

# BCC Response to DfC Budget 2023–24 EQIA

## Draft BCC Response

### Overarching points BCC would like to raise

Belfast City Council understands the difficult situation that DfC officials have been placed in with respect to the budgetary constraints placed on the Department. We also acknowledge that, in assessing the impact of the Budget 2023-24 policy against obligations under Section 75 of the 1998 Act the Department concludes that there is evidence of significant and adverse impact in respect of some Section 75 categories and that consideration will be given to potential mitigating factors. BCC would encourage DfC to consider further mitigations across their proposals as the current mitigations will not, BCC contend, stop adverse impacts across a range of Section 75 groupings. Further information, alongside wider implications for the proposed budgetary cuts, are detailed below.

### Regeneration and Housing

- NIHE & Social Housing – There are currently over 11,000 people on the social housing waiting list in Belfast, which represents over 27% of the Regional social housing demand. In March 2021 4.8% of Belfast households were recognised as Full Duty Applicant Homeless. A reduction in the NIHE budget and Social Housing Development Programme will deeply impact upon the most vulnerable in our city and from some of the most deprived DEAs.
- Capital and Urban Regeneration – Council would highlight the public consultation on A Bolder Vision and the requirement to provide fully accessible and prioritised investment to Belfast city centre to enable inclusive growth and investment, and to reduce severance to communities and the wider city. The main impacts will be accessibility issues to the city centre, having a limited impact on investment for jobs and inclusive growth, and a continuation of the current severance issues to opportunities within the city centre.
- Funding - Sub optimal capital financing – limitations to in year capital funding. Prioritisation of investment aligned to agreed policies and strategies. Ensuring the region has access to the same funding as financing for regeneration as other UK cities
- Treatment of revenue and capital to address resource shortfall
- Belfast as the regional driver
- Collaboration – commitment to work collaboratively with Council and private sector to unlock key challenges to the development and regeneration of the city

## Labour Market Partnership

The council's draft Economic Strategy for Belfast (2022-2030) aims to support our sustainable and inclusive growth ambitions for the city.<sup>1</sup> Cuts to DfC's budget will have an adverse impact on our delivery of interventions to address skills gaps (Action 6) and in developing inclusive employability programmes (Action 7). It will severely hamper our city's ambitions in:

- Creating inclusive pathways to jobs and careers by 2030 for those further back in the labour market and cut access to better jobs for those who are underemployed;
- Reducing the proportion of economically inactive people of working age (by 2030 to 23 per cent from 30.1% in 2020), in alignment with the Belfast Agenda;
- Cutting the proportion of the Belfast working-age population with no qualifications to 12%, reducing the working-age economic inactivity rate (excluding students) within the city to 18% and increasing the working age population who have attained Level 3-5 qualifications to 56% as well as doubling the number of Belfast residents entering the labour market each year with mid-level skills (at NQF levels 3-5).
- Reducing the proportion of working age population with no qualifications from 14.2% in 2017 to 10% by 2030, in alignment with the Belfast Agenda<sup>2</sup>. The Belfast Agenda 2015-2035 sets out key strategic ambitions for the city. Working and Learning is one of the key priorities of the agenda which acknowledges that our skills base is vital to competitiveness, productivity, inclusiveness and growth; and
- Supporting the inclusive growth<sup>3</sup> ambitions of the Council by targeting interventions on key cohorts: young people not in education, employment or training (Proportion of school-leavers entering employment, education or training), residents not in employment, residents with low skills levels (this will be measured by the proportion of working age population who have attained Level 2 or above) and in work, low earning residents.

---

<sup>1</sup> [Draft Economic Strategy for Belfast: Executive Summary \(belfastcity.gov.uk\)](https://www.belfastcity.gov.uk/draft-economic-strategy-for-belfast-executive-summary)

<sup>2</sup> [Belfast Agenda \(belfastcity.gov.uk\)](https://www.belfastcity.gov.uk/belfast-agenda)

<sup>3</sup> [Our commitment to Inclusive Growth \(belfastcity.gov.uk\)](https://www.belfastcity.gov.uk/our-commitment-to-inclusive-growth)

**Specific points from EQIA that BCC would like to respond to:**

DfC Budget 2023-24	BCC response to specific points
<p><b>Universal Credit.</b> Similar to the Department for Work and Pensions (DWP), the Department's Universal Credit (UC) caseload doubled during the pandemic and continues to remain high. DWP has recruited significant numbers of additional staff to administer their increased UC caseloads and in the 2021 Autumn Budget and Spending Review were allocated £900m each year (until 31 March 2025) to meet recruitment costs. Given budget shortfalls facing DfC in both 2022-23 and 2023-24, the Department has curtailed (and now stopped) recruitment to avoid creating a further Departmental pressure. This has left the Department operating with insufficient staffing levels which is presently impacting on operational benefit delivery areas. Longer term continued failure to secure the funding necessary to appropriately resource benefit delivery will lead to delays in benefit payments and place working age customers in financial hardship and put at risk delivery of the Move to Universal Credit programme. The need to prioritise new benefit claims to deliver statutory obligations will lead to slippage in lower priority areas, such as debt referrals and increase the overall debt stock and put at risk the Department's ability to safeguard public funds.</p>	
<p><b>Move to Universal Credit</b> - There is an immediate risk to service delivery given the additional staff required to deliver on the UK Government led</p>	

<p>Move to Universal Credit Programme, whereby all individuals on working age legacy benefits will be migrated to Universal Credit. The Move to Universal Credit in NI is aligned with DWP. Securing funding for the departmental staff needed to deliver Move to UC in 2023-24 in NI is critical, to meet the Executive’s previous commitment to implement and maintain parity in statutory benefit delivery. There is a significant risk that if working age legacy customers here are not moved on to UC, the Department could become liable for the full IT costs associated with the maintenance and running of HMRC’s National Tax Credit system and DWP legacy benefit systems. As part of closing tax credits activity, HMRC intend to introduce legislation to cease all payments of tax credits after 5 April 2025. If the 55,000 tax credits claimants in NI have not been migrated by this date, they will lose their access to welfare support. To mitigate the risk to NI tax credit claimants losing their access to welfare support and to maintain parity of social security the Department will aim to progress Move to UC within its existing staff complement. This position is not without significant risk and will greatly exacerbate the pressure already being felt in operational benefit delivery areas and further adversely impact on service delivery.</p>	
<p><b>Health Assessments</b> – Aligned with DWP and to maintain parity of social security delivery, the Department’s Health Transformation Programme (HTP) will transform health assessments in NI from Spring 2024. The provision of health assessments in the administration of health-related benefits is a</p>	<p>The Council recognises the importance of health assessments to ensuring that those most vulnerable within society, particularly those with disabilities, health conditions and older people are effectively supported. It is important that any budgetary cuts do not adversely impact on this service including diminishing service levels, increasing backlogs, waiting times and the possibility of benefits not being received by some of the most vulnerable in our society.</p>

