Commission recommendations for areas that remain as important now as then;</li> <li>• A cross reference to the recently approved 10-year strategies (Economic, Health &amp; Wellbeing and Climate change Strategies) and any other relevant policies and strategies.</li> </ul>
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### Step 3 – Gaps in data and knowledge

3.1	<b>What are the main gaps in information and understanding of the impact of your proposal? Please indicate how any gaps will be dealt with.</b>	
<b>Gaps in data or knowledge</b>		<b>Action to deal with this</b>
Up to date lived experience of poverty		To work alongside the Poverty Truth Commission to be launched in March 2023

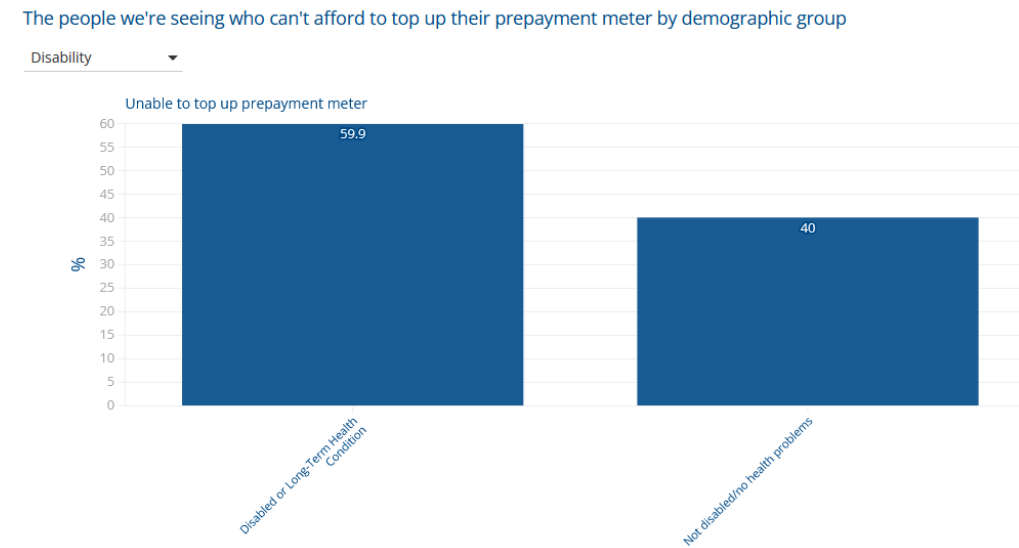
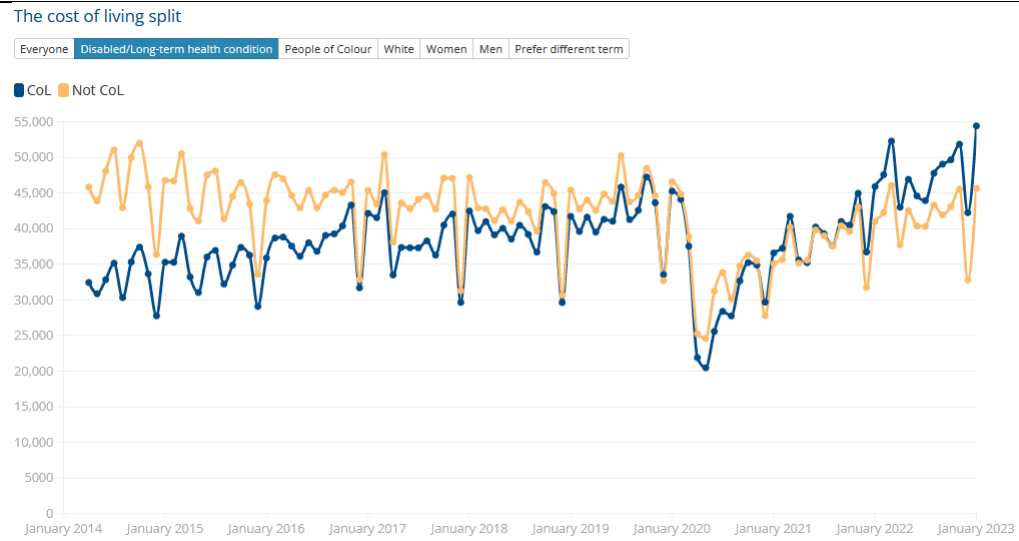
### Step 4 – Analysing the impacts or effects.

