



**Equality Impact Assessment**

**Public Consultation**

# **The Department for the Economy's Spending Plans for 2023/2024**

**June 2023**

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## 1 Overview

The Secretary of State for Northern Ireland (SoS) announced the 2023/24 Budget on 27 April 2023. This will see Northern Ireland departments receive £14.2 billion of Resource DEL funding and £2.2 billion of Capital DEL funding. The Department for the Economy (DfE) has been allocated funding of £772 million Resource DEL (RDEL) and £246 million Capital DEL (CDEL) for 2023/24.

Overall, Northern Ireland departments face a 0.4% reduction in budgets; DfE's reduction is 1.3% against its 2022/23 year-end position. However, this does not reflect the real reduction in DfE RDEL spending power. In addition to the 1.3% (£13 million) reduction, DfE's one-off savings, totalling £75 million, delivered in 2022/23, must now be replicated in 2023/24, and additional new pressures including pay and price also funded. When comparing the SoS's budget to the Draft Budget 2022–25, DfE must deliver its services with £100 million less and in addition, fund pressures of £30 million identified for 2023/24. Therefore, DfE's overall resource spending power is reduced by £130 million, or 16%.

Managing a shortfall of this magnitude will undoubtedly impact DfE's ability to deliver public services in 2023/24, including funding of further education and higher education, skills measures, and the activities of our Arm's Length Bodies (ALBs) which deliver services and support for areas including economic development, tourism, creative and screen industries, consumer protection, workplace safety and resolving disputes at work. To live within the funding available, difficult decisions must be taken and will potentially have longer term implications.

The purpose of this Equality Impact Assessment (EqIA) is to present the proposed decisions required by DfE to live within its 2023/24 Budget allocation and the potential impact to people in Section 75 categories of those decisions on the services and support DfE provides. Your comments and feedback on the proposed indicative budget policy and impacts of those proposed decisions is sought through this consultation. The consultation activities will inform future decision-making.

Budget allocations will be revisited during the financial year, particularly during the Monitoring Round process and/ or any Department of Finance (DoF) budget realignment process. Funding may be reallocated to other priority areas depending on relative spend levels in each DfE business area. The EqIA and consultation responses will be used to inform such reallocations.

## 2 Section 75 of the Northern Ireland Act 1998

Section 75 of the Northern Ireland Act 1998 (the Act) requires DfE to comply with two statutory duties:

Section 75 (1) in carrying out our functions relating to Northern Ireland we are required to have due regard to the need to promote equality of opportunity between the nine Section 75 groups:

- people with different religious beliefs;
- people from different racial groups;
- people of different ages;
- people with different marital status;
- people with different sexual orientations;
- men and women generally;
- people with or without a disability;
- people with or without dependants; and
- people with different political opinions.

Section 75 (2) in addition, without prejudice to the obligations above, in carrying out our functions in relation to Northern Ireland we are required to have regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group.

The Disability Discrimination (NI) Order 2006, which came into effect on 1 January 2007, introduced new duties requiring all public authorities in carrying out their functions having due regard to the need to:

- promote positive attitudes towards disabled people; and
- encourage participation by disabled people in public life.

### 3 Equality Impact Assessment

As with all policies, the setting of budgets and allocation of funds must be considered in terms of their potential impacts upon people. Specifically, consideration must be paid to potential impacts upon the Section 75 groups that make up our population.

Regard must be paid to the potential for unintentional outcomes that result in adverse impacts upon Section 75 groups including for example, males, females, younger people, older people, or people with disabilities. These considerations are particularly important in circumstances where resources are constrained or reduced. In the process of allocating the available budget, DfE is concerned to avoid such adverse impacts and, if possible, to adopt measures to mitigate the potential effects of particular adverse impacts.

The main purpose of an EqlA is to determine the extent of any impact of a policy upon the Section 75 categories and to determine if the impact is an adverse one. In particular, it should also determine whether policy proposals are likely to have any differential impact upon individuals in the categories of persons listed in Section 75, and any subgroups within those categories. Guidance on performing an EqlA was provided by the Equality Commission [‘Section 75 of the Northern Ireland Act 1998: Practical Guidance on Equality Impact Assessment’](#) which recommends that the process should follow seven steps:

- Step 1 Defining the aims of the policy.
- Step 2 Consideration of available data and research.
- Step 3 Assessment of impacts.
- Step 4 Consideration of measures which may mitigate any adverse impact and alternative policies which may better achieve the promotion of equality of opportunity.
- Step 5 Formal consultation.
- Step 6 Decision and publication of the EqlA results; and
- Step 7 Monitoring for adverse impact.

In response to this, DfE has examined a number of potential scenarios for its SoS Budget allocation for the 2023/24 financial year and, following a screening exercise, has decided to proceed with an EqlA and consultation, in order to collate views from interested stakeholders. This document is the draft of the EqlA prior to incorporating the outcomes of a public consultation.

