

Bolton Council

Report to:	Cabinet		
Date of meeting:	30 th November 2020		
Report of:	Sue Johnson, Deputy Chief Executive	Report Number:	3402
		Telephone Number:	01204 332495
Contact Officer:	Tony Glennon, Head of Corporate Finance	Telephone Number:	01204 331723
Report title:	Budget Options 2021-23		
<p style="text-align: center;">Not confidential</p> <p>This report does not contain information which warrants its consideration in the absence of the press or members of the public.</p>			
Purpose:	To present to members the savings options to meet the £39.5m savings target for 21/22 and 22/23, £37.2m to be delivered in 21/22		
Recommendations:	<ol style="list-style-type: none"> 1. Confirm that members have had due regard to the Equality Impact Assessment in making the following recommendations. 2. That the initial savings proposals for 2021/22 and 2022/23 outlined in this report of £39.5m be formally agreed for consultation 		
Decision:			
Background documents:			
Date:			

Consultation with other officers			
Finance	Yes		Heads of Finance
Legal	Yes		Borough Solicitor

HR	Yes		Lee Fallows
Climate Change	No		
Equality Impact Assessment	Yes		Nicky Connell
(a) Pre-consultation reports		Yes	
Is there a need to consult on the proposals?		Yes	
(b) Post consultation reports		n/a	
Please confirm that the consultation response has been taken into consideration in making the recommendations.			
Vision outcomes Please identify the appropriate Vision outcome(s) that this report relates or contributes to by putting a cross in the relevant box.		1. Start Well	X
		2. Live Well	X
		3. Age Well	X
		4. Prosperous	X
		5. Clean and Green	X
		6. Strong and Distinctive	x
1. Start Well	Our children get the best possible start in life, so that they have every chance to succeed and be happy.		
2. Live Well	The health and wellbeing of our residents is improved, so that they can live healthy, fulfilling lives for longer.		
3. Age Well	Older people in Bolton stay healthier for longer and feel more connected with their communities.		
4. Prosperous	Businesses and investment are attracted to the borough, matching our workforce's skills with modern opportunities and employment.		
5. Clean and Green	Our environment is protected and improved so that more people enjoy it, care for it and are active in it.		
6. Strong and Distinctive	Stronger, cohesive, more confident communities in which people feel safe, welcome and connected.		

1 INTRODUCTION

- 1.1 At its meeting on 2nd November 2020 Cabinet approved a two-year budget strategy covering 2021/22 and 2022/23 including the requirement to find total savings of £39.5m.
- 1.2 This report sets out options for consideration to be consulted on before Budget Council in February 2021.

2 LOCAL GOVERNMENT FINANCE SETTLEMENT 2021/22

- 2.1 It was announced in late October that the 2021/22 Spending Review will take place on 25th November 2020. This allocates spending limits to government departments.
- 2.2 Normally the Provisional Local Government Finance Settlement follows some 3 weeks later, meaning councils will not know expenditure allocations until mid to late December 2020.

3 IMPACT OF COVID19

- 3.1 Members were updated on the financial challenge facing the council and the impact on the MTFS at the 2nd November Cabinet meeting.
- 3.2 The national lockdown came into force on 5th November 2020 until 2nd December 2020 and the Chancellor announced in addition that the Furlough Scheme would be extended until March 2021.
- 3.3 The impact of the above on the economy and hence the council's ability to raise revenues from council tax and business rates remains uncertain. Ongoing monitoring is taking place to estimate the full impact and as of writing the Collection Fund is expected to be in deficit by around £12m at the end of 2020/21. The law has been amended to allow for this deficit to be spread over the following 3 financial years.

4 OTHER KEY ASSUMPTIONS

- 4.1 A number of key assumptions are built into the budget namely;
- 4.2 Council Tax
 - Adult social care – 2% (brings in additional £2.3m)
 - General Levy – 1.99% (£2.3m)
 - Council Tax growth now assumed zero in 21/22
- 4.3 Business Rates
 - Assumed 2% inflationary increase
 - Assumed 100% retention continues
 - S31 grant – continuation of hospitality /retail relief (£43m) is uncertain

