

Appendix 12

Service and financial planning 2012/13 to 2014/15 – Equality impact assessment

Overview

This report clearly identifies how we intend to spend our money and gather income for the whole council on an annual basis. The service and financial planning report aims to show this and provide a clear pathway for future financial management.

The council is facing a challenging time;

- Grant funding and income from central government is reducing
- Many services are in greater demand than previous years due to the country's economic position

The reduction in income means that over a 3 year period we have a projected budget shortfall of approximately £40 million.

The report outlines recommended savings and potential income generating actions including increases to council tax.

Background

The Council's Service & Financial Planning strategy for the period 2011/12-2013/14 was approved by full Council on 3 March 2011.

This strategy was set in the light of the most challenging Government grant settlement ever received by the Council. Whilst the average reduction for Government Departments over the 4 year CSR period is 8.3%, the average reduction for local government over this period is 27%, more than three times as much.

Following the use of one-off resources in 2011/12, the Council has limited remaining one-off resources available and needs to identify ongoing savings in order to achieve a sustainable balanced budget over the medium term.

Savings

This report demonstrates that a great deal of progress has been made in identifying options for making ongoing savings, limiting the impact on front-line services as far as possible.

Although more work needs to be done and more savings options need to be identified, the Council has never before identified such a significant savings package spanning the medium term

The intention of this impact analysis is to look at;

- The council tax question
- Overall cumulative impact of the saving proposals

It is **NOT** to look at the individual savings proposals. Appendix 3A of the 'Service and Financial Planning 2012/13 to 2014/15' considered by Cabinet in December

2011 shows how we have looked at individual savings proposals. Available on the Telford & Wrekin Council website -

<http://apps.telford.gov.uk/demservice/DisplayDocument.asp?type=pdf&ref=14080>

Priorities and Principles

Through consultation with local people a series of key outcomes for the Borough have been produced:

- A growing local economy to create jobs
- Improved 'life-chances' for all
- Vulnerable children and adults are protected
- Clean and well maintained neighbourhoods and streets
- Residents feeling safe and proud of where they live
- Housing choices to meet the needs of all

These have helped derive the 10 Guiding principles on which the savings proposals are based;

- Deliver the right services based on the needs of our local people
- Be open and transparent in how resources are spent across the Borough, but spend money on issues and areas where needs are greatest
- Involve residents as widely as possible in our budget decisions and new ways of delivering services
- Find better ways to run services and avoid wasting money
- Reduce reliance on borrowing to reduce debt repayment costs
- Seek to minimise the level of Council Tax increase, balanced against growing demands for Council services and protecting them from cuts
- Look for external investment e.g. Government grants, to address priorities
- Set aside some additional money to deal with any unforeseen circumstances caused by the current economic situation
- Act responsibly within a severely restricted budget; balancing decisions to use Council money with the need to protect essential services
- Sell some of the Council's land and property to reduce borrowing, cut running costs, and - where there is a strong business case - to fund priority facilities and schemes

A brief table shows the summary elements of the overall financial plan for the next three years,

Projected Budget Gap	12/13 £m	13/14 £m	14/15 £m
Base Budget gap See Appendix 2	21.847	31.635	34.306
Savings proposals including additional income – see Appendix 5 (net)	-8.899	-17.067	-21.151
Savings from staff restructure (net)	-8.158	-8.483	-8.483
Single status provision – cease funding for 12/13 and 13/14, net of costs.	-2.000	-2.400	-0.500
Total Projected Budget Shortfall before use of balances and Council Tax increases	2.790	3.685	4.172
Council tax increase of 2.5% in 2012/13 and similar increases in later years	-1.400	-2.800	-4.200
Restated shortfall before use of general balances	1.390	0.885	-0.028

Table 1 – Projected budget gap 2012/13 – 2014/15

Whilst we have identified some proposals for future savings from 13/14 onwards these are subject to considerable change. We have therefore taken the decision to focus our attention on the year 2012/13 initially.

Impact analysis will be conducted for each year when the service and financial planning report for those years is prepared, in this way we will take the changing financial climate into account and allow for the introduction and removal of savings proposals.

There are a number of reasons for this including;

- Uncertainty over future years central government settlement and financial modelling
- Known gaps in budgets which indicate further detailed proposals are required to meet the targets set; the summary table above illustrates the gaps as they are currently identified.

Restructuring

To fully understand the position of the council we must also remember that a wide scale restructure, re-organisation of management and portfolios structure into more flexible and proactive service delivery units has taken place.

This will develop savings of approximately £9 million in 2012/13.

These structural changes are yet to finish and impacts on service and employees are analysed as appropriate during individual service restructures.

Impact Assessments of restructures have occurred and consultations have been carried out with interested parties, service users, and employees to assess the impact of the changes.