<p>statutory requirement, currently provided by two suppliers. HTP will transition the current separate assessment services into one unified, integrated service with one supplier, and improve customer service delivery. Whilst there are inescapable costs associated with HTP delivery, there has been a significant increase in health-related benefit claims during the current cost of living crisis, which has increased demand and costs associated with health assessment delivery. This is effectively an inescapable cost for the Department, and failure to fund would have a fundamental impact on service delivery to customers, particularly people with a disability or health condition and older people. Impacts would include a diminished service leading to an increase in backlogs, waiting times and the possibility of benefits not being received by some of the most vulnerable in our society.</p>	
<p><b>Discretionary Support (DS) Grants</b> – provide support to people facing financial hardship. Grant demand has risen to unprecedented levels, almost a fourfold increase, during the cost-of-living crisis. The Department’s historic Baseline budget for Discretionary Support Grants totalled £13.7m; which given the constrained budget position is not sufficient to meet current demand of almost £40m forecast in 2023-24. Given the pressures facing the Department in 2023-24, it is proposed that DS Grants awards would be scaled back to live within budget available for 2023-24. Whilst it is proposed that the same range of grant supports would be available, such as grants for living expenses and household items, reductions would be applied</p>	<p>Whilst the Council recognise the need to operate within budgetary constraints, the scaling back of the discretionary support grants scheme – during a cost-of-living crisis – will inevitably impact on those individuals and families most in need. The programme provides essential and time critical support and any scaling back of this grant should be limited as it will put at risk the ability to help address the basic needs of people who present with hardship, particularly people with dependents, older people and people with a disability.</p> <p>Council receives significant support from DfC through its Community Support Plan (CSP) funding which is received on annual basis. DfC indicated in the 2-year LoO that we received in April 2022 that £1.85 million would be provided to BCC in 23/24. Council uses this funding to fund 3rd party organizations through 2 main strands - community development support (used to contribute to council’s Revenue for Community Building Grants and capacity grants) and Advice (Used to fund advice organizations to deliver services). We also receive 100% funding for some welfare reform activity through CSP including for social supermarkets.</p>

<p>through reducing the number of times and/or circumstances where help is made available, rather than removing certain elements of help completely. The Department recognises the vital support DS provides and the constrained budget position will curtail the Department’s ability to support any vulnerable individual or household facing financial hardship, particularly during this cost-of-living crisis. Whilst Capital funded hardship loans will continue, these will also be subject to the same restrictions as grant awards. Scaling back grant awards will put at risk the Department’s ability to help address the basic needs of people who present with hardship, particularly people with dependents, older people and people with a disability.</p>	<p>The EQIA makes no specific ref to CSP but if the DfC contribution was reduced this would have an impact on Council’s ability to support the sector/deliver services.</p> <p>It is worth noting that Belfast has pledged itself to be an Age Friendly City, many of the suggested budget cuts highlighted in the report will have an impact on older people, although this is not highlighted under the people of different ages section. Older People will be particularly impacted by cuts to support for Arm’s Length Bodies – Older People’s Commissioner and Libraries NI, Affordable warmth scheme, Private Sector Grants and Major Adaptations and Supporting People.</p> <p>The EQIA highlights that reduced funding within Supporting People is also likely to impact on Homeless people experiencing alcohol or drug issues and that may have an impact on the operation of the Complex Lives project which targets this cohort and is a key project within the Belfast Agenda.</p>
<p><b>Labour Market Partnerships (LMP)</b> – LMPs, which are delivered through local councils, provide a suite of employability provision to support people to find and retain employment. LMP aims to improve employability outcomes and labour market conditions by working through a multi-agency partnership approach at local and regional level, with regional objectives whilst being flexible to meet the needs presented by localised conditions, such as economically inactive, long-term unemployment, youth unemployment, disability, skilled labour supply and economic shock. Whilst an initial 3-month allocation was provided to Councils to maintain provision in 2023-24, given the Department’s constrained Budget</p>	<p><u>Those with Disabilities</u></p> <p>BCC notes that the DfC have lead responsibility for disability policy.<sup>4</sup> Cuts to LMP funding are likely to have a particularly adverse impact on this grouping and reduce the city’s ability in meeting Belfast Agenda<sup>5</sup> refresh (draft) target to reduce the disability employment gap within the city from 37% to 31% by 2026.</p> <p>The disability employment gap 16-64 in Belfast, 2021 is 40.9% - 78.1% for not disabled against 37.2% for disabled. In comparison to other local authority areas Belfast is below the Northern Ireland average but still higher than the better performing council areas (e.g. Causeway Coast and Glens is 33.3%). Given the high number of public and service sector jobs Belfast should have the lowest disability employment gap of all Northern Ireland local authorities as these are the types of jobs that are best suited to people with disabilities. Given that 21,000 residents with disabilities aged 16 – 64</p>

<sup>4</sup> [Disability | Department for Communities \(communities-ni.gov.uk\)](https://communities-ni.gov.uk)

<sup>5</sup> [About the review of the Belfast Agenda | Your say Belfast \(belfastcity.gov.uk\)](https://belfastcity.gov.uk)

position in 2023- 24 funding for LMPs will be paused from 1 July 2023. There will be adverse impacts across Section 75 groups, especially in the context of the removal of European Social Fund (ESF) funding. LMPs not only help those seeking work, but they are also a critical intervention to help people with a disability or health condition to remain in work.

are in employment in Belfast this means that we have a population of 56,450 residents with a disability. While many of these people will not be able to work others will, given the right support. One of the target groups for LMP funding is disabled people and the fact that funding from the LMP (and other support initiatives) is being ceased the opportunity to make a difference to these residents is also being ceased.

The Equality Commission<sup>6</sup> asserts that many disabled people are eager to enter the labour market and further their careers, yet they continue to face several barriers, ranging from prejudice or a lack of employment support to help them reach their potential within the workplace. According to research conducted by UUEPC<sup>7</sup>, tackling barriers to improve outcomes for disabled people has become an economic necessity because of labour shortages and a higher proportion of the population expected to develop long-term health conditions over the coming decade. Their recommendations state that all appropriate government departments must work alongside employers, those living with disabilities, the community and voluntary sector and any other associated stakeholders to transition a shared vision on improving the lives of people with disabilities into a strategy outlining commitment on actions and timeframes.

Generally, disabled are more likely than non-disabled people to be: working in lower-skilled occupations, self-employed, working part-time (and subsequently less hours), working in the public sector and temporarily away from work. <sup>8</sup> Disabled adults are less likely to be employed than non-disabled adults. This Disability employment gap is higher in NI than elsewhere in the UK. The Disability employment gap is wider for: disabled men, older people (aged 50 to 64), disabled people with no qualifications, disabled people of White ethnicity, disabled people living in Northern Ireland, Scotland, Wales, and in England's North-West and North-East. The disability employment rate is lower for disabled people: with a mental health condition and with those with five or more health conditions.<sup>9</sup>

---

<sup>6</sup> [ECNI - Breaking down barriers for disabled people in employment \(equalityni.org\)](https://equalityni.org/)

<sup>7</sup> [https://www.ulster.ac.uk/\\_data/assets/pdf\\_file/0007/1275811/Disability-and-the-labour-market.pdf](https://www.ulster.ac.uk/_data/assets/pdf_file/0007/1275811/Disability-and-the-labour-market.pdf)

<sup>8</sup> [The employment of disabled people 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

<sup>9</sup> [The employment of disabled people 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Area	Employment rate of people with disabilities	Employment rate of people without disabilities
Belfast	37.20%	78.10%
Total	37.30%	79.60%

Both employment rate and economically inactive rates of people with disabilities for people in Belfast is similar to that regionally.<sup>10</sup>

Area	Economically inactive rate of people with disabilities	Economically inactive rate of people without disabilities
Belfast	59%	18.60%
NI	59.20%	17.80%

#### Age: Young People and Older Workers

A key focus of the Belfast Agenda is to tackle educational inequalities and to provide coherent pathways of support to enable young people to positively progress. The rate of young people not in education, training or employment for Belfast is 11.8%, ranking third highest among the 11 council areas and above the NI average of 10.9%. In January to March 2023 there were an estimated 18,000 young people (aged 16 to 24) in NI who were not in education, employment or training (NEET). This was 9.0% of all people aged 16 to 24 years in NI. The proportion of young people who were NEET in the UK was slightly higher at 10.6%. The NEET rate was 8.1% for males and higher at 9.9% for females.<sup>11</sup>

BCC supports interventions for young people not in education, training or employment as a means of achieving Belfast Agenda targets. Data on various age bands identifying disadvantage at both a regional and local government level needs to be incorporated within the EQIA and factored into budgetary decision making. This information is required to thoroughly examine how budgetary cuts

<sup>10</sup> Source: Labour Force Survey, January to December 2021, Labour Market Status by Disability Status [Note 11], Local Government Districts, 2021