5 RESERVES

5.1 This is the current reserves position as at quarter 2 2020/21;

Service	Opening balance 01/04/20	Activity in Year 2020/21	Closing balance 31/03/21
	£000s	£000s	£000s
Adult Services	283	(778)	(495)
Public Health	519	98	617
Children Services	3,538	(3,768)	(230)
Deputy Leader	3,036	(158)	2,878
Highways & Transport	1,339	(459)	880
Planning & Housing	70	(16)	54
Stronger Communities	1,848	(240)	1,608
Environment Delivery	1,785	(325)	1,460
Environment Regulatory Svs	164	(146)	18
Corporate Resources	4,580	(1,435)	3,145
Corporate Accounting	21,337	0	21,337
Financial Arrangements	44,375	(24,912)	19,463
General Fund	10,660	0	10,660
Total Revenue	93,534	(32,139)	61,395
Capital Reserves - People	22,847	(4,545)	18,302
Capital Reserves - Place	6,531	(3,500)	3,031
Corporate Capital	13,994	0	13,994
Total Capital	43,372	(8,045)	35,327
Total of Revenue & Capital Reserves (excluding Schools)	136,906	(40,184)	96,722
Schools and DSG Reserves	2,364	(9,847)	(7,483)

- 5.2 Reserves' usage particularly in Financial Arrangements is predominantly around supporting the capital programme.
- 5.3 Reserves received to cover Cov19-related costs are shown as fully utilised in 2020/21. £6m of reserves are being used to balance the current year's budget as approved at Budget Council in February 2020. In addition an estimated £7m is required to balance the budget to cover Covid19 and other pressures in 2020/21.
- 5.4 To ensure the financial sustainability of the council reserves cannot be used to defer the savings requirement.

6 BUDGET STRATEGY

- 6.1 Cabinet on 2nd November 2020 outlined
- 6.1.1 The financial challenge facing the council post-Covid19
- 6.1.2 The budget position and Medium-Term Financial Strategy 2021 to 2025
- 6.2 Taking into account all of the above the proposed budget strategy is as follows;
- Continue with a 2-year strategy covering 2021/22 and 2022/23
 - Continue to monitor the impact of Covid19 on the finances of the council
- 6.3 This results in a savings target 2-year budget cycle of £39.5m. Appendix A contains the MTFS covering the 2-year budget period.
- 6.4 The Council's total controllable budget in 2020/21 is circa £206m. The £39.5m reductions are allocated departmentally as follows;

Directorate	Net Budget £m	Target £m
Adult Services	67,369	12,760
Children's Services	50,982	9,291
Public Health	18,074	1,637
Place	35,698	7,556
Corporate Resources	33,415	8,273
Total	205,538	39,517

6.5 Options to achieve the reductions outlined above are shown in Appendix B

7 STAFFING IMPACT

7.1 The council currently employs 2934.15 FTEs. It is not possible to accurately identify how many posts will be lost until detailed proposals are developed. Based upon the options outlined in appendix B up to 1881 FTEs are in the scope of the review and it is estimated that 262 FTEs will be impacted. Of these around 134 FTE posts are proposed to be displaced and there are 128 FTE vacant posts covering a number of the areas in scope.

8 COMMUNICATIONS

8.1 The scale of change which is taking place as a result of the cuts required is significant and therefore it is vitally important that the Council and individual services have comprehensive and effective communication plans in place. Communications need to be with all stakeholders but in particular will include customers/clients, staff, unions, all Members, partner organisations and other interested parties. Communication plans will operate at both an overall corporate level as well as departmental and individual service levels. Much of this communication will be informal but it is also important that where required formal communications and consultations take place.

8.2 The information and proposals set out in this report have already been presented to the joint unions at the SLJCC on 23rd November 2020.

9 BUDGET PROCESS

- Formal approval to the initial option proposals agreed by Cabinet today
- Cabinet 11th January 2021 – Budget Update (if required)
- Budget PDG/SLJCC – end of January/early February
- Cabinet 8th February 2021 - Proposals and recommendations on Council Tax increases for 2021/22
- Council 17th February 2021 to approve the overall Budget and set Council Tax for 2021/22.

10 CONSULTATION

10.1 The Council is intending to commence formal consultation on its overall budget proposals immediately following this meeting with a view to reporting back to Cabinet in February 2021. Specific proposals will undertake their own consultation with appropriate groups, organisations and individuals prior to the final decision on the options being taken. Consultation on the overall budget will be carried out separately and will include:

10.1.1 Updates via Staff News explaining the overall budget position, pointing people to the different ways they can respond to the consultation.

