

Shaping our future together

Our medium-term plan 2019-20 to 2021-22

Appendix 3 – Cumulative impact assessment



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1. Foreword from the Deputy Leader of the Council, Cllr Joyce McCarty

This year will see our ninth consecutive year of deep and severe government cuts in public spending. Local government has borne a disproportionate share of the burden and councils in the North East of England have been particularly hard hit. Austerity inflicted on us by government means that we are on course to have lost a staggering £327 million from our budget by 2022. For the year 2019-20 this means a cut of £16.9 million from our budget. Austerity is not over for us.



Our city, partners and residents have made huge sacrifices through these tough times but the government continues to test our resilience. The government has only temporarily halted the crisis in adult social care and demand for children's social care continues to rise. The NHS and our schools are coming under sustained pressure as government funding fails to adequately budget for rising costs.

Despite these pressures we want to make sure the most vulnerable in our communities are protected. Newcastle has an increasing proportion of older people, people who have complex needs and greater numbers of people with learning and physical disabilities. We will help people get the right care and enable people to live well and independently in their own homes, maintaining contact with family and friends and being part of their local community.

The country also faces an unclear future as the government negotiates Brexit, with the prospect of economic uncertainty a reality in the coming years. Further tax and benefit changes mean the full effects of austerity are still having a huge impact on residents in the city. Against this uncertain backdrop, government is still contemplating a radical shake up of local government funding. Despite this ambiguity, we continue to lobby for a fairer settlement for Newcastle.

We continue to prepare the city for these challenges by creating stable conditions for growth. We continue to invest in infrastructure and regeneration, building new homes, strengthening our transport links and improving digital connectivity. Developing the skills of Newcastle's workforce, supporting business growth and job creation are key to generating the income needed to sustain services, protect the vulnerable and look after our health and the environment.

We have a vision for a city where the benefits of growth are shared fairly and there is opportunity for all. Vibrant, prosperous and inspirational, our Great North City works to give children the best start in life. Opportunities for education, a thriving economy with successful businesses and more and better jobs helps people to get on instead of getting by. Newcastle is a great place to live, work and visit.

Taking all this into account, our assessment of these cumulative effects is necessary to illustrate how the persistent and severe nature of these difficult decisions are impacting on our communities. Despite these increasingly limited resources, we have continued to prioritise services that make the biggest difference to those in greatest need. We will work hard to protect the most vulnerable in our city from the worst effects of the cuts and invest in our city to build confidence in the future.

2. Context

Newcastle has faced cuts that are unfair and disproportionate, more than twice the national average since 2010. Between then and 2018, a combination of government grant cuts and unfunded cost pressures have seen a cumulative cut of £267 million from our budget. We have done well to manage these cuts so far, but people have felt the impact on the services we deliver.

Demand for our services continues to rise. The number of vulnerable adults (for example frail elderly people or those with learning disabilities) and vulnerable children (for example, those at risk of domestic violence, harm or neglect) are all increasing.

These unfunded cost pressures will see the gap in our funding increase to £327 million by 2022. From 2020 onwards, we will be almost entirely reliant on Council Tax and retained business rates to fund our services. This is in the context of the government's welfare reforms which are estimated to reduce working age benefits in Newcastle by £129 million by the end of 2022-23.

This will result in significant changes to the way we deliver some of our services. This report focuses on the impact of our 2019-20 proposals. In these tough times, we have sought to achieve two things – to protect the most vulnerable in our city from the worst effects of government cuts and to invest in our city to build confidence in the future.

3. Our approach

We have a legal duty to set a balanced budget each year. To ensure that limited resources are prioritised fairly we carry out, what are known as integrated impact assessments (IIA's).

IIAs are key to making decisions based on the fullest possible understanding of how our proposals are likely to affect people and places in the city, particularly our most vulnerable residents and communities. We publish these as part of our consultation on our draft three-year plan. The feedback we receive is used to further review and refine our proposals.

As well as the impact of individual proposals, it is essential to consider how our overall plan could affect people. In this report, we have tried to consider the emerging cumulative impacts of our proposals from several perspectives. The information and evidence used to inform this cumulative analysis draws on the individual IIAs produced for proposals that will change services in 2019-20.

In addition to this we go beyond our legal requirement to look at how proposals affect certain groups, but we also identify issues that could increase the impact on those groups because of changes resulting from government decisions, or wider economic, social and environmental conditions. For a full list of impacts see Annex 1.

To do this we ensure our fairness principles are embedded throughout the whole process. We continue to be guided in this by the Newcastle Fairness Commission in their report Fair share, Fair play, Fair go, Fair say:

- **Fair Share:** where people can expect fair outcomes a fair share of services, according to their needs.
- **Fair Play:** where people can have confidence that decisions are made in an even-handed, open and transparent manner, according to evidence.
- **Fair Go:** where people have opportunities to participate and a chance to fulfil their aspirations for the future
- **Fair Say:** where people feel included in their city, communities, and neighbourhoods, given fair hearing and an effective voice in decision making

We recognise that these are difficult principles to apply during continuing budget reductions. But it's when the times are toughest that fairness is most important.

4. Impact on people with protected characteristics

The Equality Act 2010 requires us to consider how our decisions may impact on or affect certain groups and take steps to remove or reduce any unequal outcomes. The characteristics that are protected by the Equality Act 2010 are:

- Age
- Disability
- Gender reassignment
- Marriage or civil partnership (in employment only)
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

The section outlines the impacts that we have identified that may affect these groups and the actions we are taking to mitigate them.

4.1 Disabled people

Key facts

- 18.7% of people in Newcastle have a long-term health problem or disability that limits their day-to-day activity to some degree. This compares to 17.9% of the England and Wales average. Of these just over half are limited 'a lot' (26,661 people) and the rest 'a little' (25,916). (Census, 2011).
- Of the 44,542 total pupils in Newcastle schools, 6,916 have some form of special educational need with 1,096 having a statement of Special Educational Need or Education, Health Care Plan. (Schools Census, 2017).

Disabled people are more likely to experience poorer outcomes in employment, income and education. They are more likely to face discrimination and negative attitudes, be a victim of crime and experience problems with housing and transport.

The disadvantage faced by disabled people imposes significant economic, social and human costs, on themselves, their families, carers and friends. The nature of disability can also cause higher living costs to cover such things as high utility bills, taxis and specialist food.

