

Integrated Impact Assessment (IIA)

Informing our approach to fairness

Name of proposal	Economic Development – Newcastle Gateshead Initiative and Newcastle Futures
Date of original assessment	September 2016
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This is our assessment of the potential equality and other impacts of this 2017-18 budget proposal, based on the available evidence. It is a 'living document'. We have reviewed this assessment following a period of consultation and will continue to review it as we implement the proposal.

Section A: Current service

1. What does the service do?

This proposal relates to services provided by Newcastle Futures and the Newcastle Gateshead Initiative (NGI) which are part funded by Newcastle City Council.

Newcastle Futures is an arms-length organisation that we jointly fund with Job Centre Plus (JCP). It supports unemployed residents in Newcastle into work. They have a particular delivery focus on the most deprived areas of the city and on customers with significant barriers to employment – including those on Incapacity Benefits, Lone Parents and Workless Families. Their delivery role involves a team of employability advisers delivering support in community venues. These advisers engage local people and offer a personalised customer journey using a variety of funding sources. They help to tackle barriers to employment and draw in specialist support; identify employment, skills and training opportunities; and support people through interview and application processes. In 2015/16, Newcastle Futures supported 1,000 people and helped about half of these into work.

Newcastle Futures also receives funding from our Housing Revenue Account (HRA) to deliver activity directed towards tenants of Your Homes Newcastle (YHN) properties who are unemployed.

NGI

NGI's core purpose is to inspire people to visit, and to learn, work and invest in Newcastle Gateshead – whilst also providing information to, and supporting new events for, local residents.

We currently provide core funding to support two aspects of the work undertaken by NGI, with this income supplemented by private sector sources:

1. Destination marketing, Tourist Information Services and conference attraction

NGI ensures that Newcastle is promoted as a destination for leisure, learning and business; is well placed to develop its tourism profile, attractions and infrastructure; and provides the best possible tourist information, support and interpretation services. NGI now provides the strategic and operational lead for tourism.

The core grant to NGI is £536.4k and it is the only organisation which markets Newcastle and Gateshead nationally and internationally – with tourism now worth £1.3billion to the local economy and 18,799 people employed by the sector supports

Detailed activity includes:

- Domestic and international city break marketing and PR activity to attract overnight and short-break visitors
- Visiting media programme
- Destination management – improving quality/skills of Newcastle offer
- Visitor Information – training for frontline staff, distribution of literature, and online and social media solutions (including with VisitEngland and Twitter).
- Conference-attraction programme: bid writing, proactive marketing, PR campaigns, conference ambassadors

2. Business winning activities of NGI

NGI's business winning activity includes:

- End-to-end inward investment support
- Promotion of Newcastle as a destination for businesses
- Support Council at events which target businesses and/or investors into the city

In 2015/16, the team secured 399 new jobs into the city, with over 23 project successes (compared to target of 350 jobs and 15 project successes).

The work of the Business Winning Team is supported and guided by the Invest Newcastle Advisory Board, comprised of senior and experienced individuals from the business community and representatives of the council. The team will also look to increase the private sector leadership role in Newcastle to support Inward Investment.

2. Who do you deliver this service for?

Newcastle Futures works with:

- Job seekers – supporting the residents of Newcastle upon Tyne, helping people to move them into employment.
- Partners – linking with partner organisations who can offer additional support to clients.
- Employers – helping providing a recruitment service to employers looking to recruit local people

NGI

NGI's broad remit means that it provides services to residents, people who visit the city as tourists or to learn, and to businesses.

3. Do you have any statutory requirements?

We do not have any statutory responsibilities to provide services to unemployed residents or to support destination marketing or business winning activity. However, both Newcastle Futures and NGI contribute towards our political priority to make Newcastle a working city.

4. How much do you spend on this service?

Newcastle Futures

Gross expenditure	Gross income	Net budget	Capital projects
£260K	0	£260K	0
(Plus £146K from Housing Revenue Account)		(Plus £146K from Housing Revenue Account)	

NGI

Gross expenditure	Gross income	Net budget	Capital projects
536,400	0	536,400	0

5. What workforce delivers this service?

Posts	FTEs	Comments
N/A		

Section B: Change proposal

1. What is the proposal to change the service?

The proposal is to reduce funding for these two services over the course of the next three years.