Single Status

Single Status is a pay equalisation exercise that the council is required to complete in order to reduce the gender pay gap and demonstrate that the principle of equal pay for equal work is being applied.

This is a difficult exercise at the best of times but whilst restructuring is occurring with rapidly changing roles and responsibilities this is a very complex task. Other exercises that have taken place in other authorities have shown that, whilst this is intended to have a neutral impact on the overall salary bill, there can sometimes be a significant cost. For a number of years the council has put aside provision and kept it in a reserve to cover this cost. With a firm understanding of the target completion date it has been decided that the reserves are sufficient to cover the potential costs and as such no further contribution to this reserve is to be made.

This does not reduce the amount in reserve and therefore protects the ability to reduce the gender pay gap as does the retention of an ongoing allowance for any additional costs arising from the eventual settlement which is still retained on the budget from 2014/15 onwards albeit at a reduced amount to reflect early action to move away from fixed point grades and the reduction on the workforce by around 20% through the organisational restructure process.

Council Tax

The Council has the power to alter the level of council tax.

The government have offered a one off grant for one year which is the equivalent of a 2.5% increase in council tax, £1.4 million.

In order to be open and transparent and allow residents to actively participate in decision making a number of options have been laid out that explain the possible scenarios that could take place with council tax and consequently the potential impact on a household;

Option 1 -Take the one-off Government grant of £1.4m and freeze Council Tax for 2012/13 only. This will mean in 2013/14 Council Tax will either need to rise by around 82p per week (5%) for the average home or we will have to make further front-line service cuts.

Option 2 - Decline the one-off grant and increase Council Tax levels in 2012/13 by 41p per week (2.5%) for the average home. This will help us avoid additional service cuts or a higher tax rise in 2013/14.

Option 3 - Decline the one-off grant and increase Council Tax in 2012/13 by 58p per week (3.5%) and then either remove some of the proposed service cuts or reduce any Council tax rise in 2013/14.

This policy affects everyone within the borough including residents, visitors and businesses.

Following consultation with the community, the Cabinet will recommend to Council that a 2.5% increase be applied to Council Tax based on consultation responses and equality business case. This recommendation is based on the need to sustain the budget in the medium term and reduce the shock and costs associated with a large council tax rise and therefore protect vulnerable members of society.

The policy changes shown in this report will be implemented between April 2012 and March 2015.

It is a report completed annually with monitoring reports throughout and as stated previously we have only looked in depth at this year because there are expected to be a number of proposals that will be put forward throughout the year. This is an attempt to avoid duplication of effort.

Name of person completing impact assessment and their post	Richard Taylor-Murison, Equalities Officer
Telephone	01952 382104
Date started	22 nd December 2011
Other officers/Stakeholders involved	Ken Clarke, Head of Finance; Andy Challenor, Community Engagement and Equalities Manager.

Section 2 – Impact Assessment

Positive and negative impacts are assessed with regard to the General Equality Duty;

- eliminate unlawful discrimination, harassment and victimisation
- advance equality of opportunity
- foster good relations between different groups

	Potential Impact after Section 3 actions			Potential Impact before section 3 actions		
	Positive	Negative	None	Positive	Negative	None
People of different ages	X			X	X	
People with ill health or people with a disability	X			X	X	
People of different gender			X			X
People who are transgender	X			X		
Different racial groups	X			X	X	
People with different religion or beliefs			X			X
People of different sexual orientation	X			X		
Women who are pregnant or breast-feeding			X			X
People that are married or in a civil partnership			X			X
People affected by deprivation	X			X	X	

Further explanation of these impacts is shown below;

Positive

There are positive impacts expected for

- People of different ages – younger and older people
- People with ill health or people with a disability
- People who are transgender
- Different racial groups
- People of different sexual orientation
- People affected by deprivation

People who share these characteristics will benefit from more focussed services responsive to the direct individual needs. Changes in the overall emphasis of services such as Adult Social Care and Children and Family Service to have a

greater role with regard to intensive re-ablement and early intervention, respectively, are direct responses to budgetary pressures.

It is more effective and offers a fairer service to residents if we take a proactive approach to meet these needs at the earliest possible opportunity. The range of savings that have been put forward for this budget are to best meet these objectives and ultimately seek to reduce these inequalities.

National information, such as 'An anatomy of Economic Inequality in the UK' and local information is available to demonstrate that people who share elements of these protected characteristics are particularly vulnerable.

http://www.telford.gov.uk/info/200041/equality_and_diversity/1372/equality_information/1

Our consultation questionnaires also asked for profile information that hasn't previously been done on a large scale. This will allow us to gather a more robust evidence base and ensure fairer representation of views within a decision making framework.