Disabled people can be disproportionately impacted by a combination of reductions in benefit, including support for disabled children and support available to disabled people in work. They are also potentially affected by changes to the eligibility criteria for social care, as well as any changes to care following reviews, which in some cases would be compounded by government plans to reduce people's disability related expenditure allowances.

What are we doing?

We continue to look at how we transform services for adults with multiple and complex needs. We are continuing to invest in new services to ensure people have access to support that is appropriate to their needs. This includes, opening new schemes to support people with learning disabilities, autism, or both and younger adults who need support as a result of being vulnerable.

In addition, we continue to make best use of temporary funding provided through grants to deliver innovative services like Time to Think and our overnight reablement service, as well as providing stability in the provider market while we continue to redesign services.

We will also continue to work closely with the NHS on integration of care, strengthening of intermediate care services and, provision of support for children and young people along with supporting development of preventive approaches for the NHS Plan.

Even when councils take an approach to setting budgets that seek to protect the most vulnerable there is a limit as to what we can reasonably achieve. Given the scale of the financial challenge imposed by government, we are not always able to leave fees for non-statutory services unchanged. We are proposing to introduce charges for Blue Badge holders in council-operated car parks.

We are doing all we can to mitigate the effects of any proposals which affect disabled people and will consult with individuals and groups to understand these in more detail. We are committed to ensuring that Newcastle is an accessible city and upholding the Newcastle Street Charter.

To mitigate the effects of our proposal around parking we recognise that it can take Blue Badge holders longer to shop or get to their destination. It is proposed to offer a one-hour free grace period at the end of the paid parking expiry time. This will ensure that Blue Badge holders are not paying higher charges and are given additional time to return to their vehicle.

Through the general provisions of the Blue Badge scheme all 2,000 city centre on-street parking spaces will remain free of charge along with the 100 on-street disabled parking spaces. The Alive After 5 initiative will continue to offer free parking in our multi-storey car parks after 5pm Monday to Saturday. This is where our largest concentration of fully accessible disabled bays are located

4.2 Older people

Key facts

- There are currently 43,300 people aged over-65 living in Newcastle. (ONS mid-year estimates, 2016).
- The latest projections suggest our later life population will increase to 58,900 by 2041 (ONS mid-year estimates, 2016).

As people get older they are more likely to become disabled or to need increased levels of support. And in areas of higher deprivation, adults tend to experience poor health and access services at an earlier stage in their lives. Almost a third of older working age people in Newcastle have a disability that limits their day to day activities in some way.

Both the adult social care sector and the health system are under pressure nationally and locally. There are issues around the sustainability of provision, due to the increasing complexity of people's care needs, significant cuts to local authority budgets and increasing costs. Older people, disabled people and carers are increasingly affected. There is a need to find a sustainable solution to the funding crisis in care because it has placed additional strain on the NHS, resulting in delays to discharging patients back into the community with support.

The package put forward by government to support social care through the adult social care precept on Council Tax will not fill the current gap in funding, cover additional costs associated with increased demand due to Newcastle's ageing population.

What are we doing?

We recognised in 2016 that we had reached the limit of what we could do in relation to reducing staff numbers who work in our adult social care services. However, this means making hard decisions about the support we provide to people with eligible needs. This includes not only the level of support we provide to people who meet eligible social care needs but also the type of support we provide or commission to meet those needs.

Our proposals for 2019-20 and beyond are focused on making sure we provide a level of support that is appropriate and proportionate to people's needs and also that we provide the right types of support that enable people to live as independently as possible for as long as possible.

Despite these pressures, we have continued to provide good quality care. In our most recent Adult Social Care Users Survey 2017, 88% of respondents said care and support services helped them to exert control over their daily lives and 81% had as much social contact as they wanted with people they liked.

We are continuing to explore new ways of delivering health and social care that maximise independence whilst also making efficiencies across a range of services. This includes our ongoing review intermediate services. Part of this involves our investment in digital preventions as a way of reducing demand. This will help those who need to access support quickly and people with lower level of needs can take preventative steps to live independently for longer.

4.3 Carers

Key facts

- Almost one in 10 people in Newcastle provide some unpaid care (Census 2011); most carers are aged 25-64 and carers are more likely to be women.
- According to both Age UK and Carers UK, the increase in the older population is projected to accelerate over the next 20 years resulting in higher numbers of older people providing unpaid care compared to the whole population.
- Census 2011 data indicates only a small proportion of carers are working full-time. In the Carers Survey 2014, 55% of respondents were retired or self-employed, 21% were not in paid work for other reasons and 14% were not in paid work due to caring.
- In the Census 2011, 2,355 children and young people aged between 0-24 years acknowledged that they provided unpaid care. 1,769 provided 1 to 19 hours; 299 provided 20 to 49 hours and 287 provided 50 or more hours each week.

Previous budget consultation highlighted concerns amongst carers and carer support organisations that the valuable role of a carer within family situations is diminishing. They pointed towards the economic, social and human cost if government had to fully fund care and support for adults with needs.

In addition, people also highlighted the negative impact that caring can have on a carer's health, which is consistent with the ONS (2011) self-reported measures for health and disease – bad or very bad health being higher than the national average.

The Care Act 2014, introduced strict national eligibility criteria to assess carers' needs and determine the level of support that should be available from local authorities. This test considers whether these needs relate directly to adult care provided and, if so, there is likely to be a significant impact on the carer's wellbeing unless assistance is offered. Carers only receive support where they meet all these conditions. Effectively this limits direct payments to those whose caring role is so severe that it poses a risk to their own health and wellbeing. Other eligible needs can be met through the provision of information, advice and support from carer specific services.

We intend to replace Carer Support Allocations with different options to meet carers assessed eligible needs, including the provision of information and advice, universal

care and support, Newcastle Carers support, permanent replacement care and carer breaks for temporary replacement care.

Carers assessed as having eligible needs, but whose caring role presents a lower risk to their own health and wellbeing, may apply to the Carers Wellbeing Fund for a smaller financial grant to support them in their caring role.

4.4 Children and young people

Key facts

- Newcastle continues to have a large number (11,980) of children aged under 16 living in low-income families (25.4% of 16-year-olds), compared with 16.8% in England. (Census, 2011).

Children in out-of-work households are at greater risk of poverty, however there are now more children classed as living in poverty from households where someone is working (in-work poverty). Children of lone parents, disabled children, children in large families (four or more children) and those from certain (but not all) black and minority ethnic backgrounds are also at greater risk of living in poverty. The highest levels of child poverty are found in households with children aged 0-4.