4.1	<p><b>Please consider what the evidence tells you about the likely impact (positive or negative) on people sharing a protected characteristic, i.e. how significant could the impacts be if we did not make any adjustments?</b> Remember the duty is also positive – so please identify where the proposal offers opportunities to promote equality and/or foster good relations.</p>
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Equality Groups and Human Rights.	Key Findings/Impacts	Positive (+) Negative (-) Neutral (0)	High (H) Medium (M) Low (L)
Age	<p>The strategy will support people of all ages but it is recognised that older people may be more affected by digital exclusion (this is under the priority theme of removing barriers).</p> <p>Older people also are more likely to suffer from health conditions which may mean they are disabled (see disability section below)</p> <p>Both these issues may prevent older people from access some of the food, energy and benefits developments arising from this strategy.</p> <p>This will be mitigated by the actions under: Remove Barriers and Enable Change</p> <ul style="list-style-type: none"> <li>○ reduce inequalities</li> <li>○ digital inclusion</li> <li>○ accessible information</li> </ul> <p>With regard to children in Poverty a key principal is to <b>work with families and their wider networks</b> to reduce poverty and the impact of it on children's lives to ensure children get the best start in life . The development of a Childrens Poverty Truth Commission will support development of activities in this cohort in particular.</p>	+	H

# Disability



The proposed strategy through its action plan will seek to respond to some of the impacts felt by disabled people in poverty. In January 2023, Citizens Advice helped a record number of disabled people with cost of living issues. The high

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proportion of people with a disability or long-term health condition who can't afford to top up for pre payment meters is particularly concerning due to the increased risk of significant physical and mental harm for these groups.

JRF (UK Poverty 2023) state: Disabled people face a higher risk of poverty and have done so for at least the last 20 years. This is driven partly by the additional costs associated with disability and ill-health, and partly by the barriers to work disabled people face. As a result, disabled people and/or families where someone is disabled frequently rely on benefit payments as a source of income, which at current rates will almost inevitably lead to higher poverty rates.

The proposed str

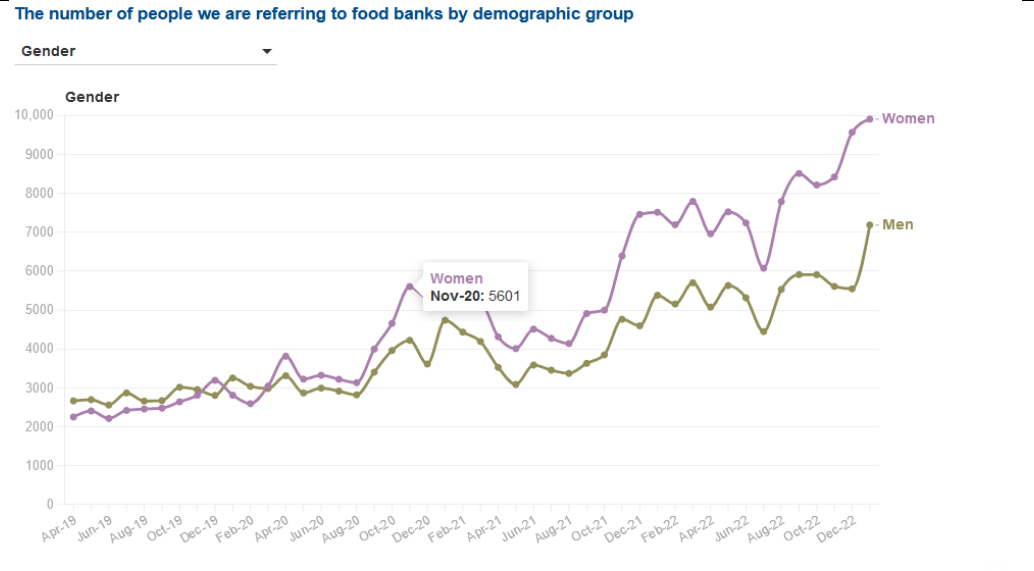
**Poverty rates are higher for disabled people**

<b>Disabled/not disabled</b>	<b>Age group</b>	<b>Poverty rate (%)</b>
Disabled	Child	32
	Working-age adult	35
	Pensioner	19
Not disabled	Child	27
	Working-age adult	18
	Pensioner	14