Negative

However there is potential for negative impacts for a number of groups who share protected characteristics;

- People of different ages
- People with ill health or people with a disability
- Different racial groups
- People affected by deprivation

People who share these protected characteristics are our primary services users, any reduction in the available budget for services that cater to these groups of people has potential to have a negative impact.

The council is limited in its ability to increase its income from service delivery, such as raising charges for leisure services, and therefore efficiencies and potential service reductions have to be sought. The Council Tax options will also increase income to a varying degree.

No impact

There is insufficient information to identify a disproportionate positive or negative impact for these protected characteristics.

- Women who are pregnant or breast-feeding
- People that are married or in a civil partnership
- People with different religion or beliefs

Development of monitoring techniques for future exercises will enhance our understanding of the needs of people who have these protected characteristics.

There was no evidence of a disproportionate impact on people of different gender.

Engagement and consultation

A great deal of engagement consultation has occurred both directly and indirectly with the public, service users and partners including other public sector organisation, businesses and the voluntary sector.

The consultation began with views being sought for the 100 day budget review – using surveys (paper and online), action surveys and direct consultation. The results and outcome of this borough are shown in this report

<http://apps.telford.gov.uk/demservice/DisplayDocument.asp?type=pdf&ref=13665>

This information has helped to develop the 10 Guiding principles;

- To develop spending plans that are based on and address the community's needs and priorities;
- Be open and transparent in how resources are spent across the Borough, but target spend at issues and areas where needs are greatest;
- As a Co-operative Council, work with our community to identify creative new ways of delivering services and ensuring that needs in the Borough continue to be addressed;
- Seeking to minimise the level of Council Tax increase, balanced against growing demands for Council services and protecting services from cuts (NB. This budget review is not considering levels of Council Tax in 2011/12 or beyond);
- Deliver efficiencies and savings, as far as possible minimising the impact on the quality of services, particularly through improving our approach to procuring goods and services;
- Look for external investment e.g. Government grants, to address priorities;
- Set aside some additional money to deal with any unforeseen circumstances caused by the current economic situation;
- Taking a responsible approach to the use of Council reserves that balances the need for financial prudence and sustainability with the need to maintain and protect important frontline services;
- Where possible cut the Council's reliance on borrowing for some capital schemes so that expenditure on debt repayments can be reduced;
- Sell some of the Council's land and property to reduce borrowing, cut running costs, and – where there is a strong business case – to fund priority facilities and schemes.

There have also been specific activities relating to individual savings proposals and these are shown with the appropriate equality analysis. These are contained within Appendix 12 of the report and include;

- Low level preventative service
- Review charging policy – disability related care costs

- Supporting people
- Development of home care package
- Review transport mobility arrangements
- Apply cap to costs of care packages
- Personalised model
- Bulk collections
- Increased recycling
- Clinical waste
- Rationalise the CRC
- Replacement of some lit signs and bollards
- Street Lighting – Energy Efficiency Programme
- Concessions Policy
- 10% increase in court costs

A more extensive campaign was commenced on the 23 December 2011 and ended on the 31 January 2012. It has utilised informing and consultation sessions with a range of consultative forums such as the Community Panel, Telford Business Board, paper and online surveys, tailored interest presentations and a large public event, which attracted over 70 people to a presentation and series of participative activities.

The council tax question and options were distributed with the borough magazine to every home in the area, Your Voice, where a short tear off freepost response form could be completed.

Responses to the consultation have largely been positive with occasionally specific feedback and comments suggesting alternative or additional savings have been received. A summary of comments was made available online weekly. Where appropriate these are feed into the Service Delivery Unit most relevant to the comment.

2 complaints regarding monitoring questions have been made and responded to but significantly a large number, over 1300, of monitoring responses have also been received. It is evident that a clearer explanation of the advantage of knowing the need of our customers is required combined with a more consistent approach towards usage.

Approximately 2450 responses were received from;

- Paper Survey
- Online Survey
- Council tax Cut from Your Voice'
- Comments, Suggestions and Ideas

A further 381 people have been visited through forum meetings and events.

Further targeted engagement has been conducted aimed at specific groups based on monitoring information that has indicated a deficit of responses compared to the profile of the borough.

A more detailed final profile of responses has been compared against population projections derived from the Census 2001 population profiles
http://www.telford.gov.uk/info/200041/equality_and_diversity/1372/equality_information/2

The cabinet report of final recommendations is to be considered 23rd February 2012 and full Council 1st March 2012.

No further consultation regarding the overall proposal package is planned for this year.

Specific proposals will be subject to further consultation and engagement, for example the supporting people personalisation project. As more information is collected and analysed from services this will adapt our approach and allow for fine tuning of proposals.

