

Appendix 3A - Service and Financial Planning report 2016/17 to 2017/18 Impact Assessment

Introduction

The Service and Financial Planning report 2016/17 to 2017/18 lays out how the Council will deliver a lawful balanced budget. It is a wide ranging strategy impacting on all of the Council's service delivery.

It details the financial budgets available to the Council and therefore the resources it has available to meet its objectives.

Background

The Council faces further unprecedented reductions in finance from central Government known as the Revenue Support Grant. This year the settlement with the government is a reduction of over 20%, or approximately £30 million.

This reduction is in addition to the £80 million already saved in the past 5 years.

As in previous Service and Financial Planning strategies this impact assessment is to consider the overall impact of the proposed changes and will not analyse all of the proposals in detail but to consider the whole package, its impact and the principles of delivery and mitigation.

The principles of the Service and Financial Planning report from an equality perspective are to;

- Put our children and young people first
- Protect and create jobs as a 'Business Supporting, Business Winning Council
- Improve local people's prospects through education and skills training
- Protect and support our most vulnerable children and adults
- Ensure that neighbourhoods are safe, clean and well maintained
- Support neighbourhoods most in need and work to ensure that local people have access to suitable housing
- Improve the health and wellbeing of our communities and address health inequalities

These principles encapsulate an approach that can be typified as 'narrowing the gap'. The overall aim is to support those most in need or experiencing greatest disadvantage whether that be in the short or long term.

The approach to the development of Service and Finance report proposals is built on the Council's Co-operative Values;

- **Openness and Honesty** - be open and honest in the way we work and make decisions and communicate in a clear, simple and timely way
- **Ownership** - be accountable for our own actions and empower others with the skills to help themselves
- **Fairness and Respect** - respond to people's needs in a fair and consistent way

- **Involvement** - work together with our communities, involving people in decisions that affect their lives and be prepared to listen and take on new ideas

The whole package of proposals is framed by these principles and incorporates these values.

Indeed the values are closely aligned to the values underpinning fundamental human rights; Fairness, Respect, Equality, Dignity, Autonomy (FREDA) and are reflected throughout the proposals put forward.

General Equality Duty

The Council have a duty to pay due regard to the General Equality Duty, under s149 of Equality Act 2010, with respect to people who share protected characteristics. We must;

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

Through out the development of the proposals the needs and qualities of people who share protected characteristics have been considered. The duty has been considered in the initial stages by the Council's Senior Management Team who are aware of their responsibility under the Equality Act. Ultimately, the adoption of the Service and Financial Plan, or 'Budget', is the responsibility of Full Council after going through the democratic Cabinet process with input from Finance & Enterprise Scrutiny Committee.

The report will affect everybody who lives, works, or visits Telford and Wrekin. It covers the financial years 2016/17 and 2017/18.

The report has several elements that are particularly relevant to the Equality Duty;

Council Tax

Council Tax is a local raised levy used to partially fund local authorities. It is based on the relative cost of property in 1991 and is separated in to 8 bands - Band A is the lowest, Band H is the highest. It tends to follow that those people who have the lowest banding also have the lowest income but also that those on fixed incomes or with low likelihood of pay inflation tend to be disadvantaged by increases in Council Tax. Council Tax is not a progressive way of raising revenue and has little flexibility to reduce the burden on those least able to pay.

Even with this in mind the Council has little choice but to consider three options for increases;

- 2% ring fenced for Adult Social Care
- 2% ring fenced for Adult Social Care plus a 1.2% increase to support essential services

- 2% ring fenced for Adult Social Care plus 1.9% increase to support essential services.

There is an assumption by National Government that councils will adopt the 2% ring fenced increase for Adult Social Care.

The cushioning effect that this increase provides is welcome, but it will be insufficient to prevent the majority of proposed budget reductions to Adult Social Care or the impact on service users who are likely to be older people and/or have a disability.

The Government also mandates that the Council operate a system that can offer a discount to those on a low income subject to a number of principles and eligibility criteria. This scheme is known as Council Tax Support (CTS) and was introduced in April 2013 replacing Council Tax Benefit.

CTS is a locally determined discount scheme, with some constraints laid down by National Government, the Council has some discretion on how it applies the scheme. It offers some protection from the full scope of the increases for people who working age and are particularly vulnerable as a result of disability however they are still required to make some contribution.

