

**Kent County Council
Equality Analysis/ Impact Assessment (EQIA)**

Directorate/Service: Strategic & Corporate Services/Finance

Name of decision, policy, procedure, project or service: Public consultation on the draft 2021-22 Budget and Medium Term Financial Plan (MTFP)

Responsible Owner/ Senior Officer: Dave Shipton

Version: 2

Author: Simon Pleace, Revenue and Tax Strategy Manager

Pathway of Equality Analysis:

Draft to be published alongside the consultation, amended (if required) post consultation.

Revised draft to accompany the draft budget proposals which are scheduled to be published in early January.

Draft budget proposals (and EQIA) will be available as part of the formal scrutiny process (Cabinet Committees) which takes place in January
County Council consider the budget at their meeting on 11 February

Summary and recommendations of equality analysis/impact assessment.

- **Context**

Each year the County Council is responsible for agreeing the overall revenue and capital budgets and in particular the amount of Council Tax it requires to precept from District Councils and the consequence on the rate for Council Tax charged for County Council services for each property band. The budget approved by County Council sets out the amounts to be delegated to individual directorates and their overall proposals how this is planned to be spent. Corporate Directors have delegated authority to make in-year changes within prescribed limits, changes above these limits have to be agreed by the Leader/Cabinet.

Budget planning for 2021-22 is being set against the most uncertain economic and fiscal context. Following the one-year roll forward settlement for 2020-21 we do not have detailed government spending plans for subsequent years or indicative settlements for local government. Added to this is the additional uncertainty stemming from the response to the Covid-19 pandemic and subsequent recession. This uncertainty affects both spending plans and income sources. The changes to local authority funding over the last 10 years means that councils are much more exposed to the impact of recession as much less of the funding now comes from government grant and much more from local tax yields. Business rate retention and the localisation of council tax reduction schemes means council's tax income is much more volatile and subject to the

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prevailing economic conditions than ever before. This uncertainty means there are a myriad of possible scenarios and there is not time to wait until some of these uncertainties are resolved before consulting about the Council's budget strategy.

This Equality Impact Assessment has been carried out on the overall budget strategy. The individual proposals, which are subject to their own implementation timeframe, will be subject to their own separate Equality Impact Assessment, consultation and assessment procedures at the appropriate time. Corporate Directors and/or Cabinet Members will have delegated authority to make changes to their individual spending plans following consultation and detailed evaluation of the impact of the individual proposals (which are subject to their own specific timeframe).

- **Aims and Objectives**

The illustrative draft figures for the budget campaign represent a high level strategic plan setting out a range of potential scenarios including:

- Possible spending growth for the common reasons such as changes in demand due to demographic factors, impact of national legislation on the cost of and requirements governing providing services, inflation. The spending growth scenarios also include potential recurring costs arising from Covid-19 pandemic
- the overall resources estimated as likely to be available for the forthcoming financial year
- the estimated Council Tax to precept from district councils for the forthcoming year

Issues raised during the consultation and engagement campaign will be considered by Cabinet Members and reported to individual Cabinet Committees in January following publication of the full draft budget proposals prior to these committee meetings. This full draft will include any amendments arising from the consultation through the budget campaign and the outcome of the Government's Spending Review announcement and subsequent provisional local government finance settlement, both of which may not arrive until mid/late December. Committees will be asked to consider the full draft budget (including the latest version of this equality impact assessment) as it affects their portfolios, whether it reflects the views expressed following the campaign, and recommending any further changes to the final draft budget prior to consideration at full County Council on 11th February 2021.

The final draft budget (including any changes from committees) will be presented to Cabinet on 25th January 2021 together with the outcomes from the consultation.

- **Summary of equality impact**

Adverse Equality Impact Rating: Currently judged to be between Medium and High

Attestation

I have read and paid due regard to the Equality Analysis/Impact Assessment concerning the Draft 2021-22 Budget. I agree with risk rating and the actions to mitigate any adverse impact(s) that has / have been identified.