The strategy contains the following key commitment:

- ▶ **inclusion for all.** We will seek to eliminate the disproportionate impact of poverty on, for example, black & minority ethnic communities, disabled people, carers and older people. Equalities impacts will be tackled, and barriers removed by clear actions not words;

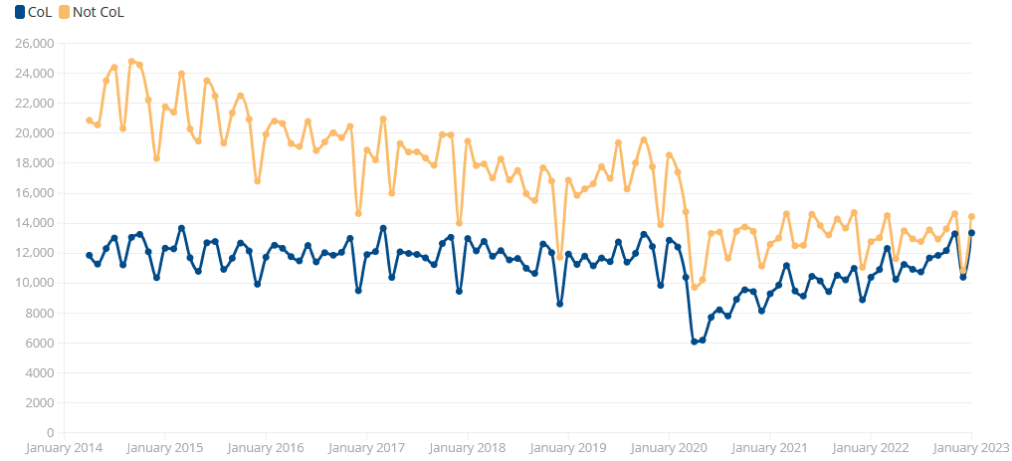
	<p>And theme/priority:</p> <p><b>Reduce Inequalities</b>  All data monitored by FISG will be reviewed through an equalities lens to identify those groups who are impacted detrimentally due to their protected characteristics and/or complex needs and solutions targeted at reducing any inequality of access to support and solutions.</p>		
<p><b>Gender</b></p>	<p>The proposed strategy and actions will apply equally to all genders, although where a person is suffering from mental health issues this can affect their capability to deal with financial matters – this proposed strategy will support everyone in gaining access to the advice, information and support they need. According to Citizens Advice Data – women are being referred to foodbanks more now than previously and more than men:</p>	<p><b>+</b></p>	<p><b>H</b></p>



This is not something that is separately addressed in this strategy so perhaps an area to further explore with the Poverty Truth Commission.

<b>Gender Reassignment</b>	As with Gender regarding equal application of the strategy.	<b>0</b>	<b>H</b>
<b>Marriage and civil partnership</b>	No overall impact		
<b>Pregnancy and maternity</b>	Single people and those with children are likely to be affected more than most based on national and local data which can have an impact on child poverty. Pregnancy can increase costs and therefore the action plan priorities around cash first, local support and accessible advice and information will be key.	<b>+</b>	<b>M</b>

# Race

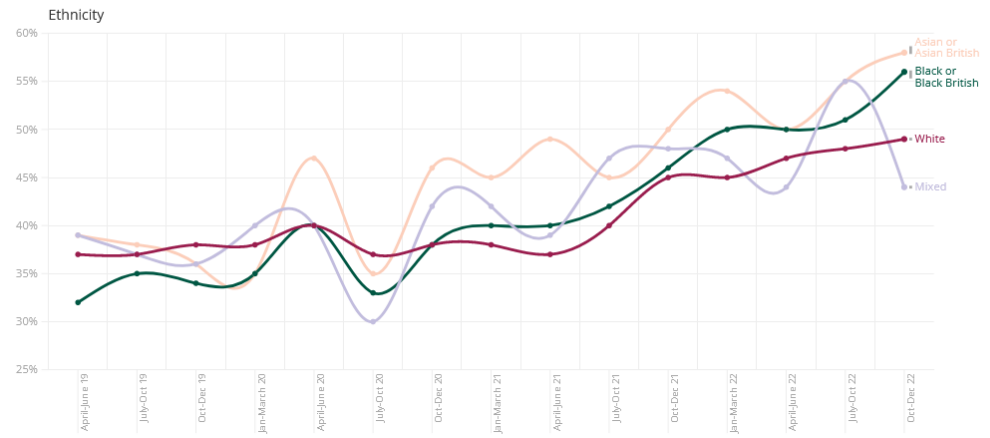


**Black & Minority Ethnic Groups are raising more Cost of Living issues as much as other issues now.**

Proportion of people we help with debt issues in a negative budget by demographic group

Someone is in a negative budget when their necessary expenditure exceeds their income.

