

STRATEGIC EQUALITY IMPACT ASSESSMENT

Budget update and savings options 2015- 17

Date: 10 November 2014
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Introduction

This document provides a strategic equality impact assessment (EIA) of the service reductions and changes which the council is proposing to deliver in order to meet the challenge of a further £43m of budget reductions during 2015-17.

This is a strategic analysis only as the detail of each option has not yet been worked up. Individual EIAs will be produced for each option, when developed, as part of the ongoing consultation exercise.

At this stage the council's proposals enable the equality impact of the very difficult changes required to be managed. A number of the proposals have the potential for an equality impact but it is anticipated that this can largely be managed with a detailed and appropriately resourced implementation approach, for which the Council has allocated funding.

Council Priorities

Through the community strategy the Council has set out clearly its strategic priorities :

- To maximise economic prosperity in Bolton ensuring economic growth, development, regeneration and job creation.
- Narrowing the Gap in respect of key outcomes in health inequalities, children and young people, crime and disorder, the environment, housing etc
- Ensuring that the most vulnerable are impacted least by budget reductions and the implications, as far as possible
- At a Greater Manchester level contributing to economic growth at a City Region level to create growth and employment
- Being at the forefront of Public Service Reform within Greater Manchester, which seeks to ensure public services work effectively together to reduce demand and dependency on public services by developing models of early intervention and tackling complex dependency. This work includes the integration of health and social care and making linkages between economic growth and residents who are workless.

The Budget Challenge and Strategy

In the Medium Term Financial Strategy, agreed by the Council in February 2014, it was highlighted that the Council was likely to need to identify c£60m of budget reductions by 2018 with c£43m over the period 2015-17. This is as a result of a combination of increased costs and further reductions in government grants.

The implications for the Council in respect of delivering a further c£43m of budget reductions are very significant, given that savings of £100m have already delivered between 2010-14. In doing so, almost all obvious options such as re-financing debt have been exhausted; most Council services have been reviewed and reduced at least once and the Council has

significantly reduced management capacity. The following budget strategy has therefore been developed in the context of these challenges and the strategic priorities, set out above:

- A two year budget to be delivered, covering the period 2015-17, to allow for strategic planning and the time required to deliver and begin to accrue the financial benefits of the scale of change required
- The budget cuts to be mitigated by maximising income and reducing costs from a range of other options, including accessing funding from the Better Care Fund and Public Health; an assumed increase of 2% in council tax charges and reductions in waste and transport levys and council accommodation costs
- savings targets to be allocated across corporate and departmental services at a general proportion of 10% reduction for Children's and Adults Services and roughly a 20% reduction across all other services
- use of "one-off" monies and Council reserves to give time for savings to be fully realised and/or mitigation before the full effect is seen.

Strategic Approach

Within the context of the Council's strategic priorities, a series of principles to achieve cost savings have been articulated to inform specific savings proposals. These are:

- further service reductions and efficiencies across all areas with the exception of children's social care and green space provision (ie grass cutting and street cleansing), both of which it is proposed to seek to protect
- centralised and streamlined support services internally, to achieve economies of scale and careful prioritisation of capacity
- a new customer contact strategy, to migrate the remainder of "front line" transactions to the web or telephone only, as far as absolutely possible
- Alternative service delivery models to deliver savings from operating costs
- A new relationship with our community, to reduce demand for and dependency on council services as far as possible
- An examination of potential demand reduction via Public Service Reform principles.

The council is also proposing to maintain a workforce strategy that aims to mitigate the impact of the budget on the workforce as far as possible and ensures that the Council remains a best practice employer.

Specific Proposals

The specific options with a potential equality impact are as follows:

- A review of adults social care delivery to deliver savings across provided and commissioned services.
- A further reduction of the council's workforce by up to 500 posts
- A new customer contact strategy whereby services are migrated to web-based and telephone access only, as far as possible
- A review and reduction of provision in Children's Centres and Youth, Sport and Play services
- A reduction of funding to the voluntary sector
- A review of funding for leisure services and potential reductions in subsidies and some aspects of free provision

- A further review of universal services in order that resources may be re-directed to targeted support for the most vulnerable. Specific universal services which will be subject to review include the Library and Museum network and the waste service
- Pursuit of more council tax income by:
 - Full implementation of the original council tax benefit scheme which was subject to a tapered subsidy
 - Introducing of 10-15% for working age households through a review of the Council Tax Benefit scheme
 - Increasing income from earlier charges to empty properties
 - A reduction in the Council's discretionary fund from £400 000 to £200 000.
- A reduction in the value of the Council's discretionary local welfare scheme from £1 000 000 to £750 000.

Consultation

Formal consultation on the strategic budget options set out in the report will now take place including:

- Formal consultation with trades unions
- Consultation with residents and businesses via Scene and a sample survey to 10,000 households. A universal survey will also be made available to other residents who wish to have their say.
- Specific presentations with representatives of the third sector and business rates payers
- A public meeting for residents

In addition there will be specific stakeholder consultation for each individual review as it comes forward.