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Head of Service

Signed: Dave Shipton

Name: Dave Shipton

Job Title: Head of Policy, Planning and Strategy

Date: 13 October 2020

DMT Member

Signed: Zena Cooke

Name: Zena Cooke

Job Title: Corporate Director of Finance

Date: 13 October 2020

Part 1 Screening

Could this policy, procedure, project or service, or any proposed changes to it, affect any Protected Group (listed below) less favourably (negatively) than others in Kent?

Could this policy, procedure, project or service promote equal opportunities for this group?

Protected Group	Please provide a <u>brief</u> commentary on your findings. Fuller analysis should be undertaken in Part 2.			
	High negative impact EqIA	Medium negative impact Screen	Low negative impact Evidence	High/Medium/Low Positive Impact Evidence
Age	The scale of the financial challenge which the authority faces arising in the wake of Covid pandemic is potentially significant. The challenge arises from a combination of increasing spending demands alongside a likely reduction in the amount of Council Tax and Business Rate income we will receive next year. It is possible that Government will compensate for some of this challenge, but if not it is likely the budget will have some proposals which will have a high or medium negative impact on some protected groups – it is too early to say who will be impacted and what the impact might be.			The budget proposals are also likely to include some investment in some services as we respond to cost and demand pressures. The proposals are also likely to include some transformation savings. These are where we aim to provide services in a different and improved way at less overall cost to the Council. It is possible that some of these will have a positive impact on service users although its far too early to provide any detail.
Disability				
Sex/Gender				
Gender identity/ Transgender				
Race				
Religion and Belief				
Sexual Orientation				
Pregnancy and Maternity				
Marriage and Civil Partnerships				
Carer's Responsibilities				

Part 2

Equality Analysis /Impact Assessment

Protected groups

ALL

Information and Data used to carry out your assessment

A profile of the population of Kent can be found on this link:

<http://www.kent.gov.uk/about-the-council/information-and-data/Facts-and-figures-about-Kent/equality-and-diversity-data>

The Council has a statutory responsibility to consult on its proposed budget and level of Council Tax under the Local Government Finance Act 1992 and under KCC's constitution. The County Council plans to discharge this responsibility via the following:

- a plain English description of the overall level of funding we anticipate from council tax and the government settlement and the gap against forecast spending demands.
- the campaign will be supported and promoted through social media
- three questions covering the Council Tax options for 2021-22 including two about the general level of council tax and a separate question specifically related to the adult social care levy
- questions about KCC's overall budget strategy which seeks to understand whether respondents are comfortable (or not) with spending reductions on individual services
- a free text section which allows respondents to make any other comments about the budget proposals
- all the published information will be available via the Council's website and will also be available in alternative formats on request
- all beneficiaries will be invited to submit comments/suggestions on the proposals in the budget campaign

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- we are exploring the possibility of hosting virtual workshops with other key stakeholders e.g. voluntary sector, parish councils, KCC staff groups etc.
- detailed discussion will take place with Trades Union representatives
- Elected county councillors will have the opportunity to examine the proposals in the draft budget prior to County Council

The consultation is being launched in October and will run for 6 weeks. Inevitably this means that figures can only be forecasts. In particular we will not have received the outcome of grant settlements from central government or the referendum limit for Council Tax increases or the Council Tax base estimates from district councils. Nonetheless, launching the campaign now allows the Council to set out its estimates of possible scenarios including a range for the forecast additional spending growth which need to be addressed no matter what the outcome of these unknown aspects. It also allows respondents the ability to comment about the acceptability or otherwise of savings in particular service areas.

Consultation on the overall budget proposals is not a substitute for consultation or undertaking an EQIA before implementing individual elements of the proposed budget. Rather, this will help to inform future decisions as we are asking for residents' views on potential spending reductions. Having set the budget this will not preclude making changes following detailed consultation as long as changes are in accordance with the Council's Constitution and Financial Regulations.