10.1.2 Specific comments/views will be sought via an online consultation with paper copies supplied on request.

10.1.3 Targeted presentations/discussions with specific groups such as the Third Sector Forum, Business Ratepayers, other groups as appropriate.

10.2 Feedback from this consultation will be reported to Cabinet in February 2021.

11 EQUALITY IMPACT ASSESSMENT (EIA)

11.1 It is important to recognise that achieving a balanced budget at this level, following the significant reductions that have already been made, will be much more challenging than in the last two years.

11.2 The Council retains its objective of seeking to manage all reductions consensually as far as possible in order to mitigate the impact on staff. Effective communication and consultation with staff and their trades unions will continue to be vital to the budget process as a whole, as well as to individual service reviews.

11.3 The EIA is attached at Appendix C.

12 CONCLUSION

12.1 This report outlines a proposed strategy to set the 2021/22 and 2022/23 budgets by identifying reductions of £39.5m.

13 RECOMMENDATION

13.1 Confirm that members have had due regard to the Equality Impact Assessment in making the following recommendations.

13.2 That the initial savings proposals for 2021/22 and 2022/23 outlined in this report of £39.5m be formally agreed for consultation

BUDGET 2021/22 and 2022/23

	Original Budget 2020/21 100% Business Rates £000s	Latest Budget 2020/21 100% Business Rates £000s	Forecast 2021/22 100% Business Rates £000s	Forecast 2022/23 49% Business Rates £000s	Forecast 2023/24 49% Business Rates £000s	Forecast 2024/25 49% Business Rates £000s
Expenditure						
Previous Year's Budget	415,037	415,037	441,866	431,106	437,074	444,852
Schools DSG Change	11,212	11,212				
Non School Services						
Inflation	5,992	5,992	4,942	5,190	5,315	5,460
WDA/PTA	-1,000	-1,000				
Other Corporate	3,577	3,577	2,693	724	698	700
Pensions	0				1,896	
Adult Social Care Precept	2,264	2,264	2,310	2,414	2,523	2,637
Children's and Adult's Demand Growth			6078			
Insurance	83	83	98			
Housing Benefit/ Council Tax Admin Subsidy Grants	200	200				
Covid ongoing pressures			6,277			
Non Covid Ongoing Pressures			4,000			
2020/21 Pressures						
Covid Expenditure Pressures - MHCLG Return		17,258				
Unachieved savings		7,422				
Covid Income losses - MHCLG Return		15,180				
20/21 specific Covid grants		-10,222				
Emergency Funding Grants		-26,699				
Dept'l Reserves to Balance		-2,939				
Non-covid pressures		4,500				
Savings to be identified / Growth to build in	0		-37,158	-2,359	-2,653	0
Budget Requirement	437,365	441,865	431,106	437,074	444,852	453,649

	Original Budget 2020/21 100% Business Rates £000s	Latest Budget 2020/21 100% Business Rates £000s	Forecast 2021/22 100% Business Rates £000s	Forecast 2022/23 49% Business Rates £000s	Forecast 2023/24 49% Business Rates £000s	Forecast 2024/25 49% Business Rates £000s
Resources						
Direct Schools Grant	198,169	198,169	198,169	198,169	198,169	198,169
New Homes Bonus	505	505	429	223		
Retained Local Business Rate (incl prev yrs balance)	83,757	43,001	79,323	60,216	61,442	63,793
GMCA Growth contribution	-2,500	-2,500	0	0	0	0
Section 31 Grants	14,131	54,887	14,131	10,563	10,774	10,989
Business Rates Top Up	21,326	21,326	21,753	45,188	46,091	47,013
Council Tax Contribution - Base Adjustment (incl Contribution from Collection Fund & prev yrs balance)	113,528	113,528	112,693	117,899	123,343	131,832
Council Tax Contribution - Adult Social Care	2,264	2,264	2,310	2,414	2,523	2,637
Council Tax Contribution - General Levy			2,298	2,402	2,510	2,623
Contribution from / (to) reserves		4,500				-3,427
Reserves in budget	6,185	6,185				
Total	437,365	441,865	431,106	437,074	444,852	453,629
Council Tax Increase (subject to Council approval)	2.00%	2.00%	3.99%	3.99%	3.99%	3.99%

Assumptions (subject to agreement at full council)