Experiences in childhood profoundly influence people's life chances as adults, including the likelihood of participating in further and higher education, future earning potential and the probability of owning a home. Children receiving free school meals are still less likely to get five good GCSEs than those who do not.

Nationally and locally, there is rising demand for children's social care and our young people are exhibiting increasingly complex needs. Between September 2017 and September 2018, the number of looked after children has increased by 13.9% from 547 to 623. We aim to bring the number of children in care closer to the national average – which is very challenging given the levels of poverty in the city and the impact this has on family stability.

What are we doing?

In 2019-20 our proposals could potentially impact on children and young people. The reduction in our financial contribution to Tyne and Wear Archives and Museums could lead to reduction in programmes and activities for children and young people – including holiday time and after school activities. It is proposed that charging for some family activities is introduced which could reduce access for families on low incomes. The proposal to ask for a donation at each visit may dissuade some people who don't feel at home in museums, including young people. We are working with these organisations to mitigate this and ensure that activities continue to be available

Our proposals for a reduction in the opening times at the City Library could mean that young people will have fewer opportunities to access library services after school and on weekends. This will affect access to books, computers and read-aloud

sessions as well as to a safe space for children and young people to spend time without cost, and to disabled toilets and nappy changing.

We will continue to offer a range of opening hours at each of our facilities, including Saturdays. We will also continue to offer a number of online resources such as eBooks, audio books and databases which will allow those who have computer facilities at home to access services remotely.

Our proposals to reduce our Supporting Independence Scheme (SIS) budget could potentially impact on young people. The SIS is mainly used to provide furniture and essential items to residents experiencing a financial crisis or who have no means of funding the purchase of essential household items and more adversely affects people without strong family networks. The proposed reduction in budget may affect young people setting up their first home and children in families whose parents benefit from the scheme, including very vulnerable children e.g. those escaping domestic violence and young lesbian, gay, bi-sexual and transgender people.

In October 2017 we were selected as one of the first four local authorities in the UK to join forces with UNICEF to become a Child Friendly City - a place that puts children's rights at the heart of the city and proudly supports all children to grow up healthy, safe and resilient. The aim of this collaboration is to focus on embedding the voices, experiences and rights of children into decision making, governance and local services to have a positive impact on all children in the city.

We are taking an innovative approach to children's social care which includes the use of high quality evidence-based interventions to reduce the demand for care safely and for those that need care, we will provide high quality local placements. Moves will only be made if this is considered necessary to better meet the complex specific needs of children and young people in our care.

Through our work on Life Chances – School Years and Transition to Adulthood, we are providing earlier targeted support to young people across education, employment and training, housing and wider support. Our ambition is to equip more of the city's vulnerable young people to move successfully and sustainably into adulthood, reducing demand for crisis services in the future.

We have made good progress in reducing the number of our young people who are not in education, employment or training to 6.2% (Department for Education, 2018). This is considerably lower than the England average of 13%. Our successful apprenticeship and pre-apprenticeship schemes are helping some of our most vulnerable young people gain valuable skills and employment experience.

In addition, the newly created North of Tyne Combined Authority will have a focus on developing an Inclusive Economy. Its priorities include driving up educational standards and giving everyone the opportunity to thrive. Early initiatives will include developing an Educational Challenge and helping people who are currently unemployed into work.

4.5 Gender

Key facts

- 90% of lone parents in Newcastle are women and more than 50% are in employment. Of all children living in poverty 61.9% (9,815 children) are living in lone parent families, compared with 6,040 children in poverty with a couple. (Census, 2011).
- Our 2017 Residents' Survey shows that only 18.5% of women think their financial circumstances will improve in the future compared to 27.3% of men.
- A higher proportion of women in Newcastle work part-time; 41.8 % of employed women work part-time and 57.7 % work full-time, compared with 84.1 % of employed men working full-time and 15.1 % part-time. (ONS annual population survey 2017-18).
- A high percentage of women in the North East work part-time in the public, voluntary and community sectors. Continued reduction in the public and voluntary sector workforces impact disproportionately on this group. (ONS 2017-18).
- Men working full-time still earn considerably more than women with men earning £562 per week and women £478.1. (ONS 2017-18).

Feedback from the North East Women's Network suggests disparities between full and part-time working, unequal caring responsibilities, together with the structure of the labour market contributes to the gender pay gap. Black and minority ethnic women are also facing many barriers to work, including lack of childcare, language barriers and suitable available jobs

What are we doing?

Our proposal to reduce our Supporting Independence Scheme (SIS) budget could potentially impact on women, people with low on low incomes and families. Currently, 58% of awards are made to households with a female lead applicant, which reflects the high usage of the scheme by low income families, some of whom require support due to fleeing violence. We will regularly review awards to ensure that it is targeting the most vulnerable groups to maintain independence. Alongside this we will work with charities to seek access to other funds.

Through our Community Family Hubs, we continue to offer universal and targeted services that, along with childcare, provide information and advice and links to Jobcentre Plus to encourage and support parents and carers who wish to consider training and employment.

Meeting the statutory duty to ensure affordable, high quality childcare is available for families on low incomes means that there are childcare places to support parents who wish to work or train.

As one of the city's major employers, we provide good quality full and part-time employment, access to flexible working, job share and a range of leave provision because we recognise that inclusive policies help to address gender inequality created by women combining work and caring responsibilities.

Our investment in the city's transport infrastructure also benefits women, who are more likely to use public transport to secure employment, get to work and accompany children to school.

Reports of domestic violence and abuse against women have been increasing nationally since 2008-09. By contrast violent crime against men is not increasing.

In 2017-18, in Newcastle 6,997 incidents of domestic violence or abuse (DVA) were reported to the police (3.3% increase from 2016-17) of which 3,091 involved children (6.7% increase from 2016-17). In total, there were 4,239 victims (7.6% increase from 2016-17), 41% of whom experienced repeat incidents (source: Northumbria Police).

Economic and financial problems can lead to an escalation in domestic violence and abuse for victims already experiencing coercive and controlling behaviour. The rise in incidents can be connected to the economic crisis. Decreased income levels and increased inequalities, alongside cuts to services, have reduced the likelihood of victims escaping violent relationships and made it harder for couples in conflict to split up. This remains the case for many people in Newcastle despite the continuing economic recovery. Unemployment, although falling, is still high and many new jobs are low-paid or based on zero-hours contracts.