<sup>11</sup> <https://www.nisra.gov.uk/news/young-people-not-education-employment-or-training-neet-january-march-2023>



will impacts age bands 24+ and specifically, older workers. There are several reasons why there is a need to fully examine the impact of spending cuts for older workers:

- Given the 2021 Census figures which shows an ageing population (and subsequently the workforce), the proposed cuts will have an adversarial impact in helping the most disadvantaged into work, upskilling and reskilling the labour pool to meet employer demand and filling vacancies.
- NI figures indicate that older people tend to be lower qualified with 18.6% of 50–64-year-olds possessing no qualifications compared with 7.5% of 25–34-year-olds.<sup>12</sup>
- The impact on older workers will be further exacerbated by the £130m budgetary cuts proposed by the Department for Economy for key skills programmes, including All Age Apprenticeships.<sup>13</sup>
- While the impact of ceasing LMP funding will affect young people, Belfast City Council note that it will also have a significant, but unrecognised, impact on older people. If we look specifically at the 50-64 age range in the city as of 2021, we have a population of 56,000 of which 42.8% (c24,000) are economically inactive. While this is below the rate for 16-24 age range (51.5%) it is well above the combined figures for 25-34 and 35-49 age ranges (36.9%). We believe that in the DfC EQIA not enough emphasis has been put on those residents who are 'older' and possibly due to the cost-of-living crisis and other economic factors may need to return to employment. These people may not be able to access UK Shared Prosperity Funding (UKSPF) support as they are more than likely not eligible as they will not be ready for employment in the following 2 weeks.
- Whereas the rate of economic inactivity in the 16-24 age band can appear high, this can be due to factors such young people in education. Labour Force Survey Figures from 2021 showed that economic inactivity levels were much higher amongst older working-age groups (50–64-year-olds) in Belfast (42.80%) compared to regional figures (34.10%) and 5.9% higher than the combined 25-34 and 35-49 age bands (36.9%).

<sup>12</sup> Labour Force Survey Figures, 2021. Table 4.1b: Persons aged 16 to 64 by qualification level and age and percentage, 2021

<sup>13</sup> [Department for the Economy outlines budget](#)

Area	Economically inactive rate aged 16 to 24	Economically inactive rate aged 25 to 34	Economically inactive rate aged 35 to 49	Economically inactive rate aged 50 to 64
Belfast	51.60%	21.90%	15%	42.80%
NI	50.70%	15.90%	14.10%	34.10%

#### Gender

At a regional level, the gap between male and female economic inactivity has been narrowing over time and the rates are now closer. However, the reasons recorded for inactivity between both genders are different. A greater proportion of female economic inactivity is because of home and caring responsibilities compared with males. Whilst female inactivity because of caring and home responsibilities has declined over the past two years, it remains higher for females than for males (25.5% of female inactivity due to looking after family/home compared with 6.8% for males). Conversely, male inactivity is made up of higher proportions of long-term sick (44.4%) and students (30.3%) compared with females (36.3% and 20.8% respectively).<sup>14</sup>

#### Ethnic minorities

In Belfast City Council, there are a significant number of residents born outside of Northern Ireland. Of the 345,416 council population in 2021, 289,630 were born in NI and 55,786 were born outside of NI. The largest groupings are:

- English 12,170 (3.52%),
- EU 12,991 (3.76%),
- Middle East & Asia 12,128 (3.51%), and
- Republic of Ireland 6,421 (1.86%).

With a reduction of funding for LMPs support for actions targeting migrant populations will be reduced and therefore adversely affect those in our city who are from ethnic minorities.

<sup>14</sup> Cited in the Department for Economy's Audit of Inequalities

**Mitigations**

The Department recently issued a consultation on their equality scheme, with actions including proposed delivery of a range of labour market provision to help and support young people, the long-term unemployed and those with a health condition to get closer, find, retain and progress in employment. Reference is made to the Labour Market Partnership (LMP) model developed to build collaborative, multi-agency partnerships to improve employability outcomes for this cohort. Where funding is to be removed, we query what mitigating actions will be put in place.

Belfast LMP are working with the JBO network (as part of the agreed action plan) to scope and identify ways in which LMP activity can be blended in with and utilise the Adviser Discretion Fund (ADF). It is hoped that this can mitigate against some of the impact on the delivery of LMP Employment Academies and therefore maintain activity at a reduced cost to LMP. However, the removal of all LMP funding will make this extremely difficult. As a mitigation factor, Belfast City Council recommend that DfC should consider allocating a larger proportion of the budget to LMPs than proposed, even if this is much reduced (e.g. 50%) which would allow LMPs to continue (albeit on a reduced basis) until there is more clarity in relation to the long-term prospects of the future of LMPs are known.

**Employment Support**

Labour Market Partnerships (LMP) – LMPs, which are delivered through local councils, provide a suite of employability provision to support people to find and retain employment. LMP aims to improve employability outcomes and labour market conditions by working through a multi-agency partnership approach at local and regional level, with regional objectives whilst being flexible to meet the needs presented by localised conditions, such as economically inactive, long-term unemployment, youth unemployment, disability, skilled labour supply and economic shock. Whilst an initial 3-month allocation was provided to Councils to maintain provision in 2023-24, given the Department's constrained Budget position in 2023-24 funding for LMPs will be paused from 1 July 2023. There will be adverse impacts across Section 75 groups, especially in the context of the removal of European

Social Fund (ESF) funding. LMPs not only help those seeking work, but they are also a critical intervention to help people with a disability or health condition to remain in work.

**BCC Response**

The community plan for Belfast 2015-2035, the Belfast Agenda<sup>15</sup> sets out key strategic ambitions for the city where Working and Learning is one of the key priorities of the agenda which acknowledges that our skills base is vital to competitiveness, productivity, inclusiveness and growth. Directly aligned to this, Belfast City Council's draft Economic Strategy for Belfast (2022-2030) aims to support our sustainable and inclusive growth ambitions for the city.<sup>16</sup> Cuts to DfC's budget will have an adverse impact on our delivery of interventions to **address skills gaps (Action 6) and in developing inclusive employability programmes (Action 7)**.

The Belfast LMP is a central part of these strategies and coalesces key city stakeholders in the delivery of a range of labour market provision to those further back in the labour market such as young people, the long-term unemployed and those with a health condition, those experiencing poverty and multiple deprivation to get closer, find, retain and progress in employment. Reference is made to the Labour Market Partnership (LMP) model developed to build collaborative, multi-agency partnerships to improve employability outcomes for this cohort. Where funding is to be removed, Belfast City Council queries what mitigating actions will be put in place.

**It will** severely hamper our city's ambitions in:

- Creating inclusive pathways to jobs and careers for those further back in the labour market and cut access to better jobs for those who are underemployed.
- Reducing the proportion of economically inactive people of working age.
- Cutting the proportion of the Belfast working-age population with no qualifications, reducing the working-age economic inactivity rate (excluding students) and increasing the working age population who have attained NQF levels 3-5.

---

<sup>15</sup> [Belfast Agenda \(belfastcity.gov.uk\)](https://www.belfastcity.gov.uk/belfast-agenda)

<sup>16</sup> [Draft Economic Strategy for Belfast: Executive Summary \(belfastcity.gov.uk\)](https://www.belfastcity.gov.uk/draft-economic-strategy-for-belfast-executive-summary)

- Supporting the inclusive growth<sup>17</sup> ambitions of the Council by targeting interventions on key cohorts: young people not in education, employment or training, residents not in employment, residents with low skills levels (this will be measured by the proportion of working age population who have attained Level 2 or above) and in work, low earning residents.