Details of how to respond to the EqlA are at the end of this document. To request it in an alternative format please contact:

DfE Financial Management Branch

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## 4 Policy Aim

The 2023/24 Budget for Northern Ireland was announced by the Secretary of State on 27 April 2023. The Budget provides the Resource DEL and Capital DEL funding allocations to departments for the 2023/24 financial year.

The Budget 2023/24 allocations are presented at an overall departmental outcome level. Departments are then required to consider their funding allocations in line with Equality Commission guidance, and should an EqIA be required, this is to be published to support the consultation process.

The purpose of this paper is to set out DfE's initial assessment of the equality impacts of the Budget on the indicative spending proposals for the 2023/24 financial year.

The work of DfE is crucial to building a healthy, globally competitive economy that works for everyone. This has never been more important as we assist people and businesses to adjust to the changing economic fundamentals caused by the current Cost of Living Crisis and the continuing effects being felt from Covid-19 and EU Exit, including the loss of EU Funding which will be more significantly felt from 2023 onwards.

DfE's mission is to develop and implement agile policies and programmes which promote a competitive, sustainable, and inclusive economy through investment in:

- Skills;
- Economic infrastructure;
- Research and innovation; and
- Business development.

DfE pursues its strategic objectives through the following areas of activity:

- Accelerate innovation and research;
- Enhance education, skills, and employability;
- Drive inclusive, sustainable growth;
- Succeed in global markets;



- Build the best economic infrastructure;
- Deliver a regulatory environment that optimises economic opportunities for business and commerce, while also protecting consumers and workers; and
- Ensure DfE has effective governance, including programme and project management, and manages its resources, both financial and staff.

In addition to DfE's normal recurring business, which straddles support for investment in skills, business development and business regulation, DfE also launched:

- a) Vision for a 10x Economy. This vision sets out a longer-term path for Northern Ireland's economy to become ten times better through a decade of innovation and sets out the economic priorities for DfE.
- b) Energy Strategy – Path to Net Zero. The action plan aims to continue to drive short-term progress towards the ultimate goal of a decarbonised energy system for all our heat, power, and transport needs. It looks at five key pillars:
  - Placing Consumers at the Heart of the Energy Future;
  - Growing the Green Economy;
  - Do More with Less (Energy Efficiency);
  - Replace Fossil Fuels with Renewable Energy; and
  - Create a Flexible, Resilient & Integrated Energy System.
- c) Skills for a 10x Economy sets a strategic framework for the development of our skills system to 2030. It sets out three strategic goals which, cumulatively, aim to address the skills imbalances in our economy and improve social inclusion and wellbeing across our society.
  - increasing the proportion of individuals leaving Northern Ireland higher education institutions with first degrees and post-graduate qualifications in narrow STEM subjects;
  - increasing the proportion of the working age population with qualifications at level 2 and above; and
  - increasing the proportion of the working age population with qualifications at level 3 and above.

The funding allocated to DfE includes funding to support its Arm's Length Bodies (ALBs), including 14 Non-Departmental Public Bodies, two North/ South Bodies and four Independent Autonomous Bodies. These are outlined in Table 1 below.

<b>Table 1 – Arm's Length Bodies</b>	
Non- Departmental Public Bodies	<ul style="list-style-type: none"> <li>• Invest Northern Ireland (Invest NI)</li> <li>• Northern Ireland Screen (NIS)</li> <li>• Construction and Industry Training Board– Northern Ireland (CITB-NI)</li> <li>• Tourism Northern Ireland (Tourism NI)</li> <li>• Health and Safety Executive for Northern Ireland (HSENI)</li> <li>• General Consumer Council for Northern Ireland (GCCNI)</li> <li>• Labour Relations Agency (LRA)</li> <li>• Stranmillis University College; and</li> <li>• Six Further Education (FE) Colleges               <ul style="list-style-type: none"> <li>○ Belfast Metropolitan College</li> <li>○ North West Regional College</li> <li>○ Northern Regional College</li> <li>○ South Eastern Regional College</li> <li>○ South West College</li> <li>○ Southern Regional College.</li> </ul> </li> </ul>
North/South Bodies	<ul style="list-style-type: none"> <li>• InterTradeIreland</li> <li>• Tourism Ireland</li> </ul>
Independent Autonomous Bodies	<ul style="list-style-type: none"> <li>• Ulster University</li> <li>• Queen's University Belfast</li> <li>• St Mary's University College</li> <li>• The Open University</li> </ul>

## 5 DfE Budget Context – 2022/23 Resource DEL Budget Reductions

The opening non ring-fenced Resource DEL 2022/23 budget for DfE, set out in the Draft Budget 2022/25 consultative document published by DoF on 13 December 2021, [2022-25 Draft Budget | Department of Finance](#) was £832 million. During 2022/23 DfE was proactive in remaining within its 2022/23 budget and took one-off actions to deliver £75 million of Resource DEL savings from its [controllable allocation\\*](#) to address pressures across the Northern Ireland Block. Table 2 below provides more detail.