Working with partners in both the statutory and voluntary sectors, we have developed clear and effective responses and referral pathways to help minimise the impact of domestic violence and abuse and improve access to support. We have co-ordinated our services to ensure we have a broad range of support in place to raise awareness, reduce risk and help move victims and their families towards recovery.

We commission specialist domestic violence refuge accommodation, outreach support services for victims and their children and Independent Domestic Violence Advisor and Independent Sexual Violence Advisor services for high risk DVA victims and victims of sexual violence. Since opening in December 2017, Newcastle's purpose-built refuge has been fully occupied along the outreach and advice services working to capacity.

We also fund therapeutic support for children to support their recovery from the impact of living with domestic abuse and work with perpetrators to address their offending behaviour. Through Operation Encompass, schools are provided with information to allow them to support students identified as living with domestic abuse. Community Family Hub and Intensive Family Support Teams continue to support families in need due to domestic abuse and related issues.

We continue to provide free, multi-agency training to professionals working in Newcastle to ensure a standard, good practice response across services for victims, their children and families members.

4.6 Black and minority ethnic (BME) communities

Key facts

- The latest figures suggest the BME population living in Newcastle is 40,600 (14.7% of the whole population). (ONS annual population survey, 2017-18).
- Census 2011 data shows that younger age groups tend to be more diverse with larger proportions of people being from a BME background.
- Changing demographics mean that one in every four school children in the most recent intake in Newcastle comes from a BME background, a proportion that has increased significantly over recent years. This means that one out of every five school children overall does not necessarily have English as their first language.
- Most children with additional languages live in the more deprived areas of the city.
- The BME employment rate in Newcastle (50.9% %) is lower than the North East (56.6%) and lags behind the England average (65.5%).
- The BME unemployment rate continues to be higher in the North East (7.4 %) and Newcastle (7.4%) compared to the England average (6.6%). Additionally, a greater proportion of the city's BME residents are economically inactive (45%), exceeding both the North East (39.3%) and England (29.2%) averages.

BME communities tend to represent a higher proportion of the population in some of the most deprived areas of the city and are therefore potentially more vulnerable to reductions in some of our services.

Women from BME communities, especially those who are experiencing poverty and whose first language is not English, are less likely to be able to access information. We also know that those who face language barriers may find it more difficult to access digital and social care services.

What are we doing?

As part of the work we do to support people young BME people into employment, we are sponsoring organisations such as Asian Business Connexions who run various programmes aimed at giving young people the skills and experience to find employment. We also work with Jobs Education and Training who support people from BME communities to improve their skills, including verbal and written communication.

Evidence tells us this type of support is vital to help remove the barriers some people find (especially if English is not their first language), when trying to access work and training opportunities. We continue to provide a communication support service that

provides translation and interpretation support to people whose first language is not English to support people to access our services. This also provides communication support to communities whose first language is British Sign Language.

We also recognise that people from BME communities are more likely to be impacted by hate crime and this can have a negative impact on their wellbeing and inclusion. We are introducing a new third-party reporting system, 'Stop Hate' where people can report hate incidents both over the phone and online, so that they can deal with appropriately and victims directed to support.

4.7 Lesbian, gay, bisexual and transgender (LGBT) people

Key facts

- In 2016, just over 1 million (2.0%) of the UK population aged 16 and over identified themselves as lesbian, gay or bisexual (LGB). (ONS, 2016).
- The population aged 16 to 24 were the age group most likely to identify as LGB in 2016 (4.1%).
- It is believed that Newcastle has a higher number of LGBT people living in and around the city than other NE areas, partially because of its wide ranging social scene and regional capital status.

Because of welfare reform, particularly the housing benefit restrictions, young LGBT people may be at greater risk of issues such as homelessness. This has mainly been due to changes, which mean that a single person under the age of 35 is only able to claim housing benefit for bedsit accommodation or one room in shared accommodation. This could potentially force many young LGBT people into homelessness as not all young people are equally able to remain in their parental home, or sufficiently confident to live in shared accommodation where they feel unable to be who they are.

With an ageing population and a high level of limiting health conditions, we also recognise that there are specific issues for older or disabled LGBT people who may need support services, such as care in their own homes. Evidence suggests that that people still have serious concerns about revealing their full identity for fear of discrimination and abuse. Many older people say that they hide their sexual orientation at a time when they are most vulnerable.

The National Institute of Economic and Social Research found evidence that many LGBT people are at greater risk of domestic violence and abuse and hate crime.

What are we doing?

We continue to support LGBT young people who are potentially vulnerable to homelessness, through commissioned services. As part of the changes we are making to the way we provide care, we are identifying ways in which we can raise awareness of people's differing needs, such as through staff training programmes.

We encourage people to report harassment and hate crime for racist, homophobic and transphobic incidents.

Over the last year we have continued to work closely with local transgender organisations to raise awareness of the issues that transgender people face daily. We have joined the NHS and other organisations (police, education, unions and LGBT groups) to come together to organise a ground-breaking conference aimed at raising awareness and understanding the needs of the local transgender community.

MESMAC continues to offer a wide range of services, including advice, guidance and counselling sessions particularly around health issues to LGBT people of all ages and their friends and families. We continue to fund MESMAC, but the service to the city is becoming increasingly stretched as funding from neighbouring areas has been withdrawn.

Stonewall, a national LGBT charity and campaigning organisation, has recognised us and MESMAC for the work we do to support LGBT people both in the workplace and in the community. We are ranked as one of the best employers in the country for our commitment to equality and diversity; ninth out of 100 in the Stonewall Workplace Equality Index and the top local authority.

We will continue to invest in the annual Newcastle Pride event.