While the EQIA assessment has stated that the Department believe the reduction in funding will have an impact on Section 75 groups, Belfast City Council note that this has been underestimated for some of them, specifically:

- Religious Belief/Political Opinion: for example, areas of the city (particularly south and east) will be more adversely affected due to the poor uptake of employability and skills support in these areas. This by the political/religious make-up of these areas means that these those of a particular religious belief/political opinion will be more adversely affected than those from North/West Belfast.
- Ethnic minorities: Belfast is a more racially diverse Council than many others. With the reduction of ESF funding and the implementation of UKSPF funding which has limited target groups (economically inactive) ethnic minority groups, including those who are migrants or refugees may be impacted more adversely as there is no LMP funding to help support them into employment.
- Women may be more adversely impacted especially women who want to engage in employment and skills development in non-traditional skills sectors/jobs. The withdrawal of ESF funding has already reduced provision in the city directly targeted at women helping them to return to employment or skill/re-skill for new jobs. Current UKSPF funding has 2 projects which specifically target women (one of which is NI wide). These projects have a narrow focus on only women who are economically inactive but have no consideration for women who may be unemployed or under-skilled and need help to skills up or re-train. LMP funding would have allowed this type of activity.

---

<sup>17</sup> [Our commitment to Inclusive Growth \(belfastcity.gov.uk\)](http://belfastcity.gov.uk)

- The impact on older people has not been considered, who may need to return to work, re-skill for new work, etc. The cost-of-living crisis and other economic/social issues are driving older people back into work. Without LMP funding there are limited opportunities for these people to re-skill and re-train for employment. LMP funding would allow projects, etc to be developed to specifically support this target group.
- Multiple Deprivation: considering the impact in terms of Section 75 groups is an over-simplistic view of the adverse impact Of the removal of LMP funding. Section 75, employment and inactivity indicators cannot be viewed in isolation. For example, indicators from the NIMDM Deprivation: NI Multiple Deprivation Measure, 2017, shows Belfast North to have a disproportionately high number of suicide deaths, a high number of antisocial behaviour incidents as well as over 8,400 children living in poverty in the area.

#### **Section 75 Cross-Cutting Issues**

Belfast City Council contends that the budgetary cuts to LMP will specifically impact on those who are economically inactive and those who have low skill levels and/or no qualifications which cut across all Section 75 groups.

#### Economic Inactivity

Currently there are in the region of 49,000 residents who are economically inactive and figures indicate that 6% 'want a job' but are long-term sick (6,860); 3% 'want a job' but are looking after family (2,490) and 5% 'want a job' and are inactive for 'other reasons'. This represents almost 6,900 residents who are economically inactive who make up a range of Section 75 categories who are now going to be without support to fulfil their desire to get back to work but are not eligible for UKSPF support and there is nothing Belfast LMP can do to support them without funding from DfC.

Economic inactivity levels are much higher amongst older working-age groups (50–64-year-olds) in Northern Ireland compared with the UK as a whole, at 33.7% and 27.2% respectively. Just over half

of economic inactivity in this age group in Northern Ireland is caused by long-term sickness.<sup>18</sup> Unfortunately, economically inactive by reason against age at LGD level is unavailable. The following table shows Economic Inactivity by Reason at Local Government District, 2021, Aged 16 to 64.<sup>19</sup>

Area	Economically inactive rate aged 16 to 24	Economically inactive rate aged 25 to 34	Economically inactive rate aged 35 to 49	Economically inactive rate aged 50 to 64
Belfast	51.60%	21.90%	15%	42.80%
NI	50.70%	15.90%	14.10%	34.10%

Employment and inactivity indicators cannot be viewed in isolation. For example, indicators from the NIMDM Deprivation: NI Multiple Deprivation Measure, 2017, shows Belfast North to have a disproportionately high number of suicide deaths, a high number of antisocial behaviour incidents as well as over 8,400 children living in poverty in the area.<sup>20</sup>

#### Low Skill Levels and Lack of Qualifications

While Belfast City Council performs relatively well in terms of young people leaving school with qualifications (4<sup>th</sup> out of the 11 local authority areas), slightly below the NI average of 92.1% at 91.3%, there is a different picture in terms of those with no qualifications, who tend to be older residents. Out of the total working age population aged 16-64 (c214,000), 14.2% (c30,500) have no qualifications. The NI average is 11.9%. Belfast also experiences spatial disparities within the city, for example, the percentage of persons aged 16 to 64 with no qualifications sits at 26.9% in West Belfast, 17.6% in North Belfast, 7.2% in East Belfast and 6% in South Belfast. West and North Belfast are the first and second highest areas among all the parliamentary areas in NI where the population has no qualifications.<sup>21</sup>

<sup>18</sup> <https://www.economy-ni.gov.uk/sites/default/files/consultations/economy/draft-audit-of-inequalities-and-action-plan-2022-2027.pdf> cited in UUEPC (2021), Labour Force Survey, ONS and UUEPC analysis, refers to Q3 2022.

<sup>19</sup> Labour Force Survey Figures, 2021. Table 1.1 Economic Inactivity by Reason and Local Government District, 2021

<sup>20</sup> End Child Poverty Campaign

<sup>21</sup> <https://www.nisra.gov.uk/publications/labour-force-survey-annual-report-2021> Qualifications 2021, (Table 4.5)

Given the correlation between these residents and those who are unemployed or economically inactive, if LMP are to support more people into employment, we need the opportunity to help support more people to gain qualifications aligned to labour market needs.

While the FE/HE sector offers opportunities to engage in skills development and learning, these people are the least likely to engage with the local college for a number of reasons such as poor previous experience of formal learning, travel to/from campuses outside their area of comfort etc. Opportunities offered via the LMP such as Employment Academies offer people with no qualification the opportunity to quickly (with 2-16 weeks) gain skills (including qualifications) that allow them to compete for jobs. This is borne out by data from our own Belfast City Council data collection for LMP where 16% of those participating do not have any formal qualifications.

NI figures indicate that older people tend to be lower qualified with 18.6% of 50–64-year-olds possessing no qualifications compared with 7.5% of 25–34-year-olds.

Age Group	Degree Level and Above	Below Degree Level	No Qualifications
	(%)	(%)	(%)
<b>16 to 24</b>	19.40%	69.10%	11.50%
<b>25 to 34</b>	53.20%	39.30%	7.50%
<b>35 to 49</b>	52.70%	39.00%	8.30%
<b>50 to 64</b>	36.70%	44.70%	18.60%

Impact on Enterprise

Belfast City Council is home to over 11,405 businesses in 2022, representing the largest number of enterprises of any local authority in Northern Ireland. Over the last ten years registered businesses in Belfast have increased by 18.5%, above the Northern Ireland average of 16%. However, as to be expected from a regional capital city with a high concentration of employee jobs, Belfast lies at the bottom of the league table with respect to the proportion of small business (below £50k turnover).



Belfast has 12.1% of total micro businesses compared to the Northern Ireland average of 25.5% and highest percentage which is Fermanagh and Omagh council area at 42%.

Micro businesses by their nature tend to be sole workers who would come from a wide range of Section 75 groups. With the reduction of funding for Belfast LMP we believe that the potential to adversely affect our support for enterprise growth and development is diminished and therefore a greater number of individuals who need help to start or develop their business is reduced to allow Belfast city to grow its micro businesses in line with the NI average of 25.5%. Self-employment/micro-enterprises are both a recruiting ground for employers and a route into economic activity for those out of work no matter what their Section 75 background is.

#### Funding within the Employability Ecosystem

The removal of LMP funding has to be seen alongside other funding cuts within the employability provision ecosystem in the city. For example, until end of March 2023 there were 37 projects in the city registered as providing employability and skills supports to the residents of our city (and across NI). This support was aimed at supporting young people (who were classified as NEET), women, unemployed, economically inactive, migrants, those with disabilities, etc. All these organisations were funded via the European Social Fund (ESF). As of the 1st April 2023 13 organisations were funded via the UK Shared Prosperity Fund (UKSPF) to support only those people deemed to be economically inactive (which may include women, disabled, etc). 5 of these projects specifically target Belfast while the other 8 have a NI remit (so their actual footprint in the city is limited by their funding amount). The reduction of funding for LMPs comes at a time when the employability and skills sector in Belfast has been decimated with a significant number of targeted interventions and supports lost. Many of the UKSPF projects have narrow remits and limited interventions. Many residents in the city have now lost local support and help while many will not now know where to get support and/or if they are eligible for the support that is on offer.

