

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

**Directorate/ Service:** Strategic & Corporate Services - Finance

**Name of decision, policy, procedure, project or service:** 2020-21 Budget Amendment

**Responsible Owner/ Senior Officer:** Dave Shipton

**Version:** 6 (for publication)

**Author:** Simon Pleace, Revenue and Tax Strategy Manager

**Pathway of Equality Analysis:** County Council 10 September 2020.

**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 of how this is planned to be spent. Corporate Directors and/or Cabinet Members have delegated authority to make in-year changes within prescribed limits, changes above these limits have to be agreed by the Leader/Cabinet.

The 2020-21 revenue budget was approved by County Council on 13th February 2020. The approved revenue expenditure budget is £1.6bn (excluding schools) and full details on how this was funded and what it was planned to be spent on can be found via the following link: <https://www.kent.gov.uk/about-the-council/finance-and-budget/our-budget>

On 11th March the Covid-19 outbreak was declared a pandemic. The Council's response has focussed on protecting the safety and wellbeing of all Kent residents, especially the most vulnerable as well as supporting its principal suppliers in line with government guidelines. Some of the main aspects of the response have included making additional payments to social care providers towards costs they are incurring during the emergency; procurement and distribution of additional personal protective equipment (PPE) to both staff and care providers; maintaining payments to early years and childcare providers even where they have had to close down; maintaining payments to bus companies and home to school transport providers to sustain the market following the slump in journeys during lockdown and school closures; securing additional temporary mortuary provision.

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Although some services delivered by third parties could not be provided and some of the council's own facilities had to close, including children's centres, country parks, libraries, waste disposal and recycling facilities, the council has continued to incur contractual and staffing costs for these services.

The magnitude of these changes are such that the Council has acknowledged it needs to amend its revenue spending plans (spending on day to day services) and capital programme (investment in infrastructure) in response to the significant change in circumstances. Time is tight and we need to present amended spending plans to full Council on 10<sup>th</sup> September for approval if we are to balance the budget and manage the recovery in a sustainable manner.

This is a unique situation and whilst the Council has responded to the pandemic and consequential economic fallout, there remains a significant amount of uncertainty that makes financial planning far more challenging than would usually be the case. A key part of the uncertainty is how much funding the Government will provide and whether this will cover all the costs incurred by the Council as well as the losses in income. It is important to emphasise the amounts in this consultation are based on the latest available information.

This high-level Equality Impact Assessment has been carried out in the context of this uncertainty. At this stage we cannot be sure of the level of additional savings that might be required to balance the amended 2020-21 budget, and what impact these savings may have on any protected group. As is always the case, any individual proposals, 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**

At this stage, the amendment to the 2020-21 revenue budget will include the following:

- Additional costs (one-off and recurring) arising from responding to the Covid-19 pandemic and subsequent recovery, delays/non delivery of savings built into approved 2020-21 budget and actual and projected losses of income (excluding council tax and business rates)
- Allocation of the un-ringfenced Covid 19 Financial Support grant which was announced in three tranches in March, April and July
- Additional savings/use of reserves to close any gap between additional costs and grant funding
- Allocation of Covid 19 related specific grants e.g. Infection control in care homes
- Update on the funding and savings associated with Public Health (the approved budget was based on estimates and final grant allocations have now been confirmed)

- Latest Home Office grant funding announcement to support UASC
- Members' decisions regarding their spending priorities e.g. Community Wardens
- Other material non Covid-19 related changes to forecast expenditure and income from the original approved budget

- **Summary of equality impact**

**Adverse Equality Impact Rating:** Currently judged to be Medium to High

Rationale for rating: It is difficult to ascertain the exact equality impact at this stage.

Initial recovery work has highlighted equality issues which will adversely impact the Age, Disability, Race and Sex protected groups- with little or no issues identified for Sexual Orientation and transgender protected groups.

Emerging research such as the PHE report on the 'Disparities in the risk and outcomes of Covid -19' have highlighted risks that will have an impact on service users, staff and the delivery of services.

As such it may be considered that without knowing the risk may be Medium to High for some protected groups especially when considering the cumulative impacts of emerging issues.

**Attestation**

I have read and paid due regard to the Equality Analysis/Impact Assessment concerning the 2020-21 Amended Budget. I agree with risk rating and the actions to mitigate any adverse impact(s) that has / have been identified.