Council Tax General Levy	0.00%	0.00%	1.99%	1.99%	1.99%	1.99%
Council Tax Adult Social Care	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Council Tax Change in Base from Prev Year	0.91%	0.91%	0.00%	0.50%	0.50%	0.50%
Collection Rate	98.00%	98.00%	98.00%	98.00%	98.00%	98.00%

Directorate of Children's Services 2021/22 savings options

OPTION	BUDGET 2020/21	SAVINGS 2021/22	ESTIMATED STAFF IMPACT			
	£'000	£'000	FTE IN SCOPE	FTE DELETED	FTE VACANT	FTE DISPLACED
Reduction of agency spend		300	0	0	0	0
Review of all grants	500	100	0	0	0	0
Review of staffing within the Commissioning and Support Services	5,906	1,450	166.17	51	34.21	16.79
Review of staffing in Education Services	5,533	407	194.38	18.07	18.07	0
Reduction in legal expenditure	900	500	0	0	0	0
Review of resources within Staying Safe	15,817	1,569	350	35	18.41	16.59
Review of new transport models	3,542	350	0	0	0	0
Placement Demand	13,325	4,075	0	0	0	0
Reduction of inflation		540	0	0	0	0
Total Savings Options for Directorate of Children's Services		9,291	710.55	104.07	70.69	33.38

Directorate of Adult Services 2021/22 savings options

OPTION	BUDGET 2020/21	SAVINGS 2021/22	ESTIMATED STAFF IMPACT			
	£'000	£'000	FTE IN SCOPE	FTE DELETED	FTE VACANT	FTE DISPLACED
Transformation of Older Adults, Mental Health and Learning Disability Day Care	3,700	965	0	0	0	0
Review of Income and Subsidies	13,419	2,520	0	0	0	0
Reduction of Inflation	4,000	1,250	0	0	0	0
Review of delivery model of Integrated Equipment Stores	2,019	225	16	5	2	3
Review of staffing in the Adults portfolio	16,477	1,375	270.79	25	3.5	21.5
Review of Intermediate Tier provision	1,467	1,000	tbc	tbc	tbc	tbc
Care packages and placements demand strategy	34,186	3,650	0	0	0	0
Delivery of a Learning Disability Supported Housing strategy	14,906	1,100	0	0	0	0
Review of all contracts and grants	same as placement	675	0	0	0	0
Total Savings Options for Directorate of Adult Services		12,760	286.79	30	5.5	24.5

Directorate of Public Health 2021/22 savings options

OPTION	BUDGET 2020/21	SAVINGS 21/22	ESTIMATED STAFF IMPACT			
	£'000	£'000	FTE IN SCOPE	FTE DELETED	FTE VACANT	FTE DISPLACED
Change of commissioner for specialist school nursing	120	120	0	0	0	0
Reduction of controllable budgets	650	483	0	0	0	0
Review and reduce public health service contracts	14,027	1,034	0	0	0	0
Total Savings Options for Directorate of Public Health		1,637	0	0	0	0

Directorate of Corporate Resources 2021/22 savings options

OPTION	BUDGET 2020/21	SAVINGS 2021/22	ESTIMATED STAFF IMPACT			
	£'000	£'000	FTE IN SCOPE	FTE DELETED	FTE VACANT	FTE DISPLACED
Review of model of financial support services across the council, maximising the benefits of new Oracle IT system	1,965	446	40	10	5	5
Align Council Tax hardship budget to expected demand	400	100	0	0	0	0
Council Tax support scheme increased top slice	115,800	900-2000	0	0	0	0
LWP Budget focus on fuel poverty support to residents	500	100	0	0	0	0
Review of Legal and Democratic Services	1,514	200	37	4	4	0
Review School Appeals processes and provision	36	36	1	1	1	0
New model for One Stop Shop/Contact Centre leveraging benefits of new systems	2,542	234	97	9	9	0
Merge Overpayment Recovery with Accounts Receivable	285	23	12	1	0	1
Review of model of HR support across the council, maximising the benefits of new Oracle IT system	1,701	396	71	8	0	8
Merge Support Services with Publishing Services	356	128	13	4	2	2
Review of MEC	1,601	1,129	20	15	2	13
MRP re-profiling	6,500	940	0	0	0	0
Levy and corporate benefits budgets	39,800	691	0	0	0	0
3 days unpaid leave for all staff (to facilitate Christmas shut down where appropriate)		1,200	0	0	0	0
Pay modelling balance	820	820	0	0	0	0
Total Savings Options for Directorate of Corporate Resources		8,273	291	52	23	29