While the funding for Belfast LMP would in no way cover the loss of ESF funding it would have allowed the LMP to assess the reduced funding impact on the city in terms of residents, groups who are not

eligible for support under UKSPF funding and begin to formulate plans or identify provision to support these residents.

**3. Please state what action you think could be taken to reduce or eliminate any adverse impacts in allocation of the Department's budget.**

While the LMP is conscious that budget reductions are difficult and impact across a range of different organisations and services, we believe that a total funding reduction for LMPs is short-sighted and will have long term impacts.

DfC and local authorities have invested time, effort and reputation in developing local mechanisms through LMPs which could have local impacts on unemployment and economic inactivity. The buy-in from the range of groups and individuals involved in the development and delivery of LMPs has been huge. LMPs have been entirely unique in being able to bring together the full range of key stakeholders across the public, business and third sector – through Community Planning - to undertake a strategic assessment of Labour Market conditions within the city and using a partnership approach to agree an action plan which is striving to create a cohesive, joined-up approach to overcoming employability and labour market challenges in the city. LMP members – including Invest NI, DfE, JBO network, VSCE sector, Belfast Met, Belfast Chamber of Commerce, FSB, CBI, Belfast HSC Trust, Belfast advice sector – have been really inspired and energised by what they could contribute at a local (and regional) level. The loss of this expertise and commitment may not be replaceable should funding for LMPs come at a later date.

The impact of a removal of all funding from July 2023 will undermine confidence in the system, process and the ability of LMPs to make a difference. Belfast City Council recommend that DfC should consider allocating a larger proportion of the budget to LMPs than proposed, even if this is much reduced (e.g. 50%) which would allow LMPs to continue (albeit on a reduced basis) until there is more clarity in relation to the long-term prospects of the future of LMPs are known. This will allow LMPs to

keep their members engaged and involved with the hope that the future financial landscape will become more positive.

**4. Are there any other comments you would like to make in regard to this pro forma or the consultation process generally?**

The impact of the reduction of funding should not only be assessed in terms of Section 75 but also in terms of the groups of people, who by their social/economic background, will be affected the most by these budget cuts to LMP. While these groups are inherently covered by Section 75 they have additional characteristics where funding cuts will further disadvantage them, such as those with low skills or no qualifications, those who are long-term unemployment or economically inactive and those living in areas of multiple deprivation.

For example, the impact the cuts will have on those members of our society who have a disability are highlighted but there are people who are long-term unemployed (LTU) or economically inactive who solely need help and support for that specific reason. Their reason for being LTU may not be because of their gender, religion, marital status, etc but because they do not have the skills or abilities to get a job. Section 75 does not cover these characteristics although people within these groups are being economically disadvantaged by these proposed budgetary cuts as compared to their peers who are able to get and maintain a job.

While we appreciate that this is a difficult position for the Department to be in, we believe that the impacts on individual Section 75 groups cannot be assessed in isolation of the impacts on these individuals by budget cuts in other Departments. For example, a disabled person will now face multiple impacts because not only are supports for them to find and keep employment are being cut by DfC budget reductions other cuts to Health, Education, etc will further impact them and take away other support structures in their lives and further isolate them from mainstream society.

Within this consultation there is no real opportunity to comment on the reality on the ground with regards to supporting those furthest from the labour market which cut across and encompass all Section 75 groups. In addition to the proposed cuts to LMP, we note that the recent withdrawal of European Funding (European Social Funds – ERDF, etc) needs also to be factored in to the real impact on those targeted by LMP as the support structures and programmes that were once in place to support many of the most vulnerable in our society including those with disabilities, young people, women returners etc. Whilst the replacement funding via the UK Shared Prosperity Funds (UKSPF) is welcome, this in no way has replaced employability and skills provision which existed in Belfast until very recently. Between the end of March 2023 and the beginning of April 2023, Belfast went from 37 E&S projects - supporting a full range of vulnerable groups and individuals - to thirteen, of which seven have a regional remit.

These new UKSPF projects have a very narrow remit to support economically inactive people. The definition of economically inactive individuals who can only benefit from UKSPF projects has been defined by the programme and is *'limited to people who are economically inactive. People who are unemployed and seeking work, or are employed on a part-time basis, are not eligible.'* As set out by UKSPF, economic inactivity refers to those without a job who have not sought work in the last 4 weeks and/or are not available to start work in the next 2 weeks although in practice many people who are inactive will have been so for a long time. This includes people not in work who are on and off benefits and in receipt of Universal Credit, Jobseekers Allowance or Employment and Support Allowance, who are in the 'all work-related requirements' legal conditionality groups (i.e. Light Touch and Intensive Work Search), are considered economically active and are **not** eligible for UKSPF economic inactivity support.'

This by its very nature excludes a range of our residents who are also deemed to be economically inactive. For example, someone who has suffered from a long-term illness may not be ready to start work in the next 2 weeks as they may need a significant amount of support to get them job ready and are therefore, by this definition, not eligible for UKSPF support. With the above definition of eligibility for UKSPF projects many residents who are 'unemployed' have also lost a huge range of

opportunities which were available via ESF funded projects. These individuals are now double-disadvantaged as they are not eligible for UKSPF projects.

Funding for the LMPs allowed us to find the gaps and help 'plug' them so all the residents of our city were given an equal opportunity to access support to help them to return to employment. Ceasing LMP funding will further disadvantaged some of the most economically and socially deprived residents of our city. Belfast City Council recommends that:

- Belfast City Council recommend that DfC should consider allocating a larger proportion of the budget to LMPs than proposed, even if this is much reduced (e.g. 50%) which would allow LMPs to continue (albeit on a reduced basis) until there is more clarity in relation to the long-term prospects of the future of LMPs are known.
- The Department quantify the impacts this decision has against Section 75 groups which can be gained through LMP Action Plans, now losing out because funding for LMPs is being cut. These totals should be made public to show the overall impact of the loss of funding to LMPs and gauge the value-for-money impacts LMPs were having with a relatively small amount of funding from the Departmental budget.
- Further analysis of Section 75 groups is required at LGA level and parliamentary constituency level by DfC to ensure people with disabilities, older and younger people and men and women in general are not disproportionately impacted and to protect the most vulnerable.
- As Departments issue budget consultations and accompanying EQIAs in the coming weeks, we recommend that Executive Departments meet, align activities and allocate budgets to minimize adverse impacts on people on the Section 75 categories that we have highlighted. EQIAs should inform decisions on where cash releasing savings could be realised in a way that limits the impact on the most vulnerable people.
- Budget allocations will need to be revisited during the financial year, particularly during the Monitoring Round process. The council's response in this consultation should be used to inform such reallocations. The EQIA will need to be re-visited during the financial year and updated to reflected emerging priorities/emerging issues and potential availability of reallocated funding.