- All
- Household Type
- Ethnicity**
- Health Condition
- Age group
- Employment Status
- Gender
- Benefits
- Housing Tenure



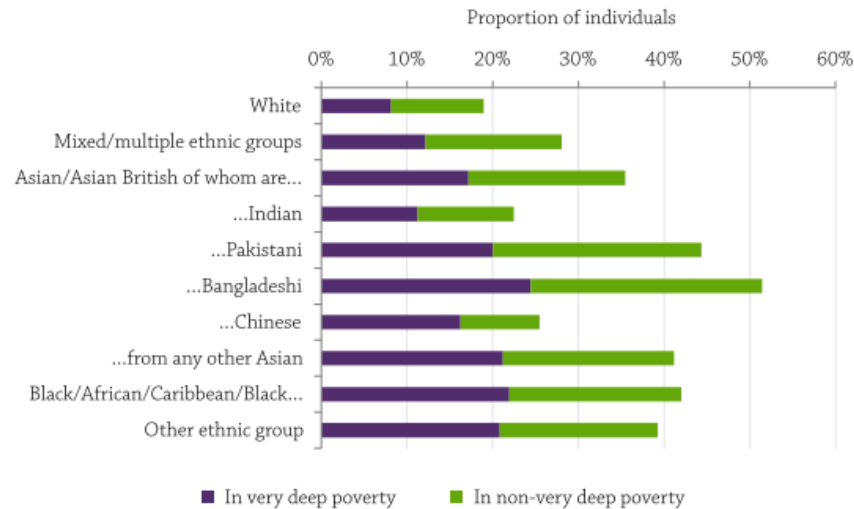
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Of people in a negative budget that are helped by citizens advice (now over 50%) This chart shows the trends for this measure for different ethnic groups - a significant proportion of Black and Asian groups are in negative budgets as shown

Joseph Rowntree Foundation Data:

**People in the Bangladeshi ethnic group have the highest overall poverty rate, followed by Pakistani and other Asian and Black ethnic groups, but very deep poverty rates vary less between different ethnic groups**



Source: Households Below Average Income, 2020/21, DWP

Ethnic minority families are disproportionately affected by changes to the benefit systems. They are also more likely to be working in low-paying insecure work, so labour market trends are also critical. There are also differences in the typical family types for different ethnic groups, with the average family size for some ethnic minorities being higher than average. They will also have higher

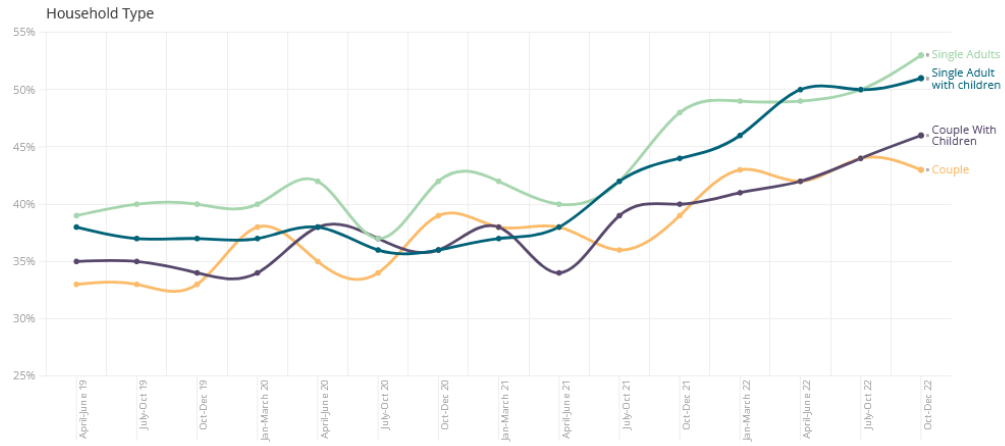
	<p>household costs because they are more likely to have children in their household.</p> <p>The proposed strategy contains the following key commitment:</p> <ul style="list-style-type: none"> <li>▶ <b>inclusion for all.</b> We will seek to eliminate the disproportionate impact of poverty on, for example, black &amp; minority ethnic communities, disabled people, carers and older people. Equalities impacts will be tackled, and barriers removed by clear actions not words;</li> </ul> <p>And theme/priority:</p> <p><b>Reduce Inequalities</b>  All data monitored by FISG will be reviewed through an equalities lens to identify those groups who are impacted detrimentally due to their protected characteristics and/or complex needs and solutions targeted at reducing any inequality of access to support and solutions.</p> <p>The proposals in the strategy should improve accessibility to all opportunities for support, benefits and employment.</p>		
<b>Religion and belief</b>	No overall impact	<b>0</b>	<b>L</b>
<b>Sexual orientation</b>	See gender impacts in relation to mental health which is likely to mean that there are barriers to accessing support. The actions in the strategy will seek to mitigate these impacts positively.	<b>+</b>	<b>H</b>