Directorate of Place 2021/22 savings options

OPTION	BUDGET 2020/21	SAVINGS 2021/22	ESTIMATED STAFF IMPACT			
	£'000	£'000	FTE IN SCOPE	FTE DELETED	FTE VACANT	FTE DISPLACED
Review provision of School Crossing Patrols	207	107	10.42	5.42	0	5.42
Review of Highways & Engineering	5,525	1,001	143.77	15	3	12
Review of Libraries, Museums and Archives.	3,762	430	91.6	10	6.44	3.56
Review of Neighbourhood Management and Area Forums	672	150	6.62	4	1.62	2.38
Review of Neighbourhood Services	4,914	282	126.53	15	10	5
Review of Regulatory Services, Licensing and Enforcement Services	1,813	60	45	2	0	2
Review of Community Safety	499	125	11.6	3	2	1
Review of Albert Halls - New business model based on private lease/hire of facilities.	127	100	6.17	6	1	5
Review of properties and Land held by the council in line with the Strategic Asset Management Plan (SAMP)	-1,210	400	6	1	0	1
Review of Housing services	1,255	420	61.11	10	0	10
Review of the Business Development team	365	55	8	1	1	0
Review of Planning Enforcement	-26	38	3	1	1	0
Review of all concessions and review University concessionary use of Bolton One	1,714	81	0	0	0	0
Change the funding arrangement for staff working on Regeneration Capital Programmes	438	230	0	0	0	0
Increase all fees and charges by an additional 6% above inflation	-14,872	700	0	0	0	0
Review of all commercial leases to reduce/remove peppercorn agreements	-1,210	214	0	0	0	0
Selective price increases such as raising the school meal price to £2.20, review Trade Waste fee structure, increase on-street parking by 20%	-2,163	550	0	0	0	0
Increase the budgeted income to reflect the actual income for services such as Planning, Heaton Fold etc.	-2,486	270	0	0	0	0
Review of Fleet Management	240	240	20.75	1	1	0
Waste, Neighbourhood and Community Services amalgamation	12,361	1,793	45.34	TBC	TBC	TBC
Review of Building Control	134	80	7	2	2	0
Review of Leisure Centres with a view to closures or sale as a going concern	1,714	230	0	0	0	0
Total Savings Options for Directorate of Place		7,556	592.91	76.42	29.06	47.36

STRATEGIC EQUALITY IMPACT ASSESSMENT (EIA)

1 Background and Context

- 1.1 This document provides a strategic EIA of the service reductions and changes that the council is proposing to deliver, in order to achieve balanced budgets in 21/22 and 22/23. It is a strategic analysis only at this stage, as the detail of each option is yet to be developed. Individual EIAs will be produced for each option, when developed, as part of an ongoing consultation exercise.

2 Budget Strategy

- 2.1 Over the last decade the council has successfully delivered a succession of budget reductions totalling around £190m.
- 2.2 It is proposed that the council will again adopt a two-year budget strategy, albeit that the majority of the savings will need to be delivered within the first year, i.e. 2021/22. The council no longer has sufficient reserves to enable the budget to be balanced in year and to phase in savings reviews.
- 2.3 The savings target of £39.5m is based on the following assumptions and considerations:
- Inflation – 2%
 - 3.99% Council Tax increase in 2021/22 (2% ringfenced for Adult Social Care)
 - That any changes to the proposed Business Rates Retention Scheme are fiscally neutral.
- 2.4 It is important to stress that in identifying options to achieve these cuts, the council needs to strike a balance between the impact on the general public of any council tax increase, and the impact on the public in terms of service reductions. A decision to reduce the council tax increase for 2021/22 will require a higher level of cuts.

3 The Approach to Managing and Mitigating Service Impact

- 3.1 The scale of the cuts needed in the wake of the past ten years' reductions, and the restrictions on which parts of the council's budgets these can be made from, mean that there are now very limited options available across our services which enable the council to deliver a legal budget for 2021/22.
- 3.2 The council will take the following step to deliver the best options for Bolton from an extremely challenging set of choices, and to manage and mitigate the worst of the impacts arising as far as possible:
- The council continues to maintain its strategy to ensure that statutory provision continues to be met, and to limit the impact on the most vulnerable in the borough as far as possible, whilst supporting our local economy.