	<ul style="list-style-type: none"> <li>- Assurances that DFC’s EQIA will be re-visited at least quarterly during the financial year and updated to reflected emerging priorities/emerging issues and potential availability of reallocated funding, given the depth and breadth of cuts.</li> </ul> <p>We also note that proposed budgetary cuts will have a detrimental impact on productivity performance. The Northern Ireland Productivity Dashboard 2022<sup>22</sup> shows that the region has the lowest productivity performance of any UK region (17% behind the UK average) and lags behind the Republic of Ireland (productivity is around 29% higher than the UK average). Employer-provided training is cited as an area where improvement is needed if productivity is to be raised. Our Employment Academies – operated through LMP - successfully addressed skills gaps with a high success rate of getting people into work.</p>
<p><b>NIHE</b> – goal is that everyone has access to decent, affordable housing and they do this by working with communities and other organisations to meet the housing needs of existing and future generations. A reduction to the NI Housing Executive budget will likely impact on their ability to deliver better homes and support people into independent living. Given the services they provide are to those most in need there are likely to be adverse impacts across the Section 75 groups.</p>	<p>Council would highlight that the recent “Housing Supply Strategy (HSS) Consultation” proposed the vision that ‘Every household has access to a good quality, affordable and sustainable home in a thriving and inclusive community that is appropriate for its needs’. Council supported this Vision, and a reduction to the NIHE budget will significantly impact on the Department’s previously agreed Vision on Housing Supply. Undoubtedly the reduction in the budget to the NIHE is going to impact some of the most vulnerable in our society – those experiencing homelessness and housing stress from some of the most deprived DEAs in our city.</p> <p>The Council is concerned that this reduction will impact on the ability of the Department to meet its Vision as set out in the HSS, and the City’s ambition as set out in the Belfast Agenda (the Community Plan for the City) which focuses on inclusive growth where no one is left behind. The Belfast Agenda is currently undergoing a statutory refresh, this includes a priority area of Housing Led Regeneration with the focus on increasing housing supply across all tenures, reducing social housing projections by increasing the provision of social homes through the Social Housing Development Programme and increasing the number of people living in the city centre across all tenures.</p>

<sup>22</sup> Economic Commentary, Spring 2023, Department for the Economy (Note these are seasonal figures)

	<p>Moreover, the budget reduction will impact on a number of BCC corporate strategies and strategic priorities for the Council, including the Belfast City Centre Regeneration and Investment Strategy, the Belfast Resilience Strategy, the Local Development Plan (LDP) Strategy, the Inclusive Growth Strategy.</p> <p>The Reset for Growth report published by the Belfast Innovation and Inclusive Growth Commission in 2021, identified a number of levers to assist in meeting the ambitions and targets of the Belfast Agenda. In respect of housing this included, “Key Proposition: Create sustainable, vibrant communities in the city centre, delivering 11,500 new homes by 2035. The Commission’s proposals to accelerate delivery include Council, Northern Ireland Housing Executive (NIHE) and Department for Communities (DfC) to establish a delivery vehicle to utilise public sector land and undertake land assembly to facilitate new low carbon housing at scale across the city centre”. The reduction in the budget available to the NIHE could impact progress in terms of the good work to date under the auspices of Community Planning and the Housing Led Regeneration Group on the mapping and identification of public land for housing regeneration and the NIHE’s ability to be able to further progress sites and placemaking opportunities in terms of feasibility, concepts phases to delivery. This was noted as a key priority in NIHE recent draft Corporate Plan to support Council through mapping exercises to identify housing potential.</p>
<p><b>Arts Council NI</b> – funding has decreased in real terms, by 30% over the last decade. Whilst funding has remained standstill since 2018-19, a combination of historic reductions and inflation has considerably decreased the spending power of local groups working within and for communities. Evidence also points to long-standing disparity in per capita investment in the arts here compared to other jurisdictions in the UK and in Ireland. Reduced funding will damage delivery by, and sustainability of, arts and cultural organisations based in and supporting communities across the region. Jobs are likely to be lost; groups and associated venues/ facilities may close; and support and services currently aligned to</p>	<p><b>Key Cultural Projects</b></p> <p>As a key part of the City Imagining Cultural Strategy, Belfast City Council invests over £3m into Cultural Multi Annual Grants (CMAG) for 48 arts and heritage organisations and festivals. The majority of CMAG clients also receive core funding from the Arts Council and therefore any reduction in ACNI funding could have an adverse impact on these organisations and the delivery of BCC’s Cultural Strategy.</p> <p>DfC provides match funding to the BCC Community Festivals Fund, a long-standing scheme established to support 15 community festivals in Belfast. Any reduction or removal of match funding for this scheme would have an adverse impact on the delivery of the fund and the community organisations it supports.</p> <p>Belfast City Council applies for and administers the Department for Communities’ Access and Inclusion Programme on behalf of Belfast based arts, culture (including leisure) or heritage organisations. This scheme aims to improve access to arts, culture and active recreation venues across NI for people with</p>

<p>departmental priorities on tackling poverty; enhancing wellbeing; inclusion, community wealth building and life opportunities will be curtailed or cease. Arts Council NI Funding Programmes are generally open and therefore a reduction in arts funding could have a negative impact across all Section 75 groups.</p>	<p>disabilities. Any reduction or removal of this programme would have an adverse impact on many venues and spaces in Belfast and impact our aims to ensure culture is available to all.</p>
<p><b>Libraries NI</b> focus on the delivery of services to the public is reflected in their use of financial resources with some 86% of all funding being expended directly on the provision of frontline services. In the absence of sustainable and stable funding it is inevitable that a reduction in the scale and scope of library provision will be necessary, and it will not be possible to continue to deliver the service in line with statutory obligations and the existing library policy and standards. It may lead to a reduction of libraries opening hours, potentially library closures and impact on services delivered by Libraries NI. Therefore, a reduction in funding impacting frontline staffing would have a negative impact on a number of Section 75 groups.</p>	<p>The Council would highlight the important role of libraries across city. They are valued local facilities which not only provide important intergenerational services, they also act as local hubs which bring people together, help address challenges around isolation and loneliness and providing ‘warm welcome spaces’ to help alleviate cost-of-living pressures and providing warm refuges for those experiencing fuel poverty.</p> <p>Libraries have also played an important role in supporting digital inclusion and enhancing digital literacy which plays an increasingly important role in connecting communities and services and building social capital. As the use and impact of new technology driven services increases and government agendas continue to maintain a focus on “digital first” the need to ensure community-based support, resources and access remains a priority. Access to ICT and related infrastructure, and to the skills necessary to make effective use of it, are essential prerequisites to success.</p>
<p><b>National Museums NI</b> develop, manage and care for the collections, making them accessible to the widest possible audience. As part of this National Museums NI provides a range of on-site and outreach activities to older people and those with mental health issues and physical disabilities. Therefore, a reduction in funding impacting frontline staffing would have a negative impact on a number of Section 75 groups.</p>	<p>National Museums NI is a core provider on the Culture, Tourism and Heritage Landscape. Playing an integral role in delivering exceptional experiences and providing signposting across the city and beyond delivering dispersal and extension of spend. They are a key partner in the support and development of Belfast Stories.</p> <p>As identified in their corporate plan they have a number of priorities that have cross cutting delivery against a number of Council’s strategies such as the Belfast Agenda, A City Imagining, Make Yourself at Home namely;</p> <ul style="list-style-type: none"> <li>• Social impact</li> <li>• Skills development</li> <li>• Access &amp; inclusion</li> </ul>



	<ul style="list-style-type: none"> <li>• Learning</li> <li>• Volunteering</li> <li>• Environmental Sustainability</li> <li>• Collections development, care &amp; management</li> <li>• Visitor experience</li> </ul> <p>National Museums NI undertook an economic and social impact study to measure the contribution of our museum service. It concluded that for every £1 invested in our museums that £3 economic contribution and £3 social contribution is generated.</p>
<p>The previous NI Executive committed to having an active, healthier and fitter society, which is delivered by <b>Sport NI</b> and Physical Activity Strategy for NI. This is a cross cutting strategy, contributing to the long-term health and wellbeing of the population.</p> <p>Sport NI grants, if stopped or reduced, will affect 3<sup>rd</sup> party organisations they support. They may not be able to deliver the policy objectives set by Sport NI to encourage participation in sport and physical activity in NI and their viability may also be at risk.</p>	<p>The Council would highlight the emerging refresh of the Belfast Agenda (City’s Community Plan), highlights the importance, and need to enhance physical activity within and across the city given its contribution to the long-term health and wellbeing of people. Participation in sports and physical activity help alleviate loneliness and isolation for vulnerable people including our aging population</p> <p>Thus, a reduction in funding to ALBs, specifically Sport NI, will limit Sport NI’s ability to support Councils to enhance physical activity and sports outcomes in line with our Community Plan. Lack of programme funding from Sport NI will also negatively impact participation opportunities for women and girls and people with a disability in Belfast.</p>
<p><b>Ulster Support Employment Limited (USEL)</b> – Operates a social enterprise business model and is NI’s largest provider of support for people with disabilities or health conditions to move into and sustain employment. Each year USEL employ, support and train over 1,200 people with disabilities or health conditions across NI. Funding reductions will adversely impact on the support USEL provides to people with disability and health conditions.</p>	<p>The proposal to reduce funding to USEL on the support it provides to people with disabilities and health conditions. USEL are one of our (C&amp;N Resources and Fleet) waste contract service providers so potentially this might impact upon their ability to deliver service continuity under the terms of their existing waste contracts with BCC.</p>
<p><b>Other</b> – Reductions in funding for Charities Commission NI, NI Commissioner for Children and</p>	

