

# Service and Financial Planning 2013/14 to 2015/16 – Equality Impact assessment

## Section 1 - Overview

The Service and Financial Planning report aims to show how we will achieve a balanced budgetary position for 2013/14 and provide a clear pathway for future financial management. This report identifies how we intend to spend our money and gather income for the whole council on an annual basis. Included in this are recommended savings and potential income generating actions.

This impact assessment is designed to draw out identified potential positive and negative impacts related to the overarching budget strategy and its implementation in relation to the protected characteristics; age, disability, gender, transgender status, race/ethnicity or nationality, religion or beliefs, sexual orientation, pregnancy or maternity, marriage or civil partnership, deprivation or any combination of characteristics.

It does this in respect to the protected characteristics and the aims of the General Equality Duty;

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

This impact assessment does not look at each saving individually but refers to the overarching budget strategy. The process for identifying the savings which require further analysis is detailed within the main report in Section 18.0 Subsequent impact analysis are attached as appendix 4.

## Background

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

This pressure has manifested itself in many ways on our services;

- The number of homelessness applications is projected to be 25% higher compared to last year which was 28% higher than 2010/11. In total this is now around 350 applications.
- Unemployment in Telford and Wrekin for people aged 16-24, has gone up from 25.9% (June 2011) to 26.3% (June 2012) or 2,300 people. This follows the regional and national trend, both of which have increased. However Telford and Wrekin remains higher than both regional (23.2%) and national (21.2%) rates.

- The number of Council Tax and Housing Benefit applicants is at an all time high with an increase of 603 over the last year (a 3% increase) when comparing the caseload at 31 March 2011 and 31 March 2012. Our benefit expenditure was more than £4.2m higher (an increase of 5.4%) in 2011/12 compared to 2010/11. In addition, there was an increase of 46.7% in the number of change of circumstance assessments processed by the Council in 2011/12 compared to 2010/11 mainly due to the DWP introducing a new system. This level of increased administration is more costly and is expected to continue although with no further significant increase in resources to manage this is anticipated.

The Council's Service & Financial Planning strategy for the period 2012/13-2014/15 was approved by full Council on 1 March 2012.

This strategy outlined a range of principles that had been established to provide a fair and consistent approach

- Develop spending plans that address the community's needs and priorities and support the long-term economic growth of the Borough;
- Be transparent about how resources are spent across the Borough, but target spend at issues and areas where need is greatest;
- As a Co-operative Council, involve the community and partners in the budget-setting process;
- Seek to minimise the level of Council Tax increase, balanced against growing demands for Council services;
- Deliver efficiencies and savings, as far as possible minimising the impact on priority front-line services;
- Adopt a commercial, entrepreneurial approach to generating additional income and securing external investment;
- Like a business, it is prudent to set aside some money to deal with any unforeseen circumstances caused by the current economic situation (a contingency);
- Use reserves and balances responsibly, balancing the need to maintain services with financial prudence;
- Where possible cut our reliance on borrowing for some capital schemes so that expenditure on debt repayments can be reduced;
- Sell some of our land and property to reduce borrowing, cut running costs and to fund priority facilities and schemes.

These principles have been developed from engagement conducted with approximately two thousand contacts including professionals and members of the public through a range of methods and techniques to deliver a representative sample. The consultation feedback that led to this can viewed at [http://www.telford.gov.uk/downloads/file/3700/2012\\_budget\\_consultation\\_final\\_summary](http://www.telford.gov.uk/downloads/file/3700/2012_budget_consultation_final_summary)

The saving and efficiency programme has been on-going for sometime and this report builds on the 2012/13 report found here [http://www.telford.gov.uk/downloads/file/4496/overview\\_and\\_revenue\\_budget\\_report](http://www.telford.gov.uk/downloads/file/4496/overview_and_revenue_budget_report)

The table below shows the summary elements of the overall financial plan;

<b>Projected Budget Gap</b>	<b>13/14 £m</b>	<b>14/15 £m</b>	<b>15/16 £m</b>
Updated Base Budget gap	7.106	20.959	31.015
Savings proposals – See Appendix 3	-8.611	-14.934	-15.493
Transfer to supplement severance fund to cover one-off costs associated with the delivery of ongoing savings	1.219	0	0
Creation of a one-off contingency for pressures in safeguarding budget	1.300	0	0
Commercial income/”business winning” approach	-0.100	-0.600	-0.750
Effect of 1.9% council tax increase each year for next 3 years	-0.914	-1.845	-2.794
<b>Restated shortfall before use of general balances</b>	<b>0.000</b>	<b>3.580</b>	<b>11.978</b>

**Table 1 – Projected budget gap 2013/14 – 2015/16 based on current proposals**

The Council’s budget situation is constantly changing, so in line with good financial management we monitor the situation throughout the year. We will revisit analysis of our service and financial planning regularly and as savings are proposed assess their relevance and analyse their impact on our equality duties.