<b>Table 2 - Movement in DfE's 2022/23 Non Ring-Fenced Resource DEL</b>	<b>Opening 2022/23 Allocation £m</b>	<b>Written Ministerial Statement<sup>1</sup> £m</b>	<b>Movement £m</b>
Controllable Allocation*	832	757	(75)
Transfers & Adjustments <sup>2</sup>	-	4	4
Ear marked funding allocations <sup>3</sup>	24	21	(3)
<b>Total Non Ring-Fenced Resource DEL</b>	<b>856</b>	<b>782</b>	<b>(74)</b>

These one-off actions included:

- 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;

<sup>1</sup> The 2022/23 Written Ministerial Statement was the starting position for the 2023/24 Budget.

<sup>2</sup> Transfers between various government departments and adjustments following the introduction of IFRS 16 accounting standard on leases.

<sup>3</sup> Funding designated for a particular purpose and cannot be utilised elsewhere including, UK Government funding for the NI Protocol and Graduate Entry Medical School, NIO New Deal Funding and EU Match Funding.

- Close management of all projects to ensure no future year spending pressures would be incurred; and
- Review of Resource DEL expenditure to reclassify as Capital DEL, where appropriate, thereby releasing Resource DEL savings to be redirected to higher priority areas.

As the SoS set his budget for 2023/24 based on the 2022/23 Written Ministerial Statement (WMS), these savings delivered in 2022/23, or alternatives, must now be delivered again in 2023/24 in addition to further reductions and the consumption of new pressures.

## 6 DfE 2023/24 Budget Overview

### 6.1 Non Ring-Fenced Resource DEL

Departments are collectively facing the most challenging budget in recent history. The UK Government's decision to not impose repayment of the £297 million reserve claim on Northern Ireland in 2023/24 recognises the extremely challenging financial position this would have presented for Departments at the beginning of the financial year. Any Barnett consequentials received during the 2023/24 financial year, up to the £297 million will not be provided to Northern Ireland, instead they will be offset against the reserve claim repayment. While the quantum of Barnett consequentials is not yet known, this would mean that any extra funding for UK wide initiatives, such as national pay agreements, would see Northern Ireland not receiving the equivalent share of funding through the Barnett formula.

While every Department will be affected, the starting position for the SoS 2023/24 Budget is the 2022/23 WMS. As DfE made reductions of circa £75 million in 2022/23, these reductions and their impact have had to be carried forward into 2023/24. To understand the total reduction to DfE's Resource DEL spending power and the level of savings required, a comparison has been completed against the previously published Draft Budget for 2023/24.

The Draft Budget would have increased DfE's available resources between 2022/23 and 2023/24 by a further £10 million, resulting in a total controllable allocation of £842 million. When comparing this to the SoS budget of £742 million, DfE must deliver its services with £100 million less. With additional pressures of £30 million identified going into 2023/24, spending power is reduced by £130 million or 16%. Table 3 provides further information.

Table 3- Overview of impact of SoS 2023/24 Non Ring-Fenced Resource DEL Budget on DfE	Draft Budget 2023/24	SoS Budget 2023/24	Reduction	
	£m	£m	£m	%
DfE Controllable Allocation	842	742	(100)	(12%)
Technical Transfers <sup>4</sup>	5	5	-	
Ear Marked Funding Allocations <sup>5</sup>	25	25	-	
<b>Total Non Ring-Fenced Resource DEL</b>	<b>872</b>	<b>772</b>	<b>(100)</b>	<b>(12%)</b>
Add New 2023/24 Pressures			(30)	
<b>Total Non Ring-Fenced 2023/24 Resource DEL Savings Required</b>			<b>(130)</b>	<b>(16%)</b>

## 6.2 Capital DEL

DfE's Capital DEL allocation is £246 million in 2023/24 (Table 4). Whilst this allocation allows DfE to meet its 2023/24 contractual commitments and ongoing programmes, it is insufficient to deliver DfE's full capital programme. The remaining funding will be prioritised and allocated to projects with a clear alignment to the Department's Vision for a 10 x Economy and its Energy Strategy. Uncertainty on the level of future Capital DEL funding restricts the DfE's ability to plan and progress longer term investment in the Economy.

Table 4 – DfE Capital DEL (CDEL)	Amount Funded £m
Inescapable/Committed Projects	58
Ongoing Programmes	95
High Priority Projects	31
Capital Receipts	(15)
<b>Total Non Ring-Fenced CDEL</b>	<b>169</b>
Ring-Fenced CDEL <sup>6</sup>	77
<b>Total CDEL</b>	<b>246</b>

<sup>4</sup> Transfers between various government departments included in starting position for 2023/24.

<sup>5</sup> Funding designated for a particular purpose and cannot be utilised elsewhere including, UK Government funding for the NI Protocol and Graduate Entry Medical School, NIO New Deal Funding and EU Match Funding.