<p>Young People, and Commissioner for Older People NI may impact the statutory work they carry out and therefore adversely impact on Section 75 groups including children and young people and older people.</p>	
<p><b>Third Party Organisations;</b> Withdrawal of funding support by the Department to some third-party organisations may lead to viability issues or closure of the bodies. On this basis there may be impacts on Section 75 Groups.</p>	<p>The Council has significant concerns about the impact of the withdrawal of funding support by the Department to some third-party organisations. Many vital services delivered by the voluntary and community sectors are vital to the support given to communities across Belfast covering all Section 75 groupings. Withdrawal of DfC support would put many of these organisations at risk, leading to a direct withdrawal of vital services across our communities. The Council urges the Department to reconsider the withdrawal of funding to some third-party organisations.</p>
<p>The <b>Rates Support Grant</b> provides financial support, on an annual basis, to those councils whose needs exceed their wealth relative to other councils in NI. The Rates Support Grant is a statutory grant; however, the level of funding is not set in legislation. The Rates Support Grant was reduced by £3m in 2022- 23, and a further reduction of £4m has been proposed for 2023-24 and the decision to implement was screened out for Section 75 Equality purposes as no adverse impacts were identified.</p>	
<p><b>The Supporting People</b> programme is the policy and funding framework for housing support services. The Programme assists 19,000 vulnerable people each year to live independently and is focused on four thematic areas; working with people who are experiencing homelessness, young people, older people and people with a disability including mental health and learning disabilities. A report in 2020 identified significant shortfalls in supply of housing support particularly for the following groups:</p>	<p>The Council would be concerned about any proposed reduction in the ‘Supporting People Programme’ given its focus on supporting vulnerable people (particularly those experiencing homelessness, young people, older people, and people with a disability including mental health and learning disabilities) to live independently. As referred to in the consultation document, any reduction in funding will directly and disproportionately impact on a number of Section 75 groups. The Council would also highlight the possible disproportionate impact on vulnerable people across Belfast based on the current level of need and support provided in the city.</p>

<ul style="list-style-type: none"> <li>• Older people with housing support needs (service shortfall of 9% or c. 920 units).</li> <li>• Women who are at risk of domestic violence (service shortfall of 49% or c.650 units).</li> <li>• People with learning disability or mental health issues (service shortfall of 15-21% or c.540 units).</li> <li>• Homeless people experiencing alcohol or drug issues, homeless families, offenders and other homeless people (service shortfall of 12-24% or c. 540 units).</li> </ul> <p>Therefore, a number of Section 75 groups including older people and people with a disability including mental health and learning disabilities may be disproportionately impacted by a reduction in funding.</p>	
<p><b>Capital</b> The Department’s Net Capital budget has decreased by £8.7m when compared to the 2022-23 Net Capital allocation of £224.8m. This allocation will allow the Department to continue to meet its statutory and contractual obligations, however only a small portion of the budget will be left to allocate funding to other priority investment projects, with potential for impacts on Section 75 groups.</p>	<p>Council is concerned at the decrease in the Department Net Capital budget given the priority investment projects which haven’t come forward in Belfast in recent years. Council is concerned that the current in year capital financing is prohibiting the growth of the city and indeed the region. Council is keen to explore with the Department and other Executive departments, innovative approaches to funding capital projects, including seeking external funding streams and the potential to develop an Investment Fund that could attract in-year funding to deliver longer term strategic priorities, there are a number of city-wide projects that would benefit from a more strategic and stable approach to funding.</p> <p>Council would highlight the public consultation on A Bolder Vision and the requirement to provide fully accessible &amp; prioritised investment to Belfast city centre to enable inclusive growth and investment, and to reduce severance to communities and the wider city. The main impacts will be accessibility issues to the city centre, which will in turn impact on investment for jobs, inclusive growth, and a continuation of the current severance issues to opportunities within the city centre.</p>

The Council's Physical Programme spans 200 physical projects which deliver against the Belfast Agenda under a range of themes including economy, health and wellbeing and environmental outcomes for people across the city. DfC is a key partner of the Council in terms of physical investment and is currently working in partnership with the Council to deliver major capital projects such as Marrowbone Millennium Park and Forth Meadow Community Greenway. The Council and DfC also work in partnership with project recipients to improve their own assets and service offering within communities via the voluntary and community sector such as VOYPIC, Include Youth, Cancer Lifeline, Grace Family Centre and, TAGIT Boxing Club. This DfC contribution to partner projects represents £13m over the last five years, which has been more than matched by Council investment.

The reduction in the DfC contribution available for 'priority investment projects' will have an impact on the Council's Physical Programme and on Section 75 groups. The report states that 'The Department will seek to ensure that any available Capital funding made available during the year is allocated to Social Housing, as was the intention of the previous Executive.' This represents a risk to the Council and other groups where there was an anticipation of capital support from DfC towards physical projects at appraisal stage. This includes projects in the Physical Programme that are at developmental stage which will impact Section 75 groups including Girdwood Indoor Sports Facility, Access to Hills Cavehill to Black Mountain, Colin Greenway, Sydenham Greenway, Glencairn/Ligoniel Greenway, Lagan Gateway Phase 2, Basement Youth Club, Glencairn Community Hub, Lanyon Tunnels.

The withdrawal of funding support to third party organisations or reductions in support may impact on the business cases of a number of physical projects including those at Stage 2 development stage of the Council's £10m Neighbourhood Regeneration Fund. The allocations of this fund are based on a combination of multiple deprivation measures and population size. Risks to the revenue funding model of these organisations has potential to impact on Section 75 groups.

The Council will continue to engage on any potential capital opportunities, and in the meantime, we will seek an assurance from DfC that we will continue to collaborate on projects that achieve maximum impact and have a transformational impact on lives.

<p><b>Social Housing</b> is a priority for the Department, but the 2023-24 net capital allocations will have a significant detrimental effect on the numbers of new social homes that can be built through the Social Housing Development Programme in 2023-24. This Programme is the means to counter increasing waiting lists, which are currently at record levels. The target for 2023-24 is 2,000 starts. The previous Executive agreed to prioritise Green Growth and Social Housing with any surplus Capital DEL which emerges.</p> <p>In the scenario that the split of the capital allocations across the different sectors supported by the Department is in similar proportion to 2022-23, then a high-level estimate of the numbers of New Social Housing which could be delivered with 80% of the total Departmental budget, is 1,400. This represents a 600-unit reduction against the current target of 2,000 units.</p>	<p>As above within response to reduced budget to NIHE – particularly around targets and ambition set out within the Belfast Agenda priority area of Housing Led Regeneration – 600-unit reduction against target of 2,000 will impact on BA targets and Council’s Local Development Plan.</p> <p>Impact on those already in housing crisis and housing stress will be exacerbated given that the investment in housing stock has the potential to address several economic and social problems. The Council believes that housing led regeneration policy contributes to reversing the physical, social, and economic decline of neighbourhoods, towns, and city centres. The delivery of homes offers significant opportunities to help achieve balanced communities through well-linked, accessible, inclusive, mixed-tenure neighbourhoods.</p> <p>Council recognise that there is a need for a broader range of affordable housing products available and note the on-going work in relation to the development of an affordable rent policy and model for NI and to explore the scope for private sector leasing.</p> <p>There are currently over 11,000 people on the social housing waiting list in Belfast, which represents over 27% of the Regional social housing demand. However, the Housing Growth Indicators (HGIs), which are published by the Department for Infrastructure (Dfi) to provide a starting point for planning for future housing growth, suggest only 8.7% of new housing should be within Belfast. The Council has therefore undertaken its own work to inform the LDP and have proposed a far more ambitious target of 31,600 new homes to 2035. This again highlights the need for a joined-up policy environment across different Departments of Regional Government, as well as broad alignment at local level. The Council would advocate for the prioritisation of the Social Housing Development Programme within Belfast to assist in addressing housing waiting lists, and to address the homeless demographic given the increasing level of unmet need (March 21 4.8% of Belfast households were recognised as Full Duty Applicant Homeless)</p> <p>Council would highlight the recommendations within the Innovation and Inclusive Growth, Reset for Growth Report which articulated levers currently absent which would assist in housing delivery at scale. Particularly around the need for structural models to support public-private collaboration and Housing Investment Funds.</p>
---	--