The service and financial planning process is continuous and due to the scale of potential impacts we are constantly looking at the cumulative effects of these changes. Performance and impact information will be made available through our internet site, www.telford.gov.uk, which illustrates our impact.

The effectiveness of this campaign and the techniques used will be analysed to inform the annual budget setting process. An evaluation report to the senior management of the council will be created and published later in the year.

Section 3 – Mitigating Actions

A number of actions have been identified that will be used to mitigate or enhance significant impacts;

Negative

People of different ages

Reconfiguration of Children and Families services have focused on early intervention and holistic approaches to improve outcomes and in doing so their cost efficiency. Particular attention is to be paid to the review and monitoring of these changes to provide assurance of the positive outcomes. Contingencies are held for specific services such as Sensory Impairment, so that corrections can be made without putting pressure on other service budgets

Changes to Adult Social Care (ASC) services will focus on re-ablement; improving outcomes for service users ensuring independence and greater freedom in how services are delivered to them. A great deal of proposals feature ASC but this is appropriate given the proportion of our funding spent on it. Due to the sensitivity of the changes, recommendations have been made to conduct specific impact analysis and engagement regarding a number of proposals (shown in the report, Appendix 12).

Different racial groups

Tools have been developed and are constantly being updated and improved to provide greater racial and national cultural awareness. Confidence and knowledge

will lead to greater competency at understanding and establishing individual needs as well as those of the diverse communities within Telford and Wrekin.

A growing diversity of communities will present challenges to services but with a more fine-grained approach to information gathering we will be able to identify emerging trends and respond appropriately. This will impact largely through our social care services but a council-wide improvement will be seen. Information will be updated on a regular basis through the internet.

People affected by deprivation

Specific focus is being provided to areas of identified deprivation from multiple index of deprivation. A pilot of co-operative working, including communities, statutory and voluntary sector organisations, is in operation and monitored regularly. A cabinet report 26th January 2012 demonstrates the impact and shows future projects and programmes are in development

<http://apps.telford.gov.uk/demservice/DisplayDocument.asp?type=pdf&ref=14151>

No impact

During this process it has become evident that we could benefit from improved information regarding a number of protected characteristics for example sexual orientation and that our profile information may not accurately represent the community because it is based on information stretching back to Census 2001. These three protected characteristics have been identified as having insufficient information to know what the impact of our decision would be;

- People with different religion or beliefs
- Women who are pregnant or breast-feeding
- People that are married or in a civil partnership

Development of a consistent approach and clear rationale for extension of monitoring categories to be used where relevant within consultation will help us to have a clearer picture of the needs of these groups of people. Relevance is a key factor when determining categories used however given the importance and potential affects of the budgetary proposals a full profile would be most appropriate.

The financial report and savings proposals contribute to the aims of the General Equality Duty;

- eliminate unlawful discrimination, harassment and victimisation
- advance equality of opportunity
- foster good relations between different groups

Overall the proposals will help us meet the General Duty by drive forward equality of opportunity.

They require us to work in a more targeted and efficient manner for the more vulnerable members of our communities. This will be evidenced through performance information and overall analysis of the population. We will expect to see reductions of inequality between groups and improvement in the overall standard of living. It may be a relatively slow process, and certainly slower than

desired, because these inequalities are largely based on generational differences. However, early indicators collected across council services should demonstrate positive and sustainable trends

The acceptance of the government grant or level of council tax will determine what future changes will be required. The likelihood of additional real term reductions in service rather than further improvement in efficiency and refocusing of resources is higher if the level of council tax does not rise over this period. This may affect the ability of the council to further advance the aims of the General Duty.

Section 4 – Review and Monitoring

It is intended that the majority of proposals will begin implementation from April 2012.

The on-going impact of the financial report will be monitored and reviewed, below is a summary of the proposed actions and key dates

This is a summary of the key dates and decision making meetings for this report and savings proposals;

- 31st January 2012 - Completion of phased engagement.
- 23rd February 2012 – Report considered by Cabinet
- 1st March 2012 – Report to full Council

Information is published on the internet for each stage and a summary is available in the councils forward plan document - http://www.telford.gov.uk/info/200033/councillors_democracy_and_elections/1158/forward_plan

A series of monitoring reports will run throughout the year following appropriate financial control practice;

A report with an evaluation of the consultation and assessment process will be produced for Senior Management Team to consider and published later in the year – **May 2012**

It is evident that a clearer explanation of the advantage of knowing the profile, and therefore needs of our customers, is required, combined with a more consistent approach towards usage. Clear monitoring and usage guidance to be developed – **May 2012**

Individual impact analysis to be conducted on all future savings proposals using the process outlined in the report, to occur as they are planned and developed. - **Up to March 2015**