Equality Impact Assessment questions

1. Describe in summary the aims, objectives and purpose of the proposal, including desired outcomes

The report sets out the strategic context and outline budget for 2015/17, including options to achieve the anticipated requirement for c£43m of savings required for this period.

The initial assessment of impact for 2014/15 budget savings was set out in the Strategic EIA in February 2014. The strategic EIA set out here reflects on this initial assessment and further analyses the potential impact that the savings could have on customers and other stakeholders.

2. Who are the main stakeholders in relation to the proposal?

As set out in previous strategic EIAs, the very nature of the services which the council provides and the scale of the savings required mean that a range of stakeholders are likely to be affected by changes to council activity in some way over the coming years. In particular:

- **Service users/their carers** – both now and in the future, may find that some aspects of service provision change. Some services may change fundamentally and be delivered in a very different way; some services may reduce or stop; and some customers' eligibility to access services may change.

- **Members of the general public** – will be affected by further reductions in universal services and changes in council tax and full implementation of the benefit scheme
- **Benefit Claimants** who will be affected by a minimum charge for council tax and reduced access to the Council's discretionary fund and Local Welfare scheme
- **Organisations working with or supported by the council** – the reducing level of resources available will continue to have an effect on the extent to which the council can provide financial support for the work of partner organisations. Equally, whilst difficult to quantify, the reduction in services provided by the council may also have an effect on the demands for the services provided by these partners.
- **Staff** – given the ongoing scale of the savings required, there will continue to be an impact on staff, whether through loss of employment or associated restructuring and change. The council's workforce has already reduced by over 1,350 posts, entirely through voluntary means, since 2009 by, for example, freezing external recruitment, deleting vacancies, offering voluntary early retirement / severance and a comprehensive redeployment scheme. It is intended to continue with this strategy during the next two years and a further c500 redundancies may be required. In discussions with the unions the council will work hard to avoid compulsory redundancy.

3. In summary, what are the anticipated (positive or negative) impacts of the proposal?

The philosophy set out by the council to deliver its budget is very clear about the priorities in relation to protecting the most vulnerable and enabling economic growth. Budget proposals have been put forward in the context of these strategic priorities, however the extent to which this can be achieved will be limited by a much reduced controllable budget.

The positive impacts of this proposal are that all eligible needs for statutory services will continue to be met and children's social care and green space services will all be protected from reductions as far as possible.

The potentially negative impacts are reduced universal services for children and young people; a reduction in grants to the voluntary sector; an increase in council tax and reduction in local welfare provision; and a further reduction of c500 Council jobs.

The potentially negative impacts will be mitigated through careful targeting to protect the most disadvantaged in the borough; ongoing investment in and review of the Borough anti-poverty strategy to ensure that resources are appropriately targeted, and a workforce strategy to see to mitigate the impact of the reductions on staff as far as possible.

Council tax

The forecast included in this report is for a 2% increase in council tax for 2015/16 and 2016/17; this will increase income to the Council and therefore reduce the amount of savings which may otherwise need to be achieved by cutting or reducing service provision for customers, including those who may be from vulnerable groups. An increase in council tax values will, however, have a financial impact for the majority of households in Bolton, which may be particularly difficult for those who are already under financial pressure.

4. **Is there any potential for (positive or negative) differential impact or adverse impact with regard to the identified stakeholders and the diversity groups (race, religion, disability, gender, gender reassignment, age, sexuality, caring status, pregnancy and maternity, marriage and civil partnership, socio-economic)? Can this be justified/what mitigating actions will be taken?**

The impact on stakeholders and diversity groups together with appropriate mitigation actions is set out below.

Council stakeholders

Service users (Including parents and carers)

The council is committed to continuing to protect children's social care services as far as possible. Reviews are, however, proposed in services for children and young people including changes and reductions to play and youth services and children's centres. Limiting the impact on the most vulnerable children and young people is a priority, however and care has been taken to ensure that the potential impacts of proposals are mitigated as far as possible through targeting and engaging partners to deliver diminished council services.

The way in which adult social care is provided will change, but throughout this process the Council has worked hard to ensure that Bolton's older people and their families continue to receive appropriate, accessible and safe care services. Service users and their families and/or carers will, however, see specific changes as a result of the budget savings through a general review of care practice and delivery and within the Extra Care service

Members of the general public

The council has a clear strategy to make savings by moving from universal to targeted services in order to offer a degree of protection for services for the borough's most vulnerable people. The strategy continues to be pursued through these proposals which include, for example, a review of the waste collection service and library and museum network

If the current forecast is approved there would be a further, specific financial impact on those who pay council tax in Bolton, as they would be asked to pay an increased level of council tax. By raising council tax, however, the council is able to increase its income and therefore reduce the amount of savings which may otherwise need to be achieved by cutting or reducing service provision for customers, including those who may be from vulnerable groups. The current forecast would have a financial impact for a number of households in Bolton, which may be particularly difficult for those who are already under financial pressure, but the Council has sought to strike a balance between the impact on the general public of a council tax increase and the impact on the public in terms of service reductions.

Benefit claimants

The changes in local welfare provision and council tax benefit scheme would have an economic impact on benefit claimants. The council will monitor this impact and continue to direct one off resources towards mitigating the impact through the Borough anti-poverty strategy.