5. Socio-economic factors

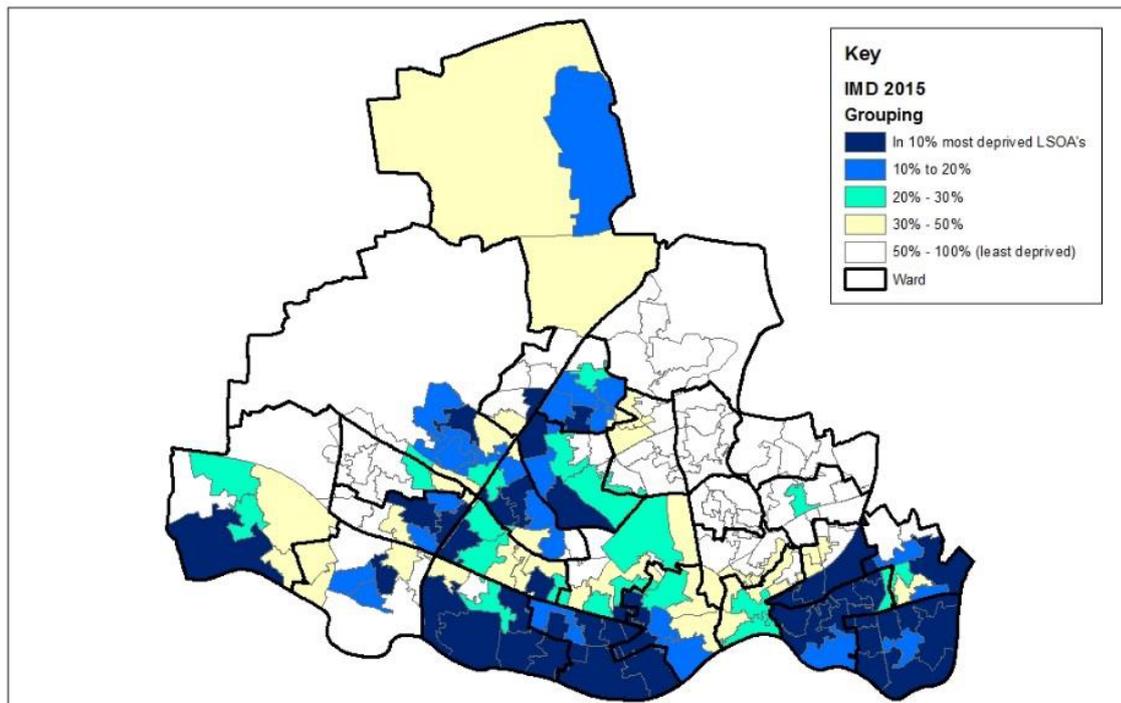
There are several different types of socio economic inequality. This inequality is influenced partly by geography and economic conditions, but also other factors, such as government policies, access to opportunities, people's background and personal characteristics.

HMRC, Children in Low-Income Families Local Measure 2014

Key facts

- The latest deprivation figures (IMD. 2015) figures show that Newcastle is still in the most deprived 20% of English local authorities measured by the proportion of highly deprived neighbourhoods (ranked 53rd out of 326)
- The latest figures suggest over a fifth of Newcastle's population (65,100 people) live in areas that are among the 10% most deprived in the country and are facing significant disadvantage.
- Levels of child poverty in Newcastle continue to be well above the national average; 54,580 dependent children up until the age of 20 (29.1%) live in low-income families, compared with 19.9% in England, with the associated impacts on the long-term life chances of children affected. (HMRC, children in low-income families local measure, 2014).

Index of Multiple Deprivation 2015



People living in deprived areas are more likely to experience ill health, need social care support and lack the means to contribute towards the cost of their care. Prevailing economic conditions, Brexit and the government's tax and benefit reforms and changes to the way councils are funded, present a challenging climate in which to tackle inequality. Almost any change to a council service has some socio-economic impact. The nature of our responsibilities and the extent to which more deprived communities and most vulnerable people in the city rely on our services.

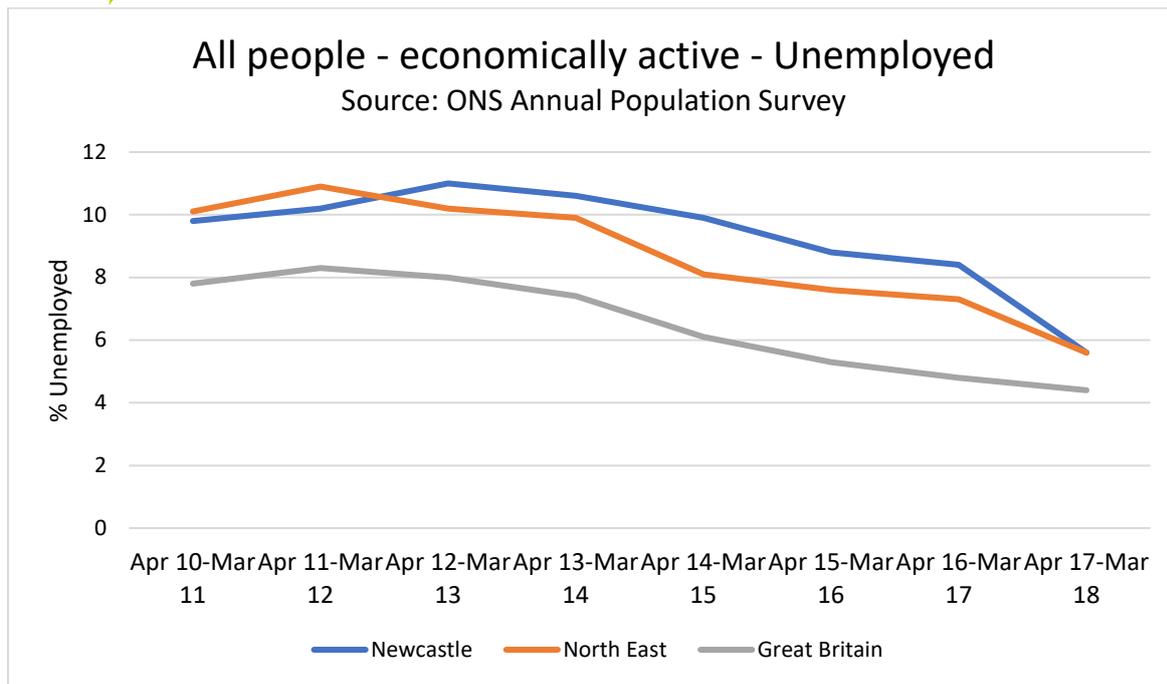
Our assessment of our proposals reveals that many of the potential impacts will fall hardest on the most deprived communities in our city (see Annex 1). This is despite the fact we have sought to apply principles of fairness to seek to protect frontline services and the most vulnerable in our community.

The situation will become harder as government makes changes to the way councils are funded. In future, local authorities will have to rely heavily on Council Tax, other income and business rates to sustain services. This will favour affluent parts of the country over poorer areas in the North that have higher levels of need. To mitigate these pressures, we are strengthening Newcastle's growth prospects and we are working to ensure vulnerable people in the city receive the support they need.