<sup>6</sup> Funding designated for a particular purpose and cannot be utilised elsewhere including, UK Government funding for Project Stratum and City Deals.

## **7 2023/24 Resource DEL Budget Allocation and Draft Savings Proposals**

DfE must ensure that it maximises its budget allocation to meet its strategic objectives and work towards attainment of its Vision for a 10x Economy.

Whilst DfE will strive to continue to deliver its principle aims, with this level of reduction it will have to find different ways of doing so, which will include stopping/ reducing funding and activities. This will have implications for our delivery partners and for many of the projects we had hoped to fund, with consequences for employment, education, continuity of services, and wellbeing. A list of draft proposals to live within this allocation are listed in Table 5 below.

<b>Table 5 - Draft Proposals to Deliver £130 million Non Ring-Fenced Resource DEL Savings</b>	<b>2022/23 savings delivered to be replicated.</b>	<b>Additional 2023/24 savings required.</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Invest NI in year reduction 22/23	14		
115 vacant DfE posts not filled in-year	7		
Reduction in HE Student Support	10		
FE Colleges in-year reduction 22/23	5		
Invest NI R&D funding RDEL/CDEL switch <sup>7</sup>	12		
HEI Postgraduate funding RDEL/CDEL switch <sup>8</sup>	17		
Additional funding due to DfE from 22-25 Draft budget <sup>9</sup>	10		
10% Reduction in Funding to Higher Education Institutions			14
33% Reduction in Funding to Tourism NI			9
4% Reduction in Funding to FE Colleges			9
Wind down of Covid Support Schemes			7
Skills Initiatives Reduction in Funding			7
Removal of all additional Jurisdictional Funding for Tourism Ireland <sup>10</sup>			6
5% Reduction in Funding to NI Screen			1
Removal of all additional Jurisdictional Funding for Intertrade Ireland <sup>11</sup>			1
Labour Relations Agency, Consumer Council & Health, and Safety Executive Reduction in Funding			1
<b>Total</b>	<b>75</b>	<b>55</b>	<b>130</b>

<sup>7</sup> Change in accounting treatment but this resulted in a reduction in available RDEL.

<sup>8</sup> Change in accounting treatment but this resulted in a reduction in available RDEL.

<sup>9</sup> DfE were due to receive an additional £10m from the 22-25 Draft Budget – non receipt resulted in suspension of launch of All Age Apprenticeships, Energy Initiatives and New Skills Programmes

<sup>10</sup> DfE provided additional funding in 2022/23 to assist with covid recovery initiatives.

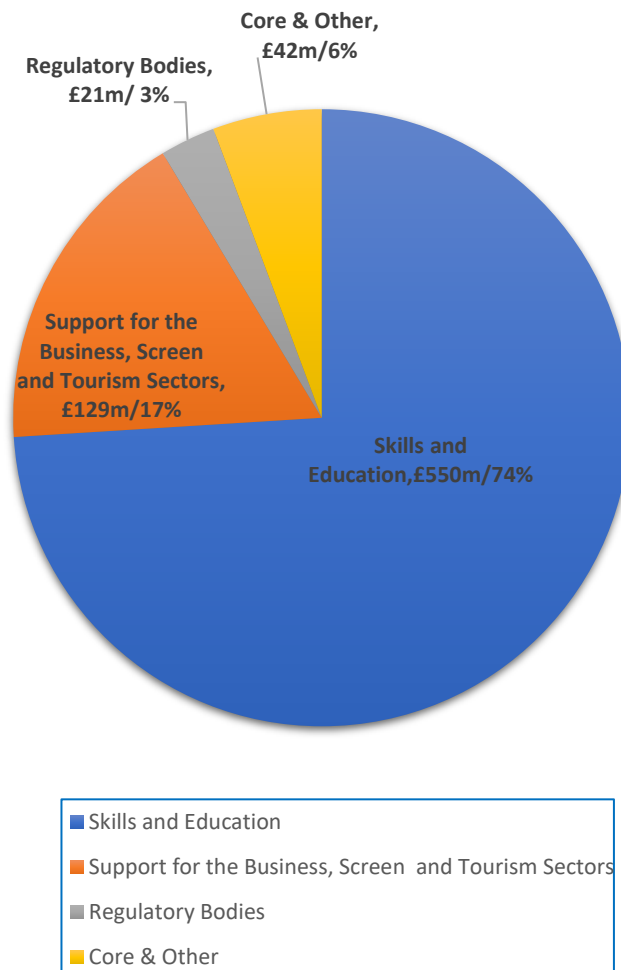
<sup>11</sup> DfE provided additional funding in 2022/23 to assist with covid recovery initiatives.