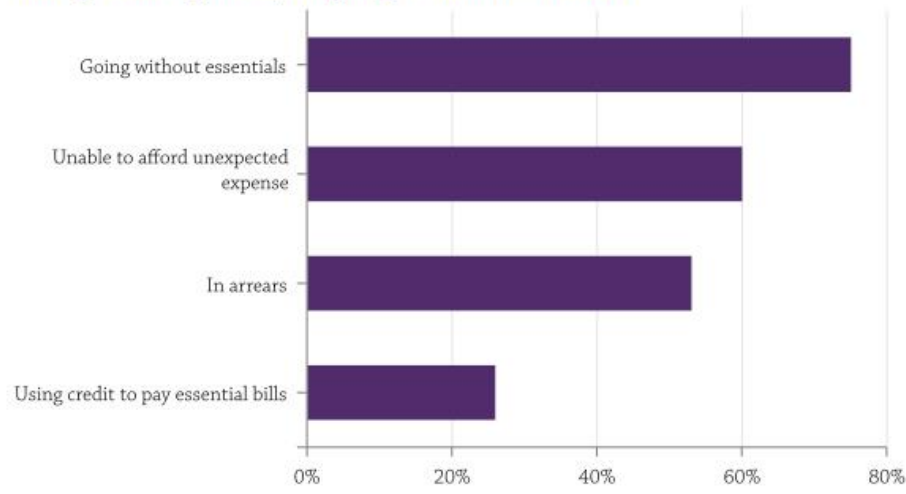
Other Socio-economic groups including :	Could other socio-economic groups be affected e.g. carers, ex-offenders, low incomes?																													
<p><b>Carers</b></p> <p>JRF (UK Poverty 2023) state: Across the UK, millions of people provide unpaid care for an ill, older or disabled family member or friend. The number of unpaid carers has been increasing as the population ages. Many carers find that they really struggle to balance work and care, and that they are facing their own health problems as a result of their caring role. There are also significant financial costs associated with caring, with carers often using their income or savings to pay for support services and care equipment. Carers also face poorer health outcomes, with a high proportion of carers struggling with mental and physical health problems. All of these factors mean that carers are much more likely than those who aren't carers, to be living in poverty.</p> <p><b>Poverty rates are higher for working-age informal carers than non-carers</b></p> <table border="1" data-bbox="573 783 1525 991"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Working age</th> <th colspan="2">Pension age</th> <th colspan="2">All</th> </tr> <tr> <th>Carer (%)</th> <th>Non-carer (%)</th> <th>Carer (%)</th> <th>Non-carer (%)</th> <th>Carer (%)</th> <th>Non-carer (%)</th> </tr> </thead> <tbody> <tr> <td>Female</td> <td>28</td> <td>21</td> <td>22</td> <td>17</td> <td>27</td> <td>20</td> </tr> <tr> <td>Male</td> <td>34</td> <td>21</td> <td>24</td> <td>14</td> <td>32</td> <td>19</td> </tr> </tbody> </table>		Working age		Pension age		All		Carer (%)	Non-carer (%)	Carer (%)	Non-carer (%)	Carer (%)	Non-carer (%)	Female	28	21	22	17	27	20	Male	34	21	24	14	32	19		+	H
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<p><b>Low income groups</b></p>		+	H																											

Proportion of people we help with debt issues in a negative budget by demographic group  
 Someone is in a negative budget when their necessary expenditure exceeds their income.