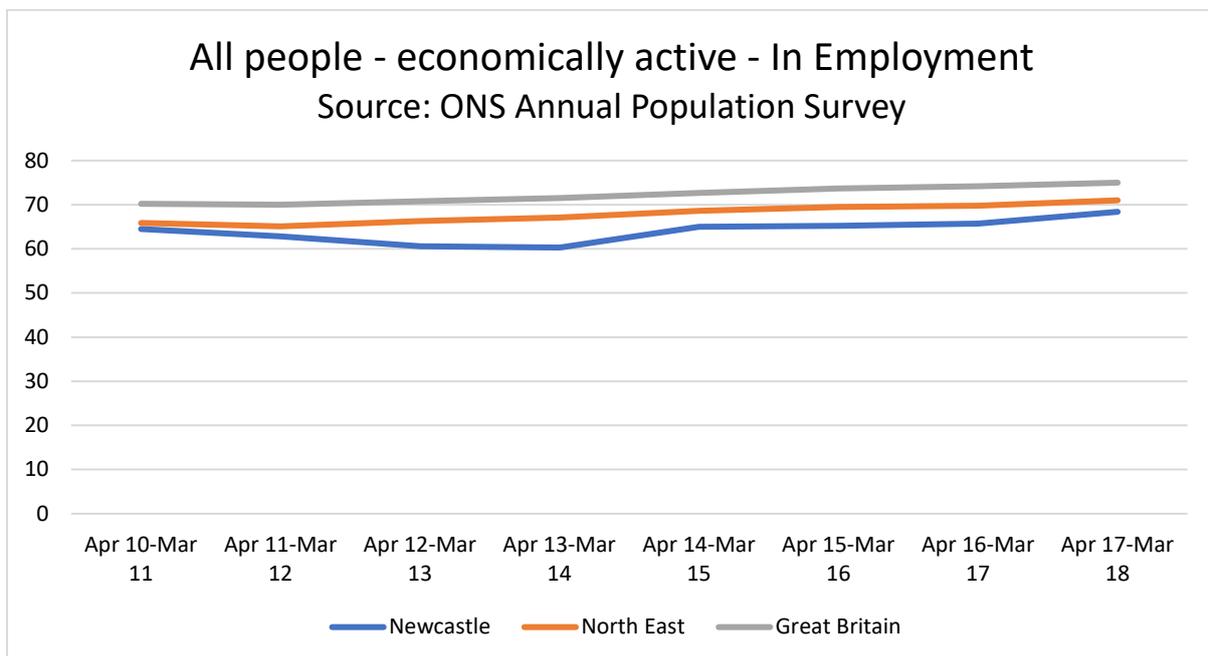
5.1 Newcastle and the North East economy

Newcastle is the Core City in the North East and makes an important contribution to the productivity and competitiveness of the UK economy. We are currently seeing growth in the financial and insurance sector and construction sector, where the number of businesses have increased by around 11% and 8% respectively over the last year, alongside the continued success of digital technology businesses.

Unemployment in the city is at its lowest level since 2005, at 5.6% (ONS, April 2017 to March 18). Around 4,000 fewer residents are unemployed than a year ago and the level is 10,000 below its peak in 2009. More Newcastle residents are working as our city's growing economy provides opportunities, almost 140,000 people.



There are currently 68.4% of 16-64-year olds in employment in Newcastle - which remains lower than the Great Britain average of 75%. The proportion of people aged 16-64 claiming Job Seekers Allowance or Universal Credit benefits is 4.2% - higher than the Great Britain figure of 2.2%.



While we are proud of our economic success, we are not complacent. We face key challenges, including uncertainty over arrangements for trade and migration after we leave the European Union, changing patterns of consumer spending impacting on the retail and food and drink sectors, and many of our residents facing financial hardship.

We are working to address these challenges, supporting and growing our city's business base and providing support to enable residents to develop the skills they need to access work, progress their careers and contribute to a growing and inclusive Newcastle economy.

Economic inactivity rates are relatively high, particularly in pockets of high deprivation across the city. This includes large numbers of residents with complex issues and health conditions, or related caring responsibilities acting as barriers to work, with high rates of dependency on out-of-work benefits. There is a concern that people at the bottom end of the skills / employment spectrum move backwards and forwards between work and being out-of-work without having the underlying causes such as skills problems addressed.

Alongside North Tyneside Council and Northumberland County Council, we have been given devolved powers, funding and responsibility from government to a new North of Tyne Mayoral Combined Authority. We have published a vision for the North of Tyne that set out our shared ambition to ensure that there is stronger and more inclusive growth across the area, that provides greater opportunity for everyone.

This is a major priority for us – bringing new jobs and investment in the city. Over the last year, our Invest Newcastle activity has identified 100 new potential projects. We focus our activities to attract interest from three key target sectors: technology, life sciences and legal services.

A significant number of new commercial development are set to come to the city in the next few years, including two technology-focused developments on Newcastle Helix and a large flagship office building next to Swan House roundabout. In total, these could amount to over 200,000 square foot of new commercial space that will attract investment into the city. When full, around 2,500 jobs could be housed in these new spaces.

One notable recent inward investment success stories are global law firm Norton Rose Fulbright, which is expanding its legal innovation hub in Newcastle. This is set to create 100 jobs trialling new technologies and working practices for the company.

5.2 Supporting local businesses, employment and skills

We place great importance on making sure than Newcastle is a great place to start and grow a business, by providing access to advice, support, skills and the right premises. We have recently secured funding to develop a high-quality business incubation and acceleration facility that will be housed in Newcastle Helix.

We continue to promote and develop the work of the Business & IP Centre, located at the City Library, to support local entrepreneurs. The centre provides a 'front-door' into a range of start-up and business support services delivered by BIPC staff, its private-sector partners and local enterprise agencies. The BIPC also provides dedicated space for businesses, business support workshops and events to equip businesses and start-ups with the skills, support and connections they need to grow.

Through our own investment decisions, we prioritise spending with local businesses and we invest in helping them to grow through the NEPO Business Club, which provides free events and training for local businesses to gain vital skills, such as effective bid writing and understanding procurement.

We continue to work with partners to help our residents to access employment and skills. Newcastle Futures, our unique partnership arrangement with JobCentre Plus, plays a key role in this, alongside our in-house training and apprenticeship service and voluntary sector organisations. The main focus of Newcastle Futures is on supporting unemployed people to access work with a particular focus area of high deprivation, social housing tenants, lone parents and people aged over 50.