1. Newcastle Futures

In 2017/18, we are proposing to reduce core funding for Newcastle Futures by £100K to leave a core budget of £160K. Funding from the HRA will stay at the same level to support work with our tenants. We understand that funding from JCP will also remain at the same level i.e. the provision of a delivery manager and four advisors, office accommodation, interview space and most utilities costs.

Over the next few months we are anticipating significant changes over the next few months in the systems and processes for supporting people into work. These include the procurement and introduction of the new Work and Health Programme; the NE Mental Health Trailblazer becoming fully operational and further calls for European Funding. We also expect to hear about the successor programmes to existing EU funding and remain hopeful that a devolution deal for the North of Tyne area will enable the Council to have a greater influence over provision undertaken by the Department for work and Pensions (DWP) in the region.

Therefore, as the intention is to further reduce core funding through to 2020 we will work closely with Newcastle Futures to evaluate the combined impact of these changes on both the city and provision currently funded by the Council and assess how best we can respond to ensure NF continues to deliver the help, support and advice required by their customers.

The proposal will not detract from our wider skills and employment support strategy which includes not only support to Newcastle Futures but also the skills and apprenticeship hub at City Library, Connexions, City Learning, creating apprenticeships through our capital programme and the Generation NE programme for young people. A full review of our funding to employment and skills organisations will take place in the next 18 months to ensure our resources are being utilised to maximum effect and to take into account changes in provision by the DWP and to reflect potential funding opportunities associated with European Union successor programmes or alternative devolved funding.

2. NGI

In 2017/18, we are proposing a reduction in funding of £35,000 to £501,400 with a view to making further reductions through to 2019/20.

Although these budget reductions will lead to a significant reduction in activity including some reduction in domestic and international marketing, it is anticipated that NGI will still continue to run an effective service – assuming that Gateshead Council make reductions of similar proportions, consultation is taking place on their proposals at the moment, and that NGI continues to successfully raise private sector contributions. We will continue to work with NGI to identify opportunities to drive efficiencies and identify new sources of funding and income from the private sector to mitigate this funding reduction.

We will work with NGI to develop a delivery plan but it is expected that business winning services will remain at a similar level.

2. What evidence has informed this proposal?

Information source	What has this told you?
Various discussions, including with Newcastle Futures Board, Job Centre Plus, Council officers, YHN officers, review of academic literature	<ul style="list-style-type: none"> • Unemployment is identified as one of the key concerns of residents. • The consequences of unemployment lead to significant up-stream costs for the Council and national Government agencies. • Worklessness has a major impact on the estates managed by YHN and is the root cause of many other social issues. • NF works with other Council services to leverage job outcomes out of these activities. • The Council's funding for Newcastle Futures draws in additional matched 'in-kind' support from JC+.
Various discussions, including with NGI officers, Council officers, property sector, managers of hotels, NE Cultural partnership, feedback from conference promoters.	<ul style="list-style-type: none"> • The importance of promoting the city if we are seeking to attract visitors to the city. • The importance of 'place' and a quality leisure offer in creating economic vibrancy and improving quality of life. • Hosting conferences within the city generates significant revenues for the city and helps with wider promotion of the city.
Various discussions, including with NGI officers, Council officers, property sector, Invest Newcastle Board. Desk-top comparison with business winning functions in other cities	<ul style="list-style-type: none"> • The vital importance of having a business winning function for the city. • That the funding of inward investment in Newcastle is lower than in some other major cities, although comparisons are difficult because institutional arrangements are often different in different areas

3. How much will you spend on this service?

	Gross expenditure	Gross income	Net budget	Capital projects
Newcastle Futures				
2017/18	160k	0	160k	0
NGI				
2017/18	501k	0	501k	0

4. What will the net savings be of this proposal?

	Gross Saving	Implementation Cost	Net Saving
2017/18	135k	0	135K

5. What impact will this have on the workforce?

	No. FTEs	% workforce
Year	N/A	

6. Who have you engaged with about this proposal?

Date	Who	No. of people	Main issues raised
30.11.16	NGI CX and Chair	5	No new issues raised
28.10.16	Newcastle Futures Board	6	Also follow up discussions with CX and Chair. Suggestions that the review of worklessness/funding to employment and skills services should take place before we make budget reductions.
20.09.16	Newcastle Futures CX	1	Concerns about the long term viability of Newcastle Futures without additional funding sources being identified.
13.5.16	Newcastle Futures Board	6	Concerns about the challenges facing clients with employability challenges without Newcastle Futures support.
22.9.16	NGI CX	1	Pressures on NGI funding would potentially impact on the visitor economy to the city.
8.8.16	Invest Newcastle Board	14	Challenges to future funding, but importance of retaining active promotion of city and business winning activity