There are a number of reasons for these variations 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.
- The enduring nature of the General Equality Duty, we need to be sure that unintended consequences have not had an unlawful impact on one of the three aims in respect of a protected characteristic.

The table helps to illustrate that we must find additional savings as we go forward.

We have been direct in tackling the challenges we face and taken a number of steps;

### **Restructuring & service review**

We have gone through a fundamental change in philosophy of approach and organisation, focusing our attention on co-operative preventative actions rather than costly unilateral interventions. In doing so reducing management and staffing costs whilst maintaining standards and avoiding duplication. This also affords us the opportunity to improve access to services and therefore equality of opportunity.

## **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, illustrated by the various tribunal cases that have recently been settled. 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, April 2014, it has been decided to supplement this pot by £2,750,000 to cover additional costs. £918,000 has already been committed to removing fixed grade points which will benefit women, who are disproportionately represented in the lower pay scale of the councils pay structure.

We produce an annual report which provides a profile of our workforce – [http://www.telford.gov.uk/downloads/download/1008/workforce\\_report\\_january\\_2012](http://www.telford.gov.uk/downloads/download/1008/workforce_report_january_2012)

## **Council Tax**

The Council has the power to alter the level of Council Tax.

The government have offered a one off grant for two years which is the equivalent of a 1% increase in council tax.

Given a mandate from our previous consultation and the budgetary gap that will result at the end of this period should the grant be accepted, the report proposes that we increase council tax by 1.9%. This is below the Department for Communities and Local Government's trigger of 2% for a referendum. This would cost approximately £250,000 to run, the equivalent of a 0.5% Council Tax increase.

You can find a summary of the consultation online; [http://www.telford.gov.uk/downloads/file/3700/2012\\_budget\\_consultation\\_final\\_summary](http://www.telford.gov.uk/downloads/file/3700/2012_budget_consultation_final_summary)

The council will also begin the operation of a council tax discount scheme, from April 2013, which will take into consideration people's ability to pay, their age and if they have a severe disability. To further mitigate the impact of these changes we have put aside £65,000 to provide discretionary support for those individuals who present significant financial hardship as a result in the change of scheme.

A separate impact analysis has been completed for the Council Tax Support Scheme and can be found online -

[http://www.telford.gov.uk/downloads/file/5101/council\\_tax\\_support-community\\_impact\\_assessment](http://www.telford.gov.uk/downloads/file/5101/council_tax_support-community_impact_assessment)

## **Fair Deal**

We believe that Telford and Wrekin is not receiving a fair deal from central government.

There are a number of factors;

- A population undercount impacting on the assessed needs of the block grant provided by central government.
- Uneven grant reductions across government and a relatively low level of council tax - services are being further devolved to local level from central government yet local authorities face a cut in grant allocation approximately three times more than central government whilst being asked to deliver more. Telford and Wrekin has the third lowest council tax in the West Midlands.
- Grant damping significantly impacts the borough because of our population growth. Grant damping is when the government tries to lessen the impact of budget reductions in one local authority by removing grant from the increased assessed need of another authority. Originally designed to smooth budgetary transition, this system has had a number of safeguards removed which now penalise growing authorities.

We will campaign for a fair deal from central government.

### **Engagement**

Effective engagement with our communities is key to developing an efficient co-operative approach. The feedback helps to inform the direction and implementation of proposals. The methods we have used are detailed in the report and a programme of engagement carried out and feedback received can be found in appendix 5.

### **Timeframe**

The proposals shown in the Service and Financial Planning 2013/14 to 2015/16 report will be implemented between April 2013 and March 2016. Wherever possible they will be delivered ahead of schedule to maximise savings.