Over the last year, Newcastle Futures worked with almost 600 residents, helping over 200 of these secure work or training places. Through its help to access work, Newcastle Futures works with partners to help people to stabilise their financial positions, secure their tenancies and address other issues such as mental health or addiction. The service is offered from various community venues with permanent sites at Westgate Community College and the Skills Hub at the City Library.

Generation NE provides targeted support for unemployed young people across the region, led by us with support from Newcastle Futures. Over the last year, 240 young people started on the programme, with 111 gaining employment. It has launched an innovative digital service using free online and mobile technologies such as Facebook, Google Docs, Whatsapp, Google hangouts, Skype and Apple Facetime.

We will soon open up the project to 25-29 year olds in addition to those aged 18-24 to ensure we are helping all young people who need support. Support is focussed on our most deprived communities with 80% of young people supported living in the most deprived 15% of wards.

The Skills Hub provides a single centre for careers advice and guidance and employment support services to residents. Services are available from Connexions, Generation North East, JET, National Careers Service, Newcastle Futures, Supported Employment and others. The Hub held 2,606 face-to-face appointments, responded to 1,100 face-to-face or telephone enquiries and ran events such as sector Jobs Fairs and CV workshops, attracting 1,618 people. In recognition of the challenges facing older residents in the labour market, the Skills Hub has introduced a 50+ job club and an Online Basics course targeted specially at the over 50s.

External funding plays a key role in enabling our economic ambitions. As part of the 2014-2020 European Structural Investment Funds programme, we made significant progress this year in securing £8 million European Regional Development Fund and European Social Fund to deliver four projects at the Laboratory Building, Technical assistance, Business Intellectual Property Centre.

The Community Led Local (CLLD) programme provides £2.5 million of ESIF funding for local organisations, groups and businesses rooted in communities in the east and west ends of the city. CLLD helps people to progress towards employment or entrepreneurship and businesses to grow by supporting local projects that address local issues and to connect with economic opportunities at their doorstep.

5.3 Promoting financial inclusion and homelessness prevention

The government's welfare reforms continue to affect residents who are least able to afford the additional financial pressure, particularly as more changes are introduced, adding to the cumulative impact of reduced incomes on residents. Our Active Inclusion Newcastle (AIN) partnership approach was developed to respond to growing demand for financial inclusion and homelessness prevention support in a time of limited resources.

Through AIN, we aim to:

- Maximise income and respond to Government's welfare reforms.
- Support residents to manage their money, reduce harmful debt and prevent homelessness.
- Help residents to train, gain and remain in employment.
- Promote affordable credit options.
- Reduce fuel poverty, increase financial resilience and promote access to bank accounts.

The Active Inclusion Service has delivered the following improvements for residents in 2017-18:

- Highest proportionate homelessness prevention rate of core cities – 4,876 cases.
- Lowest proportionate rough sleeping rate of core cities – average of 6% per night.
- 69% reduction in Your Homes Newcastle (YHN) evictions since 2008.
- 52% reduction in supported housing evictions since 2013.
- No bed and breakfast used since 2006.
- One of three national early adopter Homelessness Prevention Trailblazer.
- Financial inclusion – 19,069 residents helped to secure £30,000,543 unclaimed benefits, credit union membership has more than doubled since 2011 to reach 11,531 members; debt advice provided to 6,454 residents.

Our Street Zero partnership aims to end rough sleeping in Newcastle by 2022 by working together to achieve this common aim and make the most of all city partners' collective investment.

We use Discretionary Housing Payments (DHP) to help support people to stay in their own homes. DHP is provided as short-term funding to help residents pay their rent, either by maximising their benefit entitlement, budgeting, working to increase their income or moving to more affordable accommodation. DHP is an additional payment to help people who claim housing benefit or the housing costs element of Universal Credit and are struggling to pay their rent. In 2011-12 we received £94,326 in DHP funding; the allocation for 2018-19 is £1,167,939.

Increasingly, we are using this funding to mitigate the impact of some welfare benefit reforms including reductions in benefits due to the bedroom tax, the lower benefit cap, or for those who find themselves in severe hardship. The lower benefit cap that

government introduced in Newcastle in 2016 is affecting over 300 families who have seen a reduction to their household income of up to £149 pw.

We estimate that DHP funding covers around 20% of the welfare reform cuts and because it is discretionary funding neither we or residents can rely on this funding.

The government has assumed that councils will raise Council Tax, including and apply the adult social care precept to make up for social care funding shortages. Newcastle, like other councils across the country, will need to raise Council Tax.

By 2020 we will have less to spend per household than the average across England as a whole. The combined impact of the proposed 2.95% increase in Council Tax and 1% adult social care precept will be to add £62.43 to the annual bill for a Band D property and £41.62 for a Band A.

The government has also recently introduced changes to the long term empty property premium which will see the premium increase from 50% to 100%. We proposed to increase the empty homes premium. This will result in properties which have remained empty for two years being charged 200% of the Council Tax charge and for a Band D property, £3,667.28. By doing this it is hoped that owners and landlords are encouraged to bring their properties back into use.

In supporting care leavers up to the age 25, we are also proposing to offer a discretionary hardship payment to meet their Council Tax liability for a full year.

People who have reached pension age on 1 April 2019 will be considered for Council Tax reduction based on government's national scheme and assessed on 100% of their Council Tax. This means the impact falls disproportionately on working age people and the amount charged is determined by each council as their local scheme.

On 1 April 2018, we introduced an income banded scheme which is simple to administer and easier for customers to understand. It offers more support to lower-income families and gives more stability to people whose wages fluctuate each month and customers receive a percentage discount. In 2019-20 this will continue and working age people will pay between 10-75% of their Council Tax depending on their income and family circumstances. We will continue to assist more vulnerable people by ignoring income from child benefit, child maintenance, disability living allowance and war pensions. We are not proposing any changes to this in 2019-20.

5.4 Digital access to services

Supporting people to develop the confidence and skills to access digital services is a key element of our commitment to tackling inequality and ensuring that everybody can benefit from their everyday use. Digital channels enable residents to contact us at a time and place convenient for them and improve our efficiency and we will continue to digitise services wherever possible. However, we recognise that digital services may not be suitable for all and that some residents will continue to require face to face support in accessing our services. We will continue to provide telephone or face to face contact channels in these cases.