Organisations working with or supported by the council

As in previous years, the council must look at making savings from across the range of services which it provides, including commissioned and grant funded services. This means that partners who receive funding from the council may see a change or reduction in their funding, which may in turn have an effect on their service delivery. This may affect partners from the voluntary, community and faith sector; as well as private or charitable organisations which deliver services in partnership with or on behalf of the council.

Clearly, it will be essential to make sure that the council continues its good working relationships with partners from across the private, voluntary, and charitable sectors to understand and, where possible, manage the impact of possible funding changes. In addition, it will be necessary for individual reviews to consider any potential impact on partner service delivery e.g. where shared building space or complementary services are being reviewed.

Staff

Given the ongoing scale of the savings required, there will continue to be an impact on staff, whether through loss of employment or associated restructuring and change. The council's workforce has already reduced by over 1,350 posts, entirely through voluntary means, since 2009 by, for example, freezing external recruitment, deleting vacancies, offering voluntary early retirement / severance and a comprehensive redeployment scheme. The proposals set out in the report have been developed alongside a continuing commitment to a set of values as an employer which seek to protect the council's workforce from the worst aspects of the budget reductions and remain a best practice employer. The proposal as a basis for consultation is that the council will aim to deliver the following:

- Retention of existing policies and terms in respect of redundancy, redeployment, protection, VER / VS to minimise risk of compulsory redundancy
- No reductions in pay and terms and conditions for staff who remain with the council
- To establish alternative models in such a way that staff who TUPE into the new entity should not see a reduction in their terms and conditions for economic reasons

Diversity Groups

Throughout this process, the council will need to consider the impact of its proposals on its duties under national equalities legislation, which require it to have due regard to the outcomes below, while also ensuring that the council can set a legal, balanced budget:

- Eliminating unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act
- Advancing equality of opportunity between people who share a protected characteristic and people who do not share it
- Fostering good relations between people who share a protected characteristic and people who do not share it

Analysis on those defined groups with protected characteristics is as follows

Race, religion, disability, gender, gender reassignment, age, sexuality, caring status, pregnancy and maternity, marriage and civil partnership,

The headline analysis reported in the previous strategic EIA indicated potential impacts around age, disability, caring status, and socio-economic deprivation.

The further detail included in this strategic report indicates that equality issues must be examined around customer access, as the Council intends to move towards a greater use of technology as the primary access route. This must be supported by a digital inclusion strategy for our community.

Specific impact around race, religion, gender, gender reassignment, sexuality, pregnancy and maternity, and marriage and civil partnership has not been identified at this early stage, but will be analysed as part of detailed EIAs for individual reviews.

Socio-economic deprivation

The council and its partners have a long-standing commitment to achieving economic prosperity and narrowing the gap in Bolton, which sits at the heart of the council's aim to protect the most vulnerable in the borough. Many of these people live in Bolton's most deprived areas, and Bolton's strategy continues to be to target resources to support people in these areas – although resources are much more limited than in previous years.

However, as resources continue to reduce, there is potential for the savings options to have an effect for people who are experiencing socio-economic deprivation. Reviews of housing services; strategic development (which seeks to grow economic investment and therefore improve prosperity in Bolton) and council tax levels will all have an impact on those who are worst off financially.

Within reviews, significant consideration has therefore been given as to how to limit the potential impacts for those on the lowest incomes. In addition, one-off funding will continue to be made available over four years to support priority work which includes stimulating the economy and a borough anti-poverty strategy. The Council is also taking forward other national initiatives and pilots including the "Troubled Families" programme (as part of a wider initiative to tackle complex dependency) and the Working Well pilot, both of which are seeking to ensure that as many families as possible have support to access employment and improve prosperity.

5. Are there any gaps in your evidence or conclusions which make it difficult to quantify the potential adverse impact? If so, please explain how you will explore the proposal in greater depth.

Yes, this strategic EIA provides a high level response to the council's standard EIA questions. It will, however, be necessary to bring forward detailed proposals for each of the savings options, including detailed analysis of equality impact, and this will take place on a phased basis over the next two years. It will also be necessary to consult with Trades Unions and appropriate stakeholders on each of the individual reviews as they come forward. The consultation processes will help to inform a full assessment of equality impact.

In conclusion, the council continues to make every effort to protect the most vulnerable as far as possible, and to respond appropriately to its duties under the Equality Act. However, this strategic EIA recognises the significant challenge which the financial position presents for Bolton, and the likelihood that many of the strategic budget options – whilst seeking to deliver the "least worst" outcome for Bolton – may well have an impact on a range of stakeholders as the council seeks to set a legal budget for the coming two years.

Please confirm the outcome of this EIA:

| | |
|--|-------------------------------------|
| No major impact identified, therefore no major changes required – proceed | <input type="checkbox"/> |
| Adjustments to remove barriers / promote equality (mitigate impact) have been identified – proceed | <input type="checkbox"/> |
| Continue despite having identified potential for adverse impact/missed opportunities for promoting equality – this requires a strong justification | <input checked="" type="checkbox"/> |

Stop and rethink - the EIA identifies actual or potential unlawful discrimination