This report is updated annually with monitoring reports throughout the year. As savings are proposed they are assessed for their relevance to equality and targeted engagement. Impact analysis are completed if necessary. This is to ensure equality and the duty are considered in a timely manner

Name of person completing impact assessment and their post	Richard Taylor-Murison, Equalities Officer
Telephone	01952 382104
Date started	21 January 2013
Other officers/Stakeholders involved	Ken Clarke, Assistant Director Finance, Audit & IG; Andy Challenor, Community Engagement and Equalities Manager.

## Section 2 – Impact Assessment

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

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

		Potential Impact		
		Positive	Negative	None
People of different ages		Young vulnerable people are protected.	Working age people are being asked to shoulder more of the financial burden.  There are potential negative impacts for older people as they represent a large proportion of our Adult Social Care Service Users.	
People with ill health or people with a disability		The savings generally protect those individuals with the most severe disabilities.	Changes to criteria for services / support on may unintentionally have the effect of reducing opportunities for participation and access to some people with disabilities.	
People of different gender		Women will benefit from an growth strategy through improved access to employment.		
People who are transgender				X
Different racial groups				X
People with different religion or beliefs				X
People of different sexual orientation				X

Women who are pregnant or breast-feeding  
 People that are married or in a civil partnership  
 People affected by deprivation

		X
		X
Services are being targeted into the most deprived wards in the borough enhancing equality of opportunity		

Whilst the overall trend of service provision is realignment and streamlining, there will be some reduction of the capacity that the council can deliver. As an authority going through significant change there has been greater recognition of the needs of vulnerable individuals in the community. There has also been a recognition that some of the positive outcomes we are looking for can be best delivered in partnership or by supporting other organisations.

The renewed emphasis on growth and improvement of the local economy will have significant impact on the wider community benefiting women, young people, people with lower educational achievement, who have been disproportionately impacted in the labour market during recession and reduction in employment opportunities. Growing businesses lead to more jobs and greater prosperity within the local economy and in turn leads to more opportunities.

There are early indications that the trend is improving illustrated in the analysis produced by Telford & Wrekin Co-operative Delivery Team - [http://www.telford.gov.uk/downloads/file/4110/economic\\_profile\\_update](http://www.telford.gov.uk/downloads/file/4110/economic_profile_update) .

**Potential positive impacts**

- Younger people
- People with a severe disability
- Women

People who share these characteristics will benefit from more focussed services responsive to the direct individual needs.

Changes in criteria or services are not likely to have any disproportionate impact on these groups. Although there may be unintentional consequences that haven't been foreseen, ongoing service user feedback will be used to monitor this.

On-going 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 reablement and early intervention, respectively, are aimed at delivering services in a more holistic way with improved outcomes as well as assisting with the Council's budgetary pressures.

Following a business growth agenda and implementing positive steps to improve employment opportunities will have a significant impact on young people and women who have been disadvantaged by a contracting labour market.

Much of our activity as a council is centred on the most vulnerable. As our services are being redesigned we are able to take a fresh look at how we take ability to pay and deprivation into consideration. Although we use this indicator we do so with caution, deprivation can often mask the impact of holding other protected characteristics.

National information, such as 'An anatomy of Economic Inequality in the UK', National Equality Panel, January 2010, and local information is available to demonstrate that people who share elements of these protected characteristics are particularly vulnerable to changes in circumstance. The overall approach will lead to more opportunities and stability for those most vulnerable in our borough.

### **Potential negative impacts**

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

- Working age people (18-65 years)
- Older People (65+ years)
- People with ill health or people with a disability

Reductions in services for adult care are more likely to impact on older people and people with a disability. A significant proportion of the council budget is spent on caring for older people or adults with a disability. It is difficult to see how with the size of the savings that are needed could be achieved without having a significant impact on those people.

(A number of large projects in Care and Support are yet to take effect so more detailed information is not available. These are identified in the action at the end of the analysis.)

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.

One way of improving income is by increasing Council Tax. The proposed increase is below inflation but will have a significant impact on the ability of the council to deliver services, particularly when compounded over several years. Systems exist to help people who have low, or no income, to deal with council tax payment. The current national system is changing to a localised form which will impact working age (18-65 years old) people. In some circumstances the younger person in a mixed age couples where one person is 65+ years old will be protected.

When this scheme was determined there were significant restrictions which effectively focussed the changes onto people of working age and given limitations in funding will mean that they are impacted more by change in the scheme than others.