All Household Type Ethnicity Health Condition Age group Employment Status Gender Benefits Housing Tenure



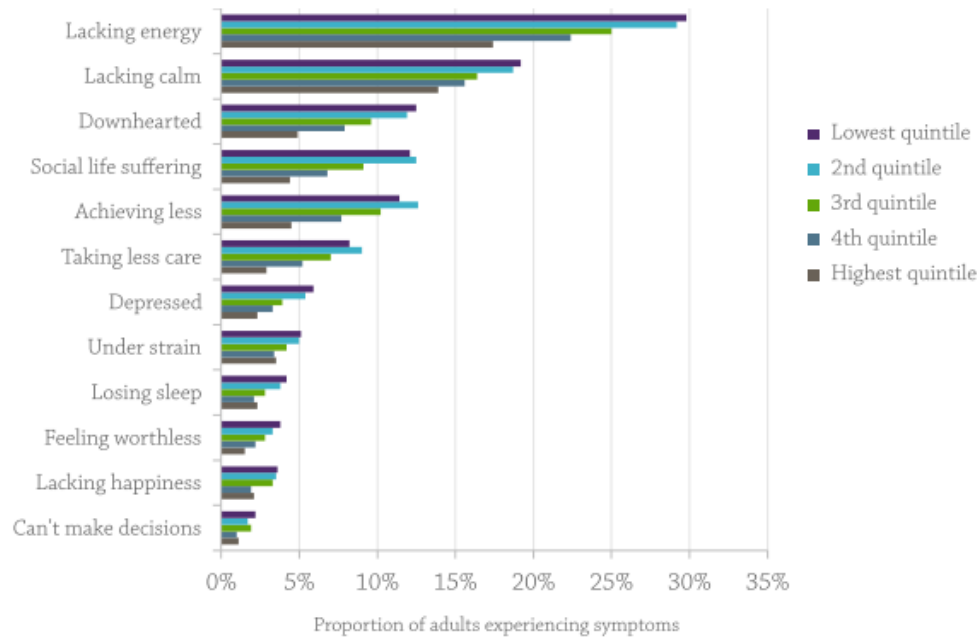
**The majority of low-income households are in arrears, unable to afford unexpected expenses, or going without essentials**



Source: JRF Cost of living tracker, October/November 2022

The strategy and priority themes and actions are all geared towards tackling the issues experienced by low in come families.

**The lower a person’s income, the more likely they are to experience a symptom of anxiety**



Source: JRF analysis of Understanding Society, 2019/20

**Veterans, Armed Forces Community**

This group will be supported equally as all group in the strategy and alongside our Armed Forces Covenant commitments

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**Other**

None

Impact on human rights:			
List any human rights impacted.	<p>The strategy and its action plan will positively impact on the following:</p> <ul style="list-style-type: none"> <li>- Right not to be treated in an inhuman or degrading way (addressing stigma and isolation)</li> <li>- Right to life (addressing impact of health inequalities shortening life expectancy)</li> <li>- Right not to be discriminated against in relation to any of the human rights</li> </ul>	<b>+</b>	<b>H</b>

**Use the following guidance to inform your responses:**

Indicate:

- Where you think that the proposal could have a POSITIVE impact on any of the equality groups like promoting equality and equal opportunities or improving relations within equality groups
- Where you think that the proposal could have a NEGATIVE impact on any of the equality groups, i.e. it could disadvantage them
- Where you think that this proposal has a NEUTRAL effect on any of the equality groups listed below i.e. it has no effect currently on equality groups.

It is important to remember that a proposal may be highly relevant to one aspect of equality and not relevant to another.

