



Llywodraeth Cymru
Welsh Government

A More Equal Wales

Commencing the
Socio-Economic Duty

Factsheet

Factsheet

Welsh Government has published guidance to support relevant public bodies in preparing for the duty, this paper should be considered alongside the guidance (<https://gov.wales/socio-economic-duty>).

BACKGROUND AND POLICY INTENT

The UK's exit from the European Union continues to bring immense uncertainty, particularly in relation to equality and human rights. Covid-19 will most certainly impact on the lives of those who already experience inequalities for example, people living in poverty and on low incomes, women, racial and ethnic minorities, children, single parents, and disabled people.

The Welsh Government plans to commence the Socio-economic Duty ("the duty"). In summary, the statutory requirement of the duty places a legal responsibility on relevant bodies when they are taking strategic decisions to have due regard to the need to reduce the inequalities of outcome resulting from socio-economic disadvantage.

The duty will be a key mechanism in supporting the most vulnerable in our society and something which will be extremely important when we recover from the current crisis.

REQUIREMENTS OF THE DUTY

The duty requires specified public bodies, when making strategic decisions such as deciding priorities and setting objectives, to consider how their decisions might help reduce the inequalities associated with socio-economic disadvantage.

The duty does not require public bodies to consider how to reduce inequalities experienced by a person as a result of being a person subject to immigration control¹.

In general, strategic decisions will be those which affect how the relevant public body fulfils its intended statutory purpose (its functions in regards to the set of powers and duties that it uses to perform its remit) over a significant period of time and will not include routine 'day to day' decisions. Page 6 of the guidance (<https://gov.wales/socio-economic-duty>) provides examples of strategic decisions relevant to public bodies.

¹ Within the meaning given by section 115(9) of the Immigration and Asylum Act 1999.

Involving communities in decision-making is key to getting decisions right and making sure they achieve positive outcomes.

Relevant public bodies need to consider how their strategic decisions can improve inequality of outcome for people who suffer socio-economic disadvantage.



THE OVERALL AIM OF THE DUTY

The overall aim of the duty is to deliver better outcomes for those who experience socio-economic disadvantage. The Socio-economic Duty will support this through ensuring that those taking strategic decisions:

- Take account of evidence and potential impact.
- Through consultation and engagement, understand the views and needs of those impacted by the decision, particularly those who suffer socio-economic disadvantage.
- Welcome challenge and scrutiny.
- Drive a change in the way that decisions are made and the way that decision makers operate.

BODIES THAT ARE EXPECTED TO BE COVERED BY THE DUTY

The following Welsh public bodies are expected to be subject the duty, as they are deemed to meet the test set out in section 2(6) of the Equality Act 2010:

- **the Welsh Ministers**
- **a local authority**
- **a local health board**
- **an NHS trust**
- **special health authorities (operating on a Wales-only basis)**
- **a fire and rescue authority**
- **a National Park authority**
- **the Welsh Revenue Authority.**

A confirmed list of relevant public bodies will be published in the Regulations and corresponding statutory guidance (<https://gov.wales/socio-economic-duty>), to be issued alongside commencement of the duty.

EVIDENCING COMPLIANCE WITH THE DUTY

Although there is no reporting requirement associated with the duty, it is for relevant bodies to evidence how they are meeting the statutory requirement. It is recommended that relevant public bodies should evidence a clear audit trail for all decisions made under the 2010 Act, using existing processes, such as impact assessment processes and systems for engagement. Examples of how a public body may demonstrate due regard is contained within page 7 of the guidance (<https://gov.wales/socio-economic-duty>).

PUBLIC BODIES NOT LISTED WITHIN THE REGULATIONS

A key theme arising from the consultation A More Equal Wales – Commencing the Socio-economic Duty², was for all public bodies, including those who are not listed within the Regulations, to act in the spirit of the duty. Therefore, whilst only those public bodies specified in the regulations will be under a statutory duty to comply with it and take account of any guidance issued, we would encourage all other public bodies to consider the resources made available to support them in their decision-making. This includes the guidance (<https://gov.wales/socio-economic-duty>) which has already been issued, to help prepare relevant public bodies for the commencement of the duty.

COMMENCEMENT

Although the Deputy Minister and Chief Whip indicated that the duty was to be commenced on the 29 September, the Welsh Government has reprioritised its business to reflect the unprecedented nature of the Coronavirus (COVID 19) crisis. The duty will now come into force on the 31 March 2021.

To support relevant public bodies in preparing for the future commencement of the duty, the Welsh Government published non-statutory guidance (<https://gov.wales/socio-economic-duty>) on the 1st April. The guidance was developed taking careful account of the feedback received through consultation and the engagement events held across Wales. It has been co-produced with representatives of the bodies expected to be captured by the duty, the TUC, the Welsh Local Government Association and the Equality and Human Rights Commission.

The Welsh Government will develop statutory guidance to coincide with the commencement of the duty.

² <https://gov.wales/sites/default/files/consultations/2019-11/a-more-equal-wales-commencing-the-socio-economic-duty.pdf>