The scheme changes eligibility related to disability and will mean that certain groups of disabled individuals are no longer eligible for the discount. However, it seeks to protect the most severely disabled who have no alternative recourse. For those individuals affected they may be further disadvantaged by a transition to Personal Independence Payments (PIP) from the long standing Disability Living Allowance., Transition will take four years and it will begin in April 2013. Briefing sessions are planned in late February to update decision makers and frontline staff within the borough.

In relation to the potential negative impacts identified above further information relating to mitigating actions to reduce or eliminate the impact are included in Section 3 below.

### **No identified impact**

There is no indication that a disproportionate positive or negative impact for these protected characteristics exists.

- People who are transgender
- Different racial groups
- People with different religion or beliefs
- People of different sexual orientation
- Women who are pregnant or breast-feeding
- People that are married or in a civil partnership

Whilst we have no indication that an impact will take place for people with these characteristics we will develop our analysis and monitoring techniques to make sure that this is the case. By further enhancing our understanding of the needs of people who have these protected characteristics we may find unidentified impacts to be acted upon.

Supporting this is Census 2011 information, which is gradually being released in more detail. It will allow us to build a more accurate picture of the residents of the borough and their needs. Combined with information developed from our services and in co-operation with our partners we are able to identify and act on impacts in a flexible way.

### **Engagement and consultation**

A great deal of engagement and consultation has occurred over the past two years, both directly and indirectly with the public, service users and partners including other public sector organisations, businesses and the voluntary sector. This has significantly influenced our approach.

This information has helped to develop the ten Guiding principles listed in the background to this report.

Details of previous engagement and equality analysis related to savings identified to be delivered in 2012/13 have informed this years approach. They can be found online;

[http://www.telford.gov.uk/downloads/file/3700/2012\\_budget\\_consultation\\_final\\_summary](http://www.telford.gov.uk/downloads/file/3700/2012_budget_consultation_final_summary)

Specific engagement has also taken place throughout the year related to the proposals put forward in the 2012/13 - 2014/15 report and additional savings identified within the year including the September tranche. Information relating to this engagement is contained within Appendix 5 of the report.

Broad universal consultation for 2013/14 - 2015/16 has followed a similar format for the overall budget approach;

- Paper survey
- Online survey
- Your Voice (council newspaper) feedback
- Comments, suggestions and ideas
- Public budget meeting

A final profile of consultation responses will be published alongside the full report.

The Cabinet will consider final recommendations on 28 February 2013 and Full Council will do so on 7 March 2013.

Further consultation regarding the individual proposals is planned for this year. Details of those proposals are shown at the end of this analysis.

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 the Cabinet web pages;

<http://apps.telford.gov.uk/demservice/CommitteesDetails.asp?theCommittee=cabinet>

### **Section 3 – Mitigating Actions**

Since the Service and Financial Planning 2012/13 to 2014/15 report, the council have taken steps to mitigate the impact of some savings proposal that would have negative impact on a number of protected groups.

**Young People** - we continue to have an increase in numbers of Children in Care. We have approximately 317 Children in Care and are now projecting an overspend in the current year of £3.1million. A differential approach to savings targets has been taken, rather than the previous across the board 20% target reductions. This recognises that Safeguarding in particular is under considerable pressure and rather than remove funding from this service in 2013/14, the Council will invest an additional £0.6 million in to the budget and over and above this create a specific contingency with £1.3m additional funding set aside for safeguarding (£0.93m and Care & Support's care leavers budget of £0.37m).

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. A corporate contingency is held for specific services such as Sensory Impairment, so that corrections can be made without putting pressure on other service budgets.

**Older People and People with Disability** - The current year's savings are being delivered through a complete remodelling of service delivery. The new personalised model of service delivery is based on four key actions:

- The establishment of enablement and re-ablement for the vast majority of service users prior to assessment for ongoing service eligibility and care planning with the objective of reducing or, where deterioration is occurring, stabilisation of pre-existing care package costs.
- Utilise assistive technology as a preventative measure and as an alternative to personal care provision.
- Develop personal budgets and self directed support by individuals as an alternative to council led service determination.
- Signpost individuals to community and voluntary sector based support as an alternative to council funded provision.

### **Third Sector support services**

A number of voluntary sector organisations have had their core funding confirmed for the next three financial years. This gives them the confidence to sustain and improve their services to vulnerable people. For example the Citizens Advice Bureau are a key partner for advising individuals who are experiencing financial difficulties or at risk of losing their homes. Without this support pressures on some council services would increase and be more costly in the long term.