<p><b>High impact</b> (The proposal or process is very equality relevant)</p>	<p>There is significant potential for or evidence of adverse impact The proposal is institution wide or public facing The proposal has consequences for or affects significant numbers of people The proposal has the potential to make a significant contribution to promoting equality and the exercise of human rights.</p>
<p><b>Medium impact</b> (The proposal or process is somewhat equality relevant)</p>	<p>There is some evidence to suggest potential for or evidence of adverse impact The proposal is institution wide or cross-Unit, but mainly internal The proposal has consequences for or affects some people The proposal has the potential to make a contribution to promoting equality and the exercise of human rights</p>
<p><b>Low impact</b> (The proposal or process might be equality relevant)</p>	<p>There is little evidence to suggest that the proposal could result in adverse impact The proposal operates in a limited way The proposal has consequences for or affects few people The proposal may have the potential to contribute to promoting equality and the exercise of human rights</p>

## Step 5 - Mitigating adverse impacts and maximising positive impacts

5.1	<b>Based on your findings, explain ways you plan to mitigate any unlawful prohibited conduct or unwanted adverse impact. Where positive impacts have been identified, what is been done to optimise opportunities to advance equality or foster good relations?</b>
<p>The proposed strategy contains the following key commitment:</p> <ul style="list-style-type: none"><li>▶ <b>inclusion for all.</b> We will seek to eliminate the disproportionate impact of poverty on, for example, black &amp; minority ethnic communities, disabled people, carers and older people. Equalities impacts will be tackled, and barriers removed by clear actions not words;</li></ul> <p>And theme/priority:</p> <p><b>Reduce Inequalities</b></p> <p>All data monitored by FISG will be reviewed through an equalities lens to identify those groups who are impacted detrimentally due to their protected characteristics and/or complex needs and solutions targeted at reducing any inequality of access to support and solutions.</p>	

## Step 6 – Recommendations and conclusions of the assessment

6.1	<b>Having considered the potential or actual impacts you should be in a position to make an informed judgement on what should be done. In all cases, document your reasoning that justifies your decision. There are four main options you can take:</b>
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- **No major change to the proposal** – the EIA demonstrates the proposal is robust. There is no potential for unlawful discrimination or adverse impact and you have taken all opportunities to advance equality and foster good relations, subject to continuing monitor and review.

- **Adjust the proposal** – the EIA identifies potential problems or missed opportunities. This involves taking steps to remove any barriers, to better advance quality or to foster good relations.

- **Continue with the proposal** (despite the potential for adverse impact) – you should clearly set out the justifications for doing this and how you believe the decision is compatible with our obligations under the duty

- **Stop and remove the proposal** – if there are adverse effects that are not justified and cannot be mitigated, you should consider stopping the proposal altogether. If a proposal leads to unlawful discrimination it should be removed or changed.

**Important:** If there are any adverse impacts you cannot mitigate, please provide a compelling reason in the justification column.

<b>Option selected</b>	<b>Conclusions/justification</b>
Continue with the proposal	The overall assessment is that groups in poverty are already in a significantly difficult situation with poorer experiences if affected by age (young and old), if disabled (mental health impacts particularly but not exclusively), is a carer and or from a Black & Minority Ethnic background. More work needs to be undertaken alongside those with lived experience such as the Poverty Truth Commission (and if developed – a Childrens Poverty Truth Commission) and to understand the poverty impacts on women as identified in the EIA. Overall however the strategy , if approved will have an overall

	positive impact for people affected by equalities and/or human rights implications of poverty and the Cost-of-Living Crisis.
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### Step 7 – Summary of agreed actions resulting from the assessment

<b>7.1 What action, by whom, will be undertaken as a result of the impact assessment.</b>			
<b>Impact/issue</b>	<b>Action to be taken</b>	<b>Person responsible</b>	<b>Timescale</b>
Lived experience	Continued work with community groups and Poverty Truth Commission	Director of Customer & Communities/Financial Inclusion Steering Group partners	From March 2023



## Step 8 - Monitor, review and improve

<b>8. 1</b>	<b>How will the impact of your proposal be monitored and improved upon going forward?</b> Consider how will you identify the impact of activities on protected characteristics and other marginalised groups going forward? How will any learning and enhancements be capitalised on and embedded?
	<p>Recommendations from the engagement above will feed into updates to the strategy and/or a revised strategy. The EIA process and content will be monitored by the new Access and Inclusion Team.</p> <p>The implementation of the strategy will be monitored by the Financial Inclusion Steering Group and through a published six monthly monitoring report to the Executive Member Decision Session for Finance &amp; Performance.</p>