## 7.1 Proposed 2023/24 Budget allocations

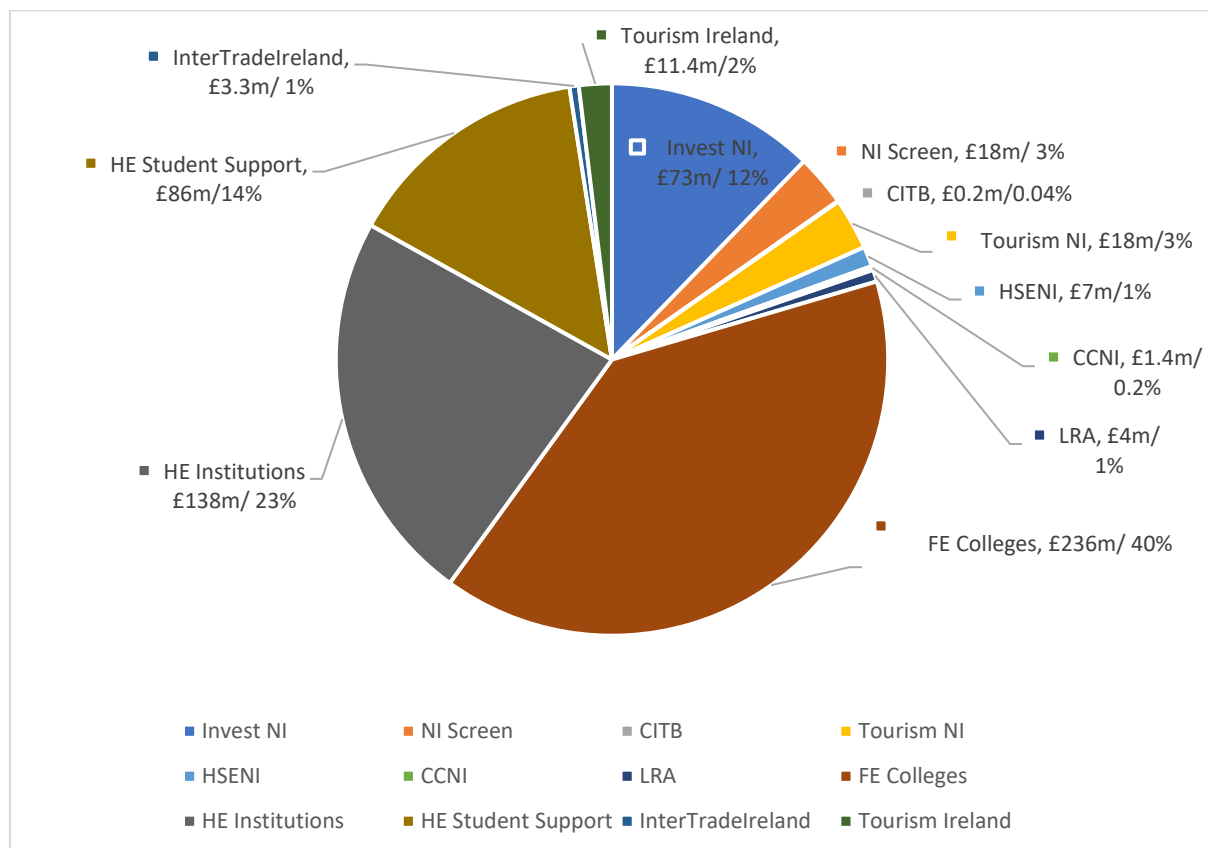
**Chart 1** below outlines the distribution of funding across DfE by sectors if the draft savings proposals were implemented.

**Chart 1 – DfE 2023/24 Proposed RDEL Controllable Allocation (Total £742m)**



**Chart 2** below outlines the proposed distribution to Arm's Length Bodies (ALBs) and our Higher Education Institutions (HEI's) including Student Support.

**Chart 2 – DfE 2023/24 Proposed RDEL Controllable Allocation to ALBs, HEI's and Student Support**



## 8 Analysis of Impacts

### 8.1 Consideration of Available Data and Research

DfE has assessed the impact of the proposed indicative budget policy detailed above against our obligations under Section 75 of the Northern Ireland Act 1998. The nature of DfE's work will result in the impact being felt across all section 75 groups, therefore, as no one section is disproportionately impacted at the expense of another, this has resulted in most business areas being screened out.

Following DfE's assessment, one business area (Apprenticeships & Youth Training) and one ALB (Invest NI) has reported that there is evidence of differential impacts in respect of some Section 75 categories, resulting in DfE conducting an EqIA.