The Community Hubs and Libraries have used funding from Department for Work and Pensions and Your Homes Newcastle that has assisted 1,993 customers with both successful and unsuccessful Universal Credit claims since April 2017.

A further 1,080 customers returned for further support. This means residents can avoid delays in receiving the money they need to support themselves and their families while gaining new skills that will benefit other aspects of their lives.

Our Get Online partnership with YHN supports residents to gain digital skills so that they have the confidence and skills to access and use the internet. We are a national Digital Leader for improving digital literacy, building confidence, nurturing wellbeing, promoting employability and enhancing social connectivity.

We have continued to develop our digital inclusion offer. Our Techy Tea Parties have to date attracted 503 people, 542 residents attended and completed basic online skills training and 18 volunteers currently support in these sessions. 177 staff and volunteers from third sector organisations have completed the Get Online Champions training.

We are also working with partners such as Newcastle City Learning to maximise resources by developing a Newcastle-wide approach to digital support.

6. Our communities

Newcastle continues to be one of the safest large cities in the UK, but as with the national picture there have been increases locally in recorded crime over the last few years. Most of this increase is linked to improvements in crime recording and victim confidence to report crimes to the police. However, we are also starting to see indications of actual increases in crime. Despite the recent rise, our Resident's Survey (2017) indicates that a very high proportion of residents feel safe outside their local area (87%) and in the city centre (81%).

With Northumbria Police and our partners, we remain focused on preventing and reducing crime, by working together in the Safe Newcastle partnership to tackle issues such as burglary and begging and violent crime including domestic violence and abuse.

There is no longer any government funding for local authority community safety programmes. This means that our services are maintained at statutory minimum level and includes the prevention and reduction of crime and anti-social behaviour, reduction of substance use and reoffending, safeguarding to tackle extremism and undertaking Domestic Homicide Reviews.

Through income generation, we will continue to maintain public space CCTV, work to tackle hate crime and prevent domestic violence and abuse. However, there will be an impact on the level of support we are able to provide for Safe Neighbourhoods work to tackle crime and anti-social behaviour in all wards of the city. To minimise the impact of this, we have secured funding for additional staff to support the continued delivery of Safe Neighbourhoods work in areas where there are Your Homes Newcastle tenants.

We recognise how important it is for people to feel safe in their neighbourhoods and to have trust and confidence in local services. To support this, we will continue to provide a range of regulatory services and environmental services, responding to complaints about noise, littering, dog fouling, flytipping, vandalism and graffiti.

We continue to work with partners including for example the Youth Offending Team, schools, community groups and police to tackle issues and reduce community tensions when they surface. However, as resources reduce we are looking to work with partners and communities to see how we can continue to build upon the work that has been undertaken across the city to support community cohesion.

Monitoring, responding to and preventing community tensions locally are one aspect of building safe communities. Currently tension monitoring is mainly a police-led activity with a varying degree of involvement from other partners across the country. We have developed a multi-agency approach to improve communication, information sharing and community engagement to manage tensions. This enables the development of early interventions based on community engagement and intelligence, often not related to crime.

7. Impacts on our workforce

Austerity driven budget reductions have inevitably impacted on our staff. The size of our workforce has decreased from 9,954 contracted employees in 2010 to 5,900 in 2018.

As one of the largest employers in the city, we have championed job quality, opportunity and fair pay through our sustained commitment to the Newcastle Living Wage. Last year, this was increased from £8.25 an hour to £8.45 for our staff, exceeding government's Statutory Living Wage of £7.83 an hour. We are now increasing this again, to £8.75, effective from October 2018.

The Newcastle Living Wage boosts the earnings of over 1,150 of our employees. Not only does this ensure a decent standard of living for all our staff, but the city's economy also benefits as families spend this money locally. Unlike the National Living Wage, our policy has no age qualifying criteria attached to it.

We want to find ways, within available resources, for more people to access the Newcastle Living Wage. Commissioned service providers will continue to be involved in contract design, so that we can maximise opportunities to improve social value including workforce terms and conditions.

We know that some protected groups have reduced at a greater rate than the overall workforce average within that period. Similarly, the ratio of voluntary to compulsory redundancies varies by protected characteristics with some groups showing higher proportions of compulsory redundancies compared with the overall workforce average.

As part of our commitment to tackling inequalities and being a fit for purpose council, we will continue to look at how we monitor workforce reductions.

In addition, reduced budgets mean there continue to be limited recruitment activity. We will continue to apply our equalities policies and procedures to both redundancy and recruitment processes to demonstrate fairness.

8. Next Steps – ongoing review of cumulative impact assessment

Feedback received during consultation and during implementation will continue to inform our proposals. Working with residents and our partners, we will explore and monitor the cumulative impacts that emerge as our proposals are implemented. This information will be used to help us develop and shape mitigation initiatives and to inform future decisions going forward.

Annex 1 – Summary of impacts

IIA	Disability	Sex	Age	Marriage/civil partnership	Pregnancy and maternity	Race and ethnicity	Religion and belief	Sexual Orientation	Gender Reassignment	Other impacts
Waste Disposal - Charitable Organisations										
Charges for Blue Badge Holders in Council operated car parks			Older people/young people							People vulnerable to socio economic influences businesses
Overnight closure of Grainger Town MSCP										Community safety
Care and Support for Adults - Early Intervention and Prevention.			Older people							People vulnerable to socio economic influences businesses people in different areas of the City
Care and Support for Adults – Complex or Multiple Needs			Older people							People vulnerable to socio economic influences businesses
Council Tax and Adult Social Care Precept			Older people							People vulnerable to socio economic influences

IIA	Disability	Sex	Age	Marriage/civil partnership	Pregnancy and maternity	Race and ethnicity	Religion and belief	Sexual Orientation	Gender Reassignment	Other impacts
Community Hubs, Libraries and Contact Centre	NB potential impact/benefit		Older and younger people							People vulnerable to socio economic influences businesses people in different areas of the City
Supporting Independence Scheme		women	Older and younger people							People vulnerable to socio economic influences businesses people in different areas of the City. Community safety Environment
Tyne and Wear Archives and Museums			Older and younger people							People vulnerable to socio economic influences

Key:

-  Actual impact
-  Potential impact
-  No impact
-  Potential benefit

Please note the table shows indicative impacts prior to mitigation. The use of temporary funding and additional measures has mitigated or negated potential disadvantage for people with protected characteristics wherever possible and should be read in conjunction with the full cumulative impact assessment to contextualise initial findings.