Inevitably the budget is a plan and there will be variations arising during the year. These variations are reported through the in-year budget monitoring. We have reviewed both the Budget Book and monitoring reports to make the data sources consistent.

Who have you involved consulted and engaged?

Anyone who is liable to pay Council Tax in Kent and Kent residents
KCC service recipients
KCC staff
Local businesses
Voluntary sector organisations
Parish and District councils
Kent County Council elected Members

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Analysis

Budget proposals could impact on staff working in services, clients of those services and stakeholders involved with those services.

The budget is being developed in line with the Council's strategic priorities and the best estimate of the fiscal environment for local government and Kent County Council in particular. To that extent we have assessed the impact against these priorities.

More detailed assessments will be carried out by individual directorates prior to implementing any changes. It will be necessary to commence the more detailed consultation on individual elements prior to the County Council agreeing the budget in February. Where this is the case it will be made clear that any consideration is subject to the County Council agreeing the overall budget. Without this separation of consideration of the overall strategic parameters it would be impossible to carry out detailed impact assessments.

Adverse Impact:

It is inevitable that some of the changes in the draft budget proposals may have an adverse impact, although it is far too early to say at this time. In a time of rising demand for our services and reducing income it is inevitable the authority has to review the way it provides services and we cannot carry on providing services in the same way as we have in the past. One of the aims of the transformation savings is to produce different or better outcomes for less public money.

We have sought to engage more openly about Council Tax as inevitably tax rises can have an adverse impact on individuals and families. In particular the County Council has asked separate questions about the overall level of Council Tax to fund all council services and the specific additional levy for adult social care services. The County Council has no other ability to mitigate the impact of Council Tax other than the overall Band D charge for the whole county (the charges for other bands are set proportionately to Band D by legislation). District councils are responsible for agreeing local discounts for low income working age households

Positive Impact:

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The budget proposals may include some discretionary investment, particularly to support maintaining capital investment programme and adjusting budgets in light of the latest forecast spending trends. Maintaining the capital programme is a key element of the stimulating economic growth including supporting local jobs working on local projects, stimulating housing, tackling congestion and providing facilities to equip young people with the skills they will need to enter the future jobs market.

JUDGEMENT

The policy, strategy or service is major because of high cost, or potential to affect a large number of residents of Kent

- KCC will consult on the Budget Proposals
- The budget proposals have been developed throughout the year to take account of the likely resources available to the Council, financial performance during the current year, alignment of finance with priorities set out in the council's medium term financial plan and engagement with members/senior officers/stakeholders at all appropriate stages in the process.
- Detailed screening can only take place once the key strategic parameters have been agreed by the County Council.
- Further this Equality Impact Assessment will be revisited following the consultation period.
 - **No major change** - no potential for discrimination and all opportunities to promote equality have been taken
 - **Adjust and continue** - adjust to remove barriers or better promote equality
 - **Continue the policy** - despite potential for adverse impact or missed opportunity. Set out the justifications: there is no justification for direct discrimination; and indirect discrimination will need to be justified according to the legal requirements.

Internal Action Required YES

At this stage, it's too early to know whether there is any specific adverse impact on any particular group. Directorates are responsible for completing individual EqIA on their specific proposals and developing their own action plans.

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Equality Impact Analysis/Assessment Action Plan

Protected Characteristic	Issues identified	Action to be taken	Expected outcomes	Owner	Timescale	Cost implications
ALL	Potential impact on all Kent residents	Consultation with residents	Better understanding of the impact of proposals on residents.	Dave Shipton	14 October – 24 November	BAU
ALL	Potential Impact on service	Consultation with CVS	Better understanding of the impact of proposals on CVS and service users.	Dave Shipton	14 October – 24 November	BAU

Have the actions been included in your business/ service plan? Yes