Throughout the screening process the indicative budget policy impacts have been considered against the backdrop of available data from the sources below:

- Statistical Bulletin Training for Success 2013/2017 Quarterly Statistics from May 2013 to July 2022: NISRA/ Department for the Economy
- Skills For Life infographic quarter ending Jan 2022: NISRA/ Department for the Economy
- ApprenticeshipsNI Bulletin - Department for the Economy
- Higher Level Apprenticeships at FE Colleges and CAFRE - Statistical Bulletin 2017-18 to 2021/22 – Department for the Economy
- Higher Level Apprenticeships Statistical Bulletin: Department for the Economy
- Further Education enrolments statistics/ NISRA publications: Department for the Economy
- Traineeship statistics: Vocational Educational Training publications - Department for the Economy
- Higher Level Apprenticeships statistics 2017-18 to 2019-20: Department for the Economy
- Labour Force Survey - NI employment statistics: NISRA
- Northern Ireland Census figures 2011, 2021: NISRA
- Invest NI Activity statistics by Type of Support 2016-17 to 2020-21: Invest NI

## 8.2 Assessment of Impacts

Details of the impacts identified by the areas who screened in - Apprenticeships & Youth Training and Invest NI are provided below.

<i>Section 75 Category</i>	<i>DfE- Apprenticeships &amp; Youth Training</i>	<i>Invest NI (INI)</i>
<b>Religious Belief</b>	No differential impacts identified.	No differential impacts identified.
<b>Racial Group</b>	No differential impacts identified.	No differential impacts identified.
<b>Age</b>	<p><b>Apprenticeships and Youth Training:</b> It is anticipated that the proposed budgetary allocation for Apprenticeships and Youth Training would be sufficient to deliver core and enhanced mainstream training and upskilling activity in 2023/24. However, the numbers of participants on the programmes are demand-led and dependent upon uptake and progression of participants.</p> <p>Also, inflationary price increases of programme unit costs, may require several restrictions upon programme delivery. These include:</p> <ul style="list-style-type: none"> <li>○ a restricted volume of new entrants to ApprenticeshipsNI and/or Higher-Level Apprenticeships;</li> <li>○ a restricted volume of new entrants to Traineeships; and</li> <li>○ a restricted volume of new entrants to the Skills for Life and Work programme.</li> </ul> <p>Evidence indicates that there are proportionately more young people in the age category 16-19 who are involved in</p>	<p>The proposed budgetary allocation for 2023/24 is likely to have a significant adverse impact on a number of Section 75 categories through the reduced funding of activities generally, including entrepreneurial support programmes (e.g., Energy Loan Scheme, Productivity Investment Scheme, Grant for R&amp;D, Innovation Vouchers, Proof of Concept), regional hubs and related positive action measures designed to ameliorate under-representation in the labour market. Evidence indicates that younger groups such as those aged 18 – 24 years have higher unemployment rates than those aged 25 or older. Also, there is evidence that there has been a greater labour market impact on younger age groups (aged 16-24) during the pandemic in NI compared with their counterparts in the UK as a whole.</p> <p>The curtailment of INI programmes would reduce potential employment opportunities that may otherwise have materialised and would therefore have likely adverse impacts upon people in most or all Section 75 groups.</p>

**Section 75 Category**

**DfE- Apprenticeships & Youth Training**

**Invest NI (INI)**

apprenticeships and Entry Level & Level 1 (ELL1) of Youth Training (and Skills for Life and Work – the interim ELL1 which replicates TFS (Training for Success) in that it is for those who are under 18, with extended eligibility for those with a disability or from an in-care background). Therefore, if restrictions were to be implemented to live within the current planning allocation for 2023/24, there would be an adverse impact on young people.

**All Age Apprenticeships:**

The proposed budgetary allocation would also prevent the launch of a reformed and enhanced Apprenticeships provision (All Age Apprenticeships) that would have removed current age restrictions on Apprenticeships and offered provision for those aged over 25 years old. This additional provision was due to be introduced during 2023/24 and it is estimated would have supported up to an additional 1,600 new apprentices per year over the age of 25 years old.

However, restrictions upon programmes to address under-representation of younger people in the labour market would have a disproportionate adverse impact upon younger people in particular.

**Marital Status**

The proposed budgetary allocation would prevent the launch of a reformed and enhanced Apprenticeships provision (All Age Apprenticeships) that would have removed current age restrictions on Apprenticeships and offered provision for those aged over 25 years old. This additional provision was due to be introduced during 2023/24 and it is estimated would have supported up to an additional 1,600 new apprentices per year over the age of 25 years old. Evidence indicates that it is likely there are more married people at this higher age category. Therefore, it is likely that married people will be adversely affected more so than those who are not married as a result of not being able to launch All Aged Apprenticeships.

No differential impacts identified.

**Sexual orientation**

No differential impacts identified.

No differential impacts identified.

**Section 75 Category**

**DfE- Apprenticeships & Youth Training**

**Invest NI (INI)**

**Gender (Men and Women generally)**

Evidence indicates that there are proportionately more males who are involved in Apprenticeships and Entry Level & Level 1 of Youth Training. Therefore, if restrictions were to be implemented to live within the Divisional planning allocations for 2023/24 as described, there is likely to be an adverse impact on males relative to women. Also, as the majority of apprentices are male, it is likely that males will be affected more so than women by the inability to launch All Age Apprenticeships.