### **Developing and supporting business opportunities**

The 'Business Supporting, Business Winning Council' priority including the proposed investment of £150,000 revenue funding into initiatives and events will promote Telford and Wrekin as a place to visit, live, work and invest in. This approach will support the growth agenda. The outcome will be improved opportunities for employment that will benefit in particular women and people with low educational achievement.

### **Accurate local information**

As an organisation we encourage the collection of relevant information to inform evidence based decision making. Advice and information to support this is available from the Co-operative Delivery Team. This has allowed the development of a consistent approach with a clear rationale for the use of monitoring categories.

In order to make sure we are gathering appropriate and relevant information we will engage with key stakeholders around proposals. In doing so stakeholders will have an influence over the decision making process and help us to gauge the impact of our proposals.

Overall, the proposals will help us to have due regard to the General Equality Duty by driving forward equality of opportunity.

We are working in a more targeted and efficient manner for the more vulnerable members of our communities. This will be evidenced through performance information. 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 will demonstrate positive and sustainable trends

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

#### **Section 4 – Review and Monitoring**

It is intended that the majority of proposals will begin implementation from April 2013.

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

- 10 February 2013 – Engagement completed.
- 28 February 2013 – Report considered by Cabinet
- 7 March 2013 – Report considered by full Council

A series of monitoring reports will run throughout the year following appropriate financial control and auditing practice.

Individual impact analysis to be conducted on all future savings proposals using the process outlined in the report, section 4.6, to occur as they are planned and developed. - **Up to March 2016**

Proposals that have already been identified for further analysis are shown below

## Savings proposals impact analysis overview 2013/14 – 2015/16

The following savings proposals have been identified from savings put forward to Cabinet in January 2013 for consideration in the 2013/14 – 2015/16 budget strategy. It is proposed that each saving be explored in relation to its impact on people who share protected characteristics.

Service Area	Proposal Number	Description of saving
Family & Cohesion	87	Teenage Pregnancy – Reduce size of programme and link to transferring responsibilities for sexual health.
Family & Cohesion	93	Community Safety – Efficiencies and greater partnership working.
Family & Cohesion	94	Homelessness Project – STAY contract ended and not renewed. The Housing Task Force is looking at a different approach to dealing with homelessness.
Family & Cohesion	95	Early Years Special Educational Needs – Review options for reducing funding to support SEN within PVI sector. The review will consider whether amended early years funding within the Dedicated Schools Grant can provide additional support.
Care & Support	105	Imposition of a care funding ceiling – The cost of caring for an individual with a high level of need in their own home can be considerably more than the cost of a residential placement.
		Review of policy provision/revision of expectation in ALD and Transition service areas to clarify that basis of future accommodation provision in the community will be on shared basis only – It is accepted by society that young adults not in receipt of social care services live in shared accommodation or continue in the family home due to the economic state which prevents their access to single rented or purchased accommodation
		Review of Adults with Learning Disability Provider Services – The introduction of personal budgets gives individuals increased choice and control over how their council funded care is provided. As a result in-house services will be in direct competition with external service providers and

		other models of service delivery e.g. personal assistants. Exploration of more cost effective service delivery.
		Panel process to review and agree all ongoing care packages – Process ensures consistency and enables prioritisation of care delivery when lower levels of funding available including the consideration of alternative service provision such as assistive technology.
Care & Support	106	Fair Access to Care Services criteria - Dependent on delivery of existing savings consider commencing a consultation process to review of eligibility criteria to reduce statutory access to services to those with critical needs only.
Family & Cohesion	121	Home to school transport – Efficiency Savings identified during 2012/13
Family & Cohesion	171	Commissioning Review of Transport and Public Transport – Further service review of transport policy, fleet and public transport, including a review of best practice from across the Country.

The following proposals, which were presented to cabinet in September 2012, still need exploration in relation to impact.

<b>Service Area</b>	<b>Proposal Number</b>	<b>Description of saving</b>
Care & Support	4	Meals on Wheels review
Environmental Services	158	Change strategy in relation to tree and woodland work so that only essential work is carried out free of charge
Families and Communities	161	Review provision model for domestic violence (women's refuge) and increase in HIA and PSH fees and charges
Education, Culture & Skills	148	Review of The Place Theatre