4 Strategic Approach

- 4.1 Within the context of the council's strategic priorities, a series of principles have been articulated to inform the proposals. These are:

- Centralised and streamlined support services internally, to achieve economies of scale and careful prioritisation of capacity;
- Further digitalisation of council services to realise efficiencies in conjunction with the council's Digital Inclusion Strategy;
- Alternative service delivery models to deliver reductions in operating costs;
- Maximising opportunities to generate income, e.g. by supporting more businesses to invest in Bolton.

5 Specific Proposals

- 5.1 There are a number of specific options with a potential equality impact, including many which impact on the size of the council's workforce (overall it is estimated that a reduction of), reviews of universal and targeted services, and changes to support schemes and concessions. Full details are included in Appendix B.

6 Consultation

- 6.1 Formal consultation on the budget options set out in the report will now take place and will include:
- Formal consultation with trade unions – information and proposals set out in this report have already been presented to the joint unions on 23rd November 2020;
 - Views and comments sought from all stakeholders via an online consultation questionnaire. A paper copy is available upon request;
 - Targeted communications/discussions with representatives of the community and voluntary sector and business rates payers;
 - Briefings with staff, which will need to take place online as far as possible, due to the COVID-19 pandemic, and updates via email explaining the overall budget position, and access to the report online. Letters to staff without access to a computer.

- 6.2 Specific proposals, which will be brought forward during the course of the programme, will be subject to individual EIAs, consultation and assessment procedures at the appropriate time, if required.

7 Equality Impact Assessment Questions

a Describe in summary the aims, objectives and purpose of the proposal, including desired outcome

- 7.1 The report sets out the strategic context and outline budget for 2021/22 and 2022/23, including options to achieve the anticipated reduction of £39.5m over the two-year budget cycle.

b Who are the main stakeholders in relation to the proposal?

- 7.2 As set out in previous strategic EIAs, the very nature of the services the council provides, and the scale of the savings required, mean that a range of stakeholders are likely to be affected by reductions in and changes to council service provision in some way over the next two 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 very different ways; some services may reduce or stop; and some customers' eligibility to access services may change;

- Members of the general public – could be affected by further reductions in universal services and changes in council tax;
- 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 around 1,700 jobs since 2009, and a minimum of 262 FTEs may be impacted by this programme. However, the council retains its objective of seeking to manage all reductions consensually as far as possible to mitigate the impact on staff, through the use of voluntary early retirement and voluntary redundancy in line with statutory requirements, as well as vacancy management.

c In summary, what are the anticipated (positive or negative) impacts of the proposals?

- 7.3 The philosophy set out by the council to deliver its budget is very clear regarding its priorities in relation to protecting the most vulnerable and enabling economic growth. The approach set out in the earlier parts of this EIA seeks to deliver the best outcome for Bolton in very difficult circumstances and, where possible, mitigate the worst of the impacts, particularly for the borough's most vulnerable people.
- 7.5 As before, the council aims to minimise the impact of budget reductions on front line service provision. Proposals have again been sought from each of the council's directorates to offer a degree of protection to front line services, and to safeguard the borough's most vulnerable people, whilst at the same time moving forward on our economic strategy. However, the level of cuts now being faced means that it is inevitable that even front line services will see an impact.
- 7.6 The potentially negative impacts are: reduction or cessation of universal and non-statutory services; elevated thresholds and reduced levels of statutory service provision; an increase in council tax; increased fees and charges for council services; a potential further reduction of around 262 FTEs. We will continue to mitigate this through: careful targeting to protect the most disadvantaged in the borough; ongoing investment in economic growth and development; and a workforce strategy to mitigate the impact of reductions in staff as far as possible.

Council Tax

- 7.7 The working assumption is the Referendum limit for 2021/22 will be 1.99% for the general levy with a further 2% being levied for Adult Social Care
- 7.8 The council acknowledges that any increase in council tax has a financial effect on those who are eligible to pay in the borough, and may be particularly difficult for

those who are already under financial pressure. However, the proposed increases will subsequently reduce the level of cuts which may otherwise need to be achieved. In addition, the council continues to provide a discretionary council tax discount scheme for eligible residents requiring extra help, as well as a Local Welfare Provision scheme for vulnerable people in short term crisis.