The proposed budgetary allocation for 2023/24 is likely to have a significant adverse impact on a number of Section 75 categories through the reduced funding of activities generally, including entrepreneurial support programmes (e.g., Energy Loan Scheme, Productivity Investment Scheme, Grant for R&D, Innovation Vouchers, Proof of Concept), regional hubs and related positive action measures designed to ameliorate under-representation in the labour market.

Evidence indicates that there are important disparities between men and women in the labour market. Evidence suggests that while the gap between male and female economic inactivity has been narrowing over time and the rates are now closer, there remain areas of under-representation of women; for example, women are under-represented in the highest paid and highest status occupations and over-represented in lower status and lower paid occupations. There are a variety of contributing factors to explain this disparity, however evidence suggests that a greater proportion of female economic inactivity is as a result of home and caring responsibilities compared with males.

A reduction of activity among INI programmes would reduce potential employment opportunities that may otherwise have materialised and would therefore have likely adverse impacts upon people in most or all Section 75 groups. However, restrictions upon programmes to address under-representation of women, and women - returners to the labour market, would have a disproportionate adverse impact upon women generally.

**Disability (with or without)**

Evidence from the most recent available figures for programme participants indicates that less than half participating on the SfLW (Skills for Life and Work) programme are recorded as having a disability. Other programmes record lower levels of disability among participants in Youth Training. Therefore, any

No differential impacts identified.

**Section 75 Category**

**DfE- Apprenticeships & Youth Training**

**Invest NI (INI)**

	<p>potential restriction of intake to SFLW would have an adverse impact upon people with disability. It is not anticipated that managing and delivering other core training and enhanced activity mainstream training and upskilling activity in 2023/24 (within proposed budgetary allocations) will have material or differential impact on programme participants with/without disabilities.</p>	
<p><b>Dependants (with or without)</b></p>	<p>Based upon statistics for current programme participants, it is not anticipated that managing and delivering core and enhanced activity mainstream training and upskilling activity in 2023/24 (within proposed budgetary allocations) would have a material or differential impact on the relative proportions of dependants with and without dependants. However, it is more likely that those aged 25 years and over would have dependants and therefore, not being able to proceed with the launch of All Age Apprenticeships means that those with dependants are more likely to be adversely impacted.</p>	<p>No differential impacts identified.</p>
<p><b>Political opinion</b></p>	<p>It is not anticipated that managing and delivering core and enhanced activity mainstream training and upskilling activity in 2023/24 (within proposed budgetary allocations) would have material or differential impacts upon groups of programme participants of differing political opinion in particular.</p>	<p>The proposed budgetary allocation to INI would result in restrictions on activity in 2023/24 across a range of programmes that aim to develop and create employment, among other objectives. This would curtail potential employment opportunities that may otherwise have materialised and would therefore have likely adverse impacts upon people in most or all Section 75 groups. However, it is not anticipated that there would be any differential impact upon groups of individuals of differing political opinion in particular.</p>

### 8.3 Other considerations

While most business areas, with the exception of those noted above, reported the proposed reductions may not result in a direct Section 75 impact, there are wider impacts to be considered, these include:

- DfE is the Northern Ireland department of growth. Investing in skills, productivity, tourism, business support and energy creates a multiplier effect through inward investment. For example, the latest year for which figures are available, 2022/23, on average for every £1 of support offered by Invest NI, £7 of total investment was generated in the wider Northern Ireland economy. A reduction in that support reduces overall investment in the Northern Ireland Economy. There are no easy options that will not be a setback for the economy and the lives of the people of Northern Ireland.
- Given its weaker starting point, Northern Ireland is at greatest risk of further economic decline. Northern Ireland competitive position vis-à-vis competitor regions is being rapidly eroded as funding for education and skills and innovation has declined in relative terms.<sup>12</sup>
- Reductions in funding to the Tourism sectors will result in reduced coverage for Northern Ireland as a destination on the island of Ireland, Tourism supports more jobs for £1 million of output than any other sector. Northern Ireland spend per head on tourism activities is already 7:1 in favour of the Republic of Ireland.
- Reductions in funding to NI Screen will result in a loss of benefit of NI Screen's current four-year strategy which has been projected to lever £460 million in direct Northern Ireland spend with additionality assessed at 85%. This will also result in a loss of skills support in a growing lucrative and specialist industry.

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<sup>12</sup> [Addressing NI's Competitiveness Challenges \(ulster.ac.uk\)](https://www.ulster.ac.uk/research/competitiveness-challenges)



## 9 Consideration of Mitigations

In keeping with this Department's commitments under its Equality Scheme, any adverse differential impact on equality of opportunity or good relations which are identified through this assessment process will be considered in informing DfE's Budget 2023/24 allocations.