People over the age of 65 and who qualify for CTS are entirely protected from any increases as the scheme offers 100% discount. To afford this protection, there reduction of budget allocated to the protection of working age recipients. One of the key principles in its development is that the allocated budget must cover the cost of the scheme and that it should not draw on other Council resources.

An exceptional hardship fund are also available to support individuals who experience significant difficulties managing this contribution.

The extension of the current Council Tax Support Scheme was agreed at Cabinet, 7 January 2016.

Budget proposals

There are 194 budget proposals being put forward. They include cuts and efficiency savings as well as income target increases.

They range across the entire portfolio of services that the Council delivers, from Library Services to grass cutting and bulb planting. Part of the development of each proposal is to consider the impact on the current and likely users of the service and also the wider community.

Appendix 3b considers each proposal that has been identified as having a relevance to the equality duty.

There are a number of areas that have the potential to impact on people who share or do not share protected characteristics.

Mitigation of the impact of the proposals are individual and specific the proposals being put forward however there are some commonalities that can be summarised as;

- Community led services
- Asset Transfer
- Partnership working and co location

There are some equality benefits with these approaches. Enabled correctly with adequate support community and partnership working can deliver;

- Increased community ownership and fuller engagement with all sections of the community because members of communities are best placed to understand the needs of their own communities.
- Better customer journey experiences and improved outcomes for service users by having services from multiple agencies, including voluntary organisations, which complement each other located more closely together. It can improve communications, the transfer of information and cross-referrals.
- Access to alternative means of funding and greater freedom to diversify services based on community need, can lead to more innovative and inclusive solutions.

However, there are also some equality risks related to moving services delivered by a large coherent organisation with resources and robust support services to smaller organisations;

- Overall capacity of community organisations to commit to reasonable adjustments, both physical and information, can be reduced when compared to the resources of the Council. Reasonableness is proportionate to the size of the organisation.
- The reasonable accommodation of language and cultural needs can also be reduced where the local community are not fully engaged or novel communities present to services. With this unanticipated variation of service requirement, unintentional barriers can be created.
- Transfer of liabilities to precept setting authorities could led to precept raises that increase the burden on Council Tax Support recipients.

Name of person completing impact assessment and their post	Richard Taylor-Murison, Equalities Officer
Telephone	01952 382104
Date started	7/1/2016
Other officers/Stakeholders involved	Andy Challenor, Community Engagement and Equalities Manager Ken Clarke, Assistant Director: Finance, Audit & Information Governance (C.F.O)

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

	Impact (X)		
	Positive	Negative	None
People of different ages	X	X	
People with ill health or people with a disability	X	X	
People of different gender		X	
People who are transgender			No evidence to suggest an impact
Different racial groups		X	
People with different religion or beliefs		X	
People of different sexual orientation			No evidence to suggest an impact
Women who are pregnant or breast-feeding		X	
People that are married or in a civil partnership			No evidence to suggest an impact
People affected by deprivation		X	

Potential impact

People of different ages

The proposals broadly have a positive impact on older people, even those on low or fixed incomes, by increasing available budget to support Adult Social Services, a financial pressure. All Council Tax increase options support this positive benefit particularly as older people eligible for Council Tax Support can receive a discount up to 100%. However the overall reduction in the Council budget is likely to have some significant disadvantage for all ages.

Services to older people and young people will undergo significant changes, which may cause temporary difficulties with understanding points of access to services undergoing transition.

People with ill health or people with a disability

The proposals have both positive and negative aspects for people with disability. There is likely to be a reduction in equality of opportunity whilst services undergo change and transition to new models of delivery but this will most likely result in the availability of more appropriate services overall. User choice is also likely to improve after disruption. For example the Council is likely to offer a reduced selection of short breaks limiting access to Council run short breaks, a reduction in opportunity. However the young people affected are likely to have their own self directed funding to allocate to taking part in activities that they wish to do with a greater range of supplier to choose from. This increased freedom of choice is also likely to increase opportunity to mix with different people fostering relations between different people.

People of different gender

Due to the longer life expectancy of women, changes to services for older people are likely to have a greater and potentially disproportionate impact on women. This may be the case when changing transport services for instance.