- 7.9 The 2% increase specifically for Adult Social Care would help protect the most vulnerable customers and residents in the borough and reduce the cuts in services they receive.

d Is there any potential for (positive or negative) differential impact or adverse impact with regards 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?

8 Council Stakeholders

Service users (including parents and carers)

- 8.1 The council is committed to continuing to protect children's social care services as far as possible, however, reviews are proposed in services for children and young people. That said, limiting the impact on the most vulnerable children and young people is a priority, and care has been taken to ensure that the potential impacts of the proposals are mitigated as far as possible through targeting and engaging partners to deliver diminished council services.
- 8.2 The council is also committed to protecting adult and older people's social care services as far as possible, and in addition to this budget strategy, there is investment from the Greater Manchester devolution programme to assist in integration of health and social care services, which will mitigate against some of these reductions and improve outcomes for older people.

Members of the general public

- 8.3 The council has a clear strategy of moving from universal to targeted services, in order to offer a degree of protection for services for the borough's most vulnerable people, whilst at the same time moving forward with our economic strategy. The strategy continues to be pursued through these proposals.
- 8.4 If council tax rises are 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 level of cuts which may otherwise need to be achieved. This is particularly so for the 2% Adult Social Care precept.
- 8.5 In coming to a decision about possible council tax increases, the council will seek 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.

Organisations working with or supported by the council

- 8.6 As in previous years, the council must look at making reductions 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.

- 8.7 Clearly it will be essential to ensure 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 complementary services are being reviewed. The council has carried out significant work with these partners over the last few years to encourage and assist them to become self-financing and sustainable where possible.

Staff

- 8.8 Given the ongoing scale of the budget requirements, there will continue to be an impact on staff, whether through loss of employment or associated restructuring and change. Since 2009 the council's workforce has already reduced by around 1,700 employees, almost entirely through voluntary means, for example, by deleting vacancies, offering voluntary early retirement/redundancy, 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 consider reductions as far as possible via consensual means.

Diversity Groups

- 8.9 Throughout the 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, whilst also ensuring that the council can set a legal, balanced budget:
1. Eliminating unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act;
 2. Advancing equality of opportunity between people who share a protected characteristic and people who do not share it;
 3. Fostering good relations between people who share a protected characteristic and people who do not share it.
- 8.10 Analysis of 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

- 8.11 Headline analysis identifies potential impacts around age, disability, caring status and socio-economic deprivation. 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.
- 8.12 Further detail included in previous strategic reports indicates that equality issues must be examined around customer access, as the council continues to move towards a greater use of technology as the primary access route. This is supported through the council's digital inclusion strategy for our communities.

Children and Young People and their Parents/Carers

- 8.13 Several significant reviews are proposed for services for children and young people. In the broadest sense, changes to such services have the potential to impact upon children and young people, including those with disabilities or special educational needs; their parents/carers; and those young people who are also parents or carers. Limiting the impact on the most vulnerable children and young people will continue to be a priority, and care will be taken to ensure that the potential impacts of proposals are well understood and mitigated as far as possible, e.g. through targeting.

Older People and those who care for Older People

- 8.14 Ongoing transformation within adult social care means that the way in which services are provided will continue to change. The council continues to seek to deliver quality and affordable services, whilst also promoting independence, choice, and control, and meeting statutory duties. However, service users and their families and/or carers will see changes as a result of the budget proposals, and also as the programme of integration across health and social care services continues.
- 8.15 Throughout the process it will be essential to ensure that any proposed changes to services are based on a full understanding of need and eligibility, to ensure that Bolton's older people and their families continue to receive appropriate, accessible, and safe care services.

Social-economic Deprivation

- 8.16 The council continues to aim to protect the most vulnerable in the borough and to target resources to them, although resources are much more limited than they have been previously. This budget strategy does have the potential to have an impact on those people who are experiencing socio-economic deprivation. This will need to be considered as part of each review in the detailed EIA.

e 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.

- 8.17 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 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.

- 8.18 In conclusion, the council continues to make every effort to protect the most vulnerable as far as possible, support economic development, and to respond appropriately to its duties under the Equality Act. However, this strategic EIA recognises the significant challenge presented by the financial position 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 sets a legal budget for the coming two years.