Any such findings will be used on to inform further development of mitigations, revised Budget allocations and in-year bids. DfE will continue to make the case to DoF, the Secretary of State and should there be a reformation of the Executive in the financial year, any future Ministers, for the Department's outcomes especially in monitoring rounds, and using the EqIA to prioritise distribution of any additional resources obtained.

DfE will continue to work with other organisations in the public, private, and voluntary sectors to identify alternative sources of support for groups impacted by the budget allocations.

## 10 Conclusion

This document has set out an analysis of DfE's financial situation; information on the resulting equality impacts on which we will welcome comments and supplementary information; and the principles and mitigations we can apply in making what are extremely difficult decisions in an incredibly challenging fiscal environment. The latter includes seeking to protect where possible our Regulatory and Statutory functions, our 10X vision and all the sectors with whom the DfE works, in addition to doing all that DfE itself can do to reduce its own costs.

**It is important to stress that these are not recommendations that would be made by officials under normal circumstances. Rather, they are actions required as a consequence of an extremely constrained budget allocation.**

## 11 Consultation, Publication and Decision

DfE is committed to seeking the views of those who are affected by the decisions that it will make in relation to its budget reductions. We are keen to hear from individuals and organisations about their views on the equality implications of the decisions being made, and about any mitigations that DfE could put in place to address what will undoubtedly be the adverse impacts of a reduction of this size.

DfE will consider the need for any further mitigating actions in light of responses received during the consultation to inform the DfE's final budget decisions.

### 11.1 Consultation Period

Decisions around budget reductions need to be made urgently so they can be implemented to take effect as early in the financial year as possible. This will allow business areas, Arm's Length Bodies (ALBs) and organisations who depend on our funding to make plans as soon as possible. DfE has decided that it can best balance the challenges presented by the tight financial timescales, with its own desire to hold a meaningful consultation, by adopting a two-stage approach.

DfE will consult for a 12-week period. However, we encourage responses within the initial four weeks of the consultation period as views received during this time will be used to inform DfE's initial allocation of funds to its business areas and ALBs, as well as any early mitigations that can be put in place. Responses received between week 5 and week 12 of the consultation will be used to consider further mitigation measures, to inform in-year budget reallocation processes, and to direct any additional funding (or further reductions) that emerge over the course of the financial year.

## 11.2 Consultation Method

DfE will publish this EqIA on its website, alerting its list of consultees to the publication. The departmental consultation list will be used to alert organisations that we are aware are active across the range of functions now performed by DfE. DfE will attempt to facilitate requests for alternative formats and for more direct stakeholder engagement where possible.

A consultation questionnaire has been developed to encourage the expression of views across a few key areas. This can be accessed through a consultation survey questionnaire at Citizen Space, which may be accessed at

<https://consultations.nidirect.gov.uk/dfe/department-for-the-economy-spending-plans-for-2023>

## 12 Consultation Questions

1. Do you agree that DfE has gathered the necessary data to inform its decisions around the allocation of its budget?  
If not, what other sources of data should the Department consider?
2. Do you agree with DfE's assessment of the proposals for budget reductions?  
If not, what other areas of the Department's spend should be considered?
3. Do you agree with DfE's assessment of equality impacts of the options considered for budget reductions?  
If not, what other equality impacts does the Department need to take account of?
4. Do you agree that DfE has correctly identified all relevant mitigations that could help reduce the adverse equality impacts of the budget reductions?  
If not, what additional mitigation measures should the Department consider?
5. Do you agree with DfE's overall assessment of the business areas where the proposed budget reductions will need to be made?  
If not, which areas of the Department's business would be better able to withstand reductions?
6. Do you have any other comments you would like to add about this consultation – yes or no?

## 12.1 Confidentiality

The Freedom of Information Act 2000 gives the public the right of access to any information held by a public authority, namely DfE in this case. This right of access to information includes information provided in response to a consultation. DfE cannot automatically consider as confidential information supplied to it in response to a consultation. However, it does have the responsibility to decide whether any information provided in response to this consultation, including information about identity, should be made public or treated as confidential.

This means that information provided in response to the consultation is unlikely to be treated as confidential, except in very particular circumstances. The Lord Chancellor's Code of Practice on the Freedom of Information Act provides that the Department should only accept information from third parties in confidence if it is necessary to obtain that information in connection with the exercise of any of the Department's functions and it would not otherwise be provided; the Department should not agree to hold information received from third parties "in confidence" which is not confidential in nature; and acceptance by the DfE's confidentiality provisions must be for good reasons, capable of being justified to the Information Commissioner.

Personal addresses and telephone numbers will not be disclosed.

For further information regarding confidentiality of responses please contact the Information Commissioner's Office at:

Information Commissioner's Office – Northern Ireland  
3rd Floor  
14 Cromac Place  
BELFAST  
BT7 2JB  
Telephone: 028 9027 8757 / 0303 123 1114  
Email: [ni@ico.org.uk](mailto:ni@ico.org.uk)  
Website: <http://www.ico.org.uk>