Different racial groups

People with different religion or beliefs

Services have typically been concentrated into areas of greatest need as they are designed to address inequality for example, children centres and community centres. These areas contain the greatest diversity of people from different racial backgrounds and different religions and beliefs within the borough. It is likely that changes to services within these areas will have a negative effect on people who share these protected characteristics. These areas may also represent a significant challenge to have whole community engagement when trying to seek mitigations due to cultural differences based on language, religious or belief differences.

Women who are pregnant or breast-feeding

Women who share this characteristic are likely to experience some loss of opportunity whilst the children centre offer is reshaped. This is a reflection of natural resistance to change from building centred services to community led services.

People affected by deprivation

The Council delivers a range of services targeted at areas of high deprivation. These areas often include many people who share characteristics mentioned above. For example, someone with sensory impairment is likely to be socio-economically disadvantaged as well.

People who are transgender

People of different sexual orientation

People that are married or in a civil partnership

We have no evidence to indicate that people who share one of these protected characteristics would be disproportionately impacted in relation to the General Equality Duty.

Engagement and consultation

The strategy has undergone consultation from 8 January 2016 to 7 February 2016.

The approach consisted of focusing on the higher priority proposals. Of the 194 proposals, 32 were considered to have a significant affect or impact on members of the public.

The consultation was conducted with a range of methods to respond. Appendix 11 has full details but many are shown below.

- Your Voice signposting to budget messages and online budget pages including online survey.
- Budget briefing sheets and a online animations
- Community Panel survey
- An online budget survey on– www.telford.gov.uk/budget
- Social media signposting encouraging people to get involved and give their views on the budget strategy including Facebook, Twitter, online Q & A session, write in, ring in or text.
- Public meetings and roadshows in high footfall locations giving local people an opportunity to hear about the budget and future plans and speak with Cabinet members and senior managers.
- Visits to present the budget strategy at a number of organisations and forums across the borough.

Further engagement will take place in relation to the implementation of a number of proposals including;

- Closure of community centres
- Closure of 6 libraries and end the mobile library service
- Council funded school transport and 16 + transport assistance
- Age UK transport to day centres
- Short breaks provision
- Reshaping our children centre offer

Mitigations

There are several mitigations being put forward to reduce the impact of the changes including the provision of one-off funds to promote the development of community organisations relevant to the proposals and where evidence indicates that there would be significant benefit to the community.

A key feature of many of the service changes is the development of enabling roles to facilitate the development of communities and their resilience.

The Council could remove proposals that it feels have an unjustified or exceptional impact on people who share protected characteristics. Given the scale of cuts there is little room for manoeuvre, removal of any significant savings proposals will most likely require alternative proposals to be identified now or in the short term to cover any gap in the budget.

A campaign for a fair funding settlement is underway. Telford and Wrekin has a low Council Taxbase relatively to other similar authorities. This means that changes to provision of funding by National Government have more of an impact on its budget than other authorities. The ability of the Council to raise additional revenue through increases in Council Tax is limited. This difference is estimated to be £11million per annum compared to the mean level of funding for local authorities.

Managing change within communities will be essential to ensure the minimum of disruption that can develop when services change. Effective engagement, involvement and unambiguous communication will reduce this disruption, however, it is inevitable that some confusion will occur. Delaying some of the more significant changes until financial year 2017/18 will allow communities the opportunity to understand the nature of the proposed changes and offer sustainable alternatives.

General Equality Duty compliance

The plan has a complex range of impacts on the General Equality Duty.

It aims to reduce inequalities by targeting our finite resources more effectively alleviating discrimination.

There are some risks that accessibility to services or equality of opportunity could be reduced, but managed and supported effectively with full involvement of the community these can be minimised. It is unlikely that this reduction will be entirely eliminated.

Working more closely and efficiently with the community it is extremely likely that individuals impacted by the proposals will have more opportunity to meet people who share and do not share their protected characteristic. This may enhance community spirit and cohesion.

Review and monitoring

The Service and Financial Planning report 2016/17 to 2017/18 will come into effect from April 2016.

Monitoring progress and delivery of the plan is a priority for the Council. Regular reports will be received by the Senior Management Team relating to the budget and outturn reports will be made to Cabinet on a quarterly basis.

Some individual proposals that meet appropriate criteria will have separate reports throughout the year, for example, library closures.