

6 July 2023



DfE Financial Management Branch

Reference: 2023/2024 DfE Draft Budget Consultation Responses

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Reference: DfE Resource Budget 2023-24 Equality Impact Assessment Consultation

To whom it may concern

Mid Ulster District Council would like to take this opportunity to provide comments on DfE Resource Budget 2023-24 Equality Impact Assessment. It's Mid Ulster Council's understanding that the outcome of the implementation of these proposed budget cuts would lead to:

- the suspension/curtailment of the delivery of key skills programmes, including All Age Apprenticeships
- slowing down committing to any new Invest NI business
- reduction in programme spend for both Invest NI & Further Education Colleges
- robust vacancy control so as not to increase the Department's overall headcount, despite resource pressures and critical vacancies
- maximising remaining EU Funding for eligible programmes
- not increasing Maintenance Grants for eligible Higher Education Students
- a 33% reduction in Funding to Tourism NI
- closure of the management of all projects to ensure no future year spending pressures would be incurred
- review of Resource DEL expenditure to reclassify as Capital DEL, where appropriate, thereby releasing Resource DEL savings to be redirected to higher priority areas.

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From examination of the proposed cuts and their anticipated impacts it is clear that the cuts will significantly negatively impact on S75 groups in a cross sectoral way. This is particularly evident in relation to students entering further or higher education, as well as people who are undertaking apprenticeships. It is highly likely that these proposals will hit students from disadvantaged backgrounds hardest, leading to students from disadvantaged backgrounds being obstructed from reaching their full potential. In addition, implementing cuts of this nature during a time of skills shortages seems to go against the overall long term strategic priorities of the Department.

Furthermore, in relation to maximising remaining EU Funding for eligible programmes; there are potentially some monies remaining as a result of underspends across some EU initiatives, many of which completed in March 2023, but some programmes have still scope to deliver over the next few months, which could avail of additional monies. However there seems to be some emerging constraints in reallocating this and re-deploying funds across different budget headings. Council understands that EU funds are committed to specific initiatives with their own respective targets and outputs. However, Council urges government departments and agencies to adopt a joined up and flexible approach to working closely with EU Funders to exhaust all opportunities whereby all available underspends are fully utilised and deadlines extended to achieve this, rather than being returned to the EU. In most cases, this will also require government departments to commit a level of match funding from the national budget, which, in the case of ERDF, would be in the region of 20%, which delivers a high value of leverage.

With regard to slowing down committing to any new Invest NI business; in recent years, Councils have delivered a comprehensive package of mentoring support to drive the growth of thousands of micro/small businesses with monies from the ERDF Investment for Growth and Jobs Fund (Northern Ireland) 2014-22. In addition to the Fund's 60% ERDF grant, Councils and Invest NI each contributed 20%, and the Programmes provided a 'pipeline' of high growth business referrals to Invest NI, primed to avail of further support. For these businesses, this offered a key opportunity to engage with Invest NI for the first time. In the current climate where economic growth is a priority, Invest NI must have the capacity to respond effectively and provide investment to meet the growth needs of these and other potential clients. Significant resources were committed during this Programme to helping businesses achieve their growth ambitions. Reducing spend and slowing commitment will result in the loss of this investment with businesses disengaging from support, ultimately, stifling the region's economic growth.

Mitigations

While the Council appreciate that it is difficult to make funding cuts across any area removal of which will have a significantly negative impact across Section 75 groupings. Any level of mitigation required will be, but the EQIA outcomes would need to be swift and substantial in order to be able to even mildly address the potential impact on the Section 75 groups negatively impacted upon.

Consultation Timeline

The Council would like to seek clarity in relation to the consultation period which states that any views received after the initial four week period will only be used to consider mitigations. This timeline is at odds with what is stated in DfE's Equality Scheme. If 'exceptional circumstances' are the Department's rationale for this approach it would be useful if that was stated within the consultation documentation.

The consultation timeline does not seem to offer an across the board option of face-to-face consultations or any public meetings. It is the opinion of the Council that the extremely short time frame during which this consultation is being carried out would have benefited immensely from opportunities to fully discuss the budget proposals and their implications. These additional consultation opportunities would have also allowed impacted groupings to ask questions and seek clarifications. Finally, while the Council understands the constrained timeframes in relation to decisions in relation to the 23/23 budgets, the Department will be aware that holding consultations during popular holiday periods is also not conducive to encouraging significant levels of feedback.

Cumulative Negative Impact

It cannot be ignored that this consultation is not being held in isolation. A plethora of NI Assembly Departments are currently consulting across short timeframes on drastically reduced budgets. It is clear that each of these budget focused EQIAs identify negative impacts across Section 75 groups. The overall result is a devastating cumulative impact on some of the most vulnerable people in society.

Overall, there is a lack of joined up thinking in relation to the proposals made across four Departments. Each Department seems to be viewing only their budgets in isolation without documenting the issues created by multi-sectoral cuts that will directly negatively impact upon some of the most vulnerable and most marginalised in society.

Therefore, as a Council we would object in the strongest terms to the removal of support services that are currently provided to some of most vulnerable and to the vast majority of Section 75 groups.

General Comments

While this EQIA fulfils the necessary requirements of Department's Equality Scheme it could be more detailed and thorough and robust to reflect the catastrophic nature of the spending recommendations that it is linked to be implementing. If further budget becomes available or not, DfE are advised that the Section 75 duties are continuing duties, and the Department is required to equality assess any changes to circumstances. It is important that the Department demonstrates that it has paid the appropriate level of regard to its promotion of equality and good relations in its budget decisions, as required by the duties.

Rural Needs

In relation to this consultation Mid Ulster District Council believe that the Department has failed to demonstrate that due regard has been paid to the Rural Needs Act 2016. The cuts clearly have a significant impact on rural areas, however the relevant Rural Needs Impact Assessment information has not accompanied this consultation and as such the influence of rural needs requirements are not reflected in the significantly reduced budgetary provisions. In addition, in the absence of a documented assessment, no rural needs mitigations have been made available in relation to these proposals. DAERA, who oversee the implementation of the Act are clear that Rural Needs Impact Assessment should not be completed retrospectively. Therefore, any assessment that follows this consultation period is not useful because the time for its influence on decision making will have already passed.

Conclusion

Mid Ulster District Council strongly opposes DfE's outlined budget for 23/24. The cross-sectional nature of the proposals will negatively impact across Section 75 groups. Whether these outcomes are unintentional or not, the negative impacts need to be strongly considered in relation to mitigations and where resources should be allocated if any additional funding is made available in the future.

Yours sincerely

Dominic Molloy
Council Chair