<p>Any reduction in budget for the current <b>Affordable Warmth Scheme</b>, which runs until March 2024, could mean consideration may need to be given to closing the Scheme to new applicants in the current year. This could potentially impact Section 75 groups, in particular vulnerable, low-income households who are most at risk of fuel poverty.</p>	<p>On 1st June 2023 BCC received confirmation that the targeting will be removed from the Affordable Warmth Scheme (AWS) and councils will cease their involvement from 1st September. The Northern Ireland Housing Executive (NIHE) will take over as the single scheme operator.</p> <p>The AWS will become application based and NIHE are working on the transition arrangements. It is important that these include eligible residents who are currently on expression of interest lists held by the Council.</p> <p>The comments below are in relation to the AWS as current carried out and reflecting on these new arrangements.</p> <ul style="list-style-type: none"> <li>• AW has been a success in Belfast and provides the whole house approach providing fully funded support to the most vulnerable within Belfast. Funding has always been an issue and has never been enough to carry out the measures of the demands within Belfast.</li> <li>• Belfast City Council has a list of vulnerable, eligible households that we have unable to take forward due to the demand of high priority cases within Belfast. NIHE will need to determine how they are included in the application-based scheme.</li> <li>• Funding should be targeted at the most vulnerable using the priority criteria and DfC have confirmed that they will continue the ‘worst first’ approach which is welcomed.</li> <li>• Belfast have previously asked the DfC to increase the number of referrals to address the high and medium priority cases presented to Belfast, however this appears to be difficult due to the equal split across all Councils.</li> <li>• Councils have undertaken significant work in supporting vulnerable residents through the scheme, and it is important that this is maintained in the new application-based approach.</li> </ul> <p>Lack of funding in other energy efficiency schemes restricts the onward referrals which have been very beneficial to support the most vulnerable within Belfast. It remains to be confirmed if NIHE will continue these onward referrals.</p>
<p>Most of the <b>Private Sector Grants and Major Adaptations</b> budget is in relation to statutory Disabled Facility and Repairs grants. The reduced budget in year could necessitate the need for an</p>	

<p>immediate reduction in the number of grant approvals in order to reduce financial commitments. This means that future statutory requirements may not be met in full. This would have a disproportionate impact on Section 75 groups, in particular those with a disability and low-income households.</p>	
<p>The <b>Urban Regeneration programme</b> contributes to the previous Executive's commitment to create town and city centres in which people want to live, shop, work, or visit. At the core of the Department's investment in public realm, and other regeneration projects, is the desire to create public spaces that are accessible to all. Stopping this investment would have an adverse impact on people with disabilities and older people. Urban regeneration also encourages the economic improvement of the retail and hospitality sectors. These are often predominant in town and city centres and employ a younger workforce. Stopping investment in these projects could therefore also have a disproportionate impact on younger people.</p>	<p>Council would highlight their detailed response to the High Street Task Force Call for Evidence in 2021. We highlighted a number of key considerations which we wanted to be taken into account as part of this and called for an implementation plan aligned to its findings to address the significant pressures experienced in our regional and local centres. We would take this opportunity to highlight again in light of the Department's consultation on the budget EQIA:</p> <ul style="list-style-type: none"> <li>• <b>Funding</b> – a need for future funding mechanisms, influence on policy direction, legislative change and funding prioritisation to address and overcome the significant issues that are impacting our town and city centres. In our view the recommendations of the High Street Taskforce should be costed by DfC and presented as priorities in multi-annual budgeting processes across departments. We would highlight the scale of commitment demonstrated through the £820 million 'Future High Streets Fund' and the £1.6 billion 'Stronger Towns Fund' put in place to support the high streets of over 200 towns within England, via councils. Similar investment programmes of scale, centrally funded, have been brought forward in Wales and Scotland. A similar level of investment or commitment is currently absent in Northern Ireland and consideration needs to be urgently given to a dedicated fund of scale to enable emerging investment plans to be developed in accordance with local community planning, development planning and growth planning priorities for Belfast. This could potentially bring together multi departmental, council, and other sources of funding into an aggregate multi-annual fund. Such a fund could be allocated and administered through councils and subject to all partners (including government departments) working to deliver an agreed solutions / action plans.</li> <li>• <b>Cities, Towns and Villages</b> – We believe strongly that towns, villages, and city centres should be places where people want to live, work, shop and visit and understand that there needs to be a balance across the Region in terms of investment in these. This is true for cities too. Belfast is everyone's main city and its important it plays its role as a centre for commerce,</li> </ul>

culture, tourist attractions, recreation, entertainment, learning and employment. Its core centre area needs to be reimagined entirely to ensure it can continue to perform these important roles for all areas to derive benefit. This will take investment. If Belfast is not supported to thrive then NI will collectively lose out on FDI, tourist spend, small business cluster development, cultural vibrancy etc and we will continue to lose our young people to cities which provide a much more attractive mix in other jurisdictions. This is not simply a matter of saying Belfast is big enough and so will survive. Without investment any growth will be sub-optimal for all of the people across the island and we will continue to suffer from low productivity levels and higher rates of economic inactivity and poverty. The Council seeks for the Department to work with it, to set out the role of Belfast and consider the support needed to strengthen its role in positioning the region for investment and innovation. Belfast City Council, alongside partners, has carried out extensive work, through the Belfast City Centre Regeneration & Investment Strategy, BRCD Programme, Belfast Innovation City, the Renewed Ambition public private partnership, our Future City Centre Programme, Cultural and Tourism Strategies and work to support arterial routes/neighbourhood centres. These all provide a strong platform to support the diversification of the High Street while still ensuring support for our retail and business population. These programmes and policies are supported through extensive research and best practice and require strong leadership and commitment across all our public and private sector partners and the NI Executive particularly in terms of policy, legislation, and financing.

- There is a need for place-based leadership across NI which brings together key partners, interests, and stakeholders with a focus on high streets and significantly better coordination between central and local government, together with a recognition that local government can be best placed to deliver and support local interventions.
- **Long Term and Holistic Placemaking Approach** – a long-term and sustained approach is required. The interim support measures brought forward by the Executive, including furlough, rates relief and Revitalisation Funding helped to stabilise our city/town centres during a period of significant stress. However, we feel that it is critically important now to bring forward a holistic approach to diversifying and strengthening our High Streets, supported under the Programme for Government/Executive Recovery Plan and our collective key strategies and policies and adequately funded, to ensure our city centre and high streets are supported to thrive and most importantly survive.



Capital projects in **Culture, Arts and Heritage, Sports and Green growth** will either be significantly curtailed or stopped completely. The previous Executive had agreed to prioritise Green Growth and Social Housing with any surplus Capital DEL which emerges. Without additional funding this is likely to have a negative impact across Section 75 Groups.