7. What are the potential impacts of the proposal?

Staff / service users	Specific group / subject	Impact (actual / potential disadvantage, beneficial outcome or none)	Detail of impact	How will you address or mitigate disadvantage?
People with protected characteristics				
	Younger people and / or older people (age)	actual / potential disadvantage	Worklessness and labour market outcomes are typically worse for this group.	We will continue to invest our resources into support for worklessness and skills development through the Skills Hub, Connexions, City Learning, creating apprenticeships through capital programme and Generation NE programme for young people.

	Disabled people	actual / potential disadvantage	Worklessness and labour market outcomes are typically worse for this group.	We will continue to invest our resources into support for worklessness and skills development through the Skills Hub, Connexions, City Learning, creating apprenticeships through capital programme and Generation NE programme for young people.
	Carers	Based on our research, there is no evidence to suggest that the proposal will have a disproportionate negative impact on people from this protected group		
	People who are married or in civil partnerships	Based on our research, there is no evidence to suggest that the proposal will have a disproportionate negative impact on people from this protected group		
	Sex or gender (including transgender, pregnancy and maternity)	Based on our research, there is no evidence to suggest that the proposal will have a disproportionate negative impact on people from this protected group		
	People's sexual orientation	Based on our research, there is no evidence to suggest that the proposal will have a disproportionate negative impact		

		on people from this protected group		
	People of different races	actual / potential disadvantage	Worklessness and labour market outcomes are typically worse for this group.	We will continue to invest our resources into support for worklessness and skills development through the Skills Hub, Connexions, City Learning, creating apprenticeships through capital programme and Generation NE programme for young people.
	People who have different religions or beliefs	Based on our research, there is no evidence to suggest that the proposal will have a disproportionate negative impact on people from this protected group		
People vulnerable to socio-economic disadvantage				
	People living in deprived areas	actual / potential disadvantage	Worklessness and labour market outcomes are typically worse for this group.	We will continue to invest our resources into support for worklessness and skills development through the Skills Hub, Connexions, City Learning, creating apprenticeships through capital programme and Generation NE programme for young people.
	People in low paid employment or in households with low incomes	actual / potential disadvantage	Worklessness and labour market outcomes are typically worse for this group.	We will continue to invest our resources into support for worklessness and skills development through the Skills

				Hub, Connexions, City Learning, creating apprenticeships through capital programme and Generation NE programme for young people.
	People facing barriers to gaining employment, such as low levels of educational attainment	actual / potential disadvantage	Worklessness and labour market outcomes are typically worse for this group.	We will continue to invest our resources into support for worklessness and skills development through the Skills Hub, Connexions, City Learning, creating apprenticeships through capital programme and Generation NE programme for young people.
	Looked after children	actual / potential disadvantage	Worklessness and labour market outcomes are typically worse for this group.	We will continue to invest our resources into support for worklessness and skills development through the Skills Hub, Connexions, City Learning, creating apprenticeships through capital programme and Generation NE programme for young people.
	People facing multiple deprivation, through a combination of factors such as poor health or poor housing / homelessness	actual / potential disadvantage	Worklessness and labour market outcomes are typically worse for this group.	We will continue to invest our resources into support for worklessness and skills development through the Skills Hub, Connexions, City Learning, creating apprenticeships through capital programme and Generation NE programme for young people.

Businesses				
	Businesses providing current or future jobs in the city	actual / potential disadvantage	Reduced numbers of visitors to the city will have a negative impact on leisure and retail sectors.	We will continue to invest within the city, including capital projects to help create the conditions for growth in the city.
Geography				
	Area, wards, neighbourhoods			
Community cohesion				
	Community cohesion	actual / potential disadvantage	By extent that unemployment higher than it otherwise would be, this would have a negative impact on cohesion	We will continue to invest our resources into support for worklessness and skills development through the Skills Hub, Connexions, City Learning, creating apprenticeships through capital programme and Generation NE programme for young people.
Community safety				
	Community safety	None		
Environment				
	Environment	None		