**Head of Service**

Signed: Dave Shipton

Name: Dave Shipton

Job Title: Head of Policy, Planning and Strategy

Date: 8 July 2020

**DMT Member**

Signed: Zena Cooke

Name: Zena Cooke

Job Title: Corporate Director of Finance

Date: 9 July 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 <b>brief</b> 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
<b>Age</b>		2). If full reimbursement from Government is not forthcoming, the Council will need to consider how it balances the budget through 1) reductions to spending 2) introduction of new savings/income charges 3) use reserves		1). The scale of the financial challenge which the authority faces arising from its response to and recovery from Covid 19 is unprecedented. Additional spending on a range of services has been and will continue to be necessary.
<b>Disability</b>				
<b>Sex/Gender</b>				
<b>Gender identity/ Transgender</b>				
<b>Race</b>		In the case of using reserves, this has to be treated as a one-off solution and allows more time to consider more permanent solutions to the budget challenge we face.		Government have so far provided the Council with £67m of additional un-ringfenced grant funding (excluding the July announcement as detail is pending), along with ring fenced grant funding for specific issues e.g. infection control in care homes.
<b>Religion and Belief</b>				
<b>Sexual Orientation</b>		Reductions to spending, and the introduction of new savings/income charging <b>may</b> have a negative impact, but it's far too early to assess what impact they may have on any protected group. Impact Assessments will be undertaken as the specific proposals in the amended budget are developed.		
<b>Pregnancy and Maternity</b>				
<b>Marriage and Civil Partnerships</b>				
<b>Carer's Responsibilities</b>		Also, responses to the amended budget consultation on the budget strategy will be taken into consideration when the final decisions on the amended 2020-21 budget plans are made at County Council in September 2020.		At this stage we continue to lobby government for full reimbursement of all additional costs incurred by the Council in response to and recovery from Covid 19. If full reimbursement is received, we assess this as having a positive impact on the Council's services and its suppliers.

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## **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. A consultation was undertaken in the Autumn of 2019 regarding Council Tax levels for the 2020-21 financial year and there are no proposals within this consultation to amend the level of Council Tax which has already been set for the year. The County Council plans to undertake the budget consultation via the following:

- a campaign supported and promoted through social media
- a question covering the options for closing any budget gap
- questions about KCC's overall budget strategy and respondents' spending priorities
- published information being available via the Council's website and also available in alternative formats on request
- a discussion with Trades Union representatives
- County councillors having the opportunity to examine the proposals in the draft budget prior to County Council

The consultation on this budget amendment is being launched on 13<sup>th</sup> July and will run for a four-week period. Inevitably this means that some of the figures will be estimates, based on the available information at the time. We may not have received notification of all government funding announcements around Covid-19. Nonetheless, launching the consultation is important to set

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out the latest estimates including some of the forecast additional spending demands which need to be addressed no matter what the outcome of the unknown aspects. It also gives respondents the ability to comment about local spending priorities.

Consultation on the overall budget amendment proposals is not a substitute for consultation or undertaking an EqIA before implementing individual elements of the proposed budget e.g. any new saving. Rather, this will help to inform future decisions as we are asking for views on spending priorities. 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.

The Council has reviewed the presentation of its budget book and MTFP over the last few years to try to make it more transparent and make the data more understandable. Inevitably the budget is a plan and there will be variations arising during the year. The variations that are arising this year, largely arising from our response and recovery to Covid 19 are the reason why we are amending the budget this September.

### **Who have you involved consulted and engaged?**

We will be seeking views from the following:

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

### **Analysis**

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

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The consultation process outlined above provides an opportunity for those that believe they may be affected to comment on the impact of the overall strategy for balancing the budget and on spending priorities. We will promote the consultation to those groups and/or representatives of those groups (voluntary and community sector organisations) where we can see emerging equality issues for the recovery work to take account of their views. It is essential that the responses to both this consultation on the overall amended budget strategy and any individual detailed consultations to support specific aspects of the proposed budget are considered in light of the overall financial constraints which have been imposed on local government following the Spending Round 2019 (announced on the 4 September 2019) and subsequent local government finance settlements and additional grants provided in response to Covid 19.

The amended budget is being developed in line with the Council's interim Strategic Plan and builds on the budget that was approved at County Council on 13 February 2020 by including the additional costs incurred by the Council in response to, and recovery from Covid 19.

More detailed assessments will be carried out by services and where required more detailed consultation will be undertaken prior to implementing any reductions to spending and/or new savings/additional income proposals.

### **Adverse Impact:**

If full government reimbursement for all Covid 19 costs is provided, there will be no adverse impact on the Council.

However, if full reimbursement is not forthcoming, and reductions in expenditure and/or new savings and additional income is required, then it is possible that some of the changes in the amended budget may have an adverse impact, although it is too early to say at this time. In a time of rising demand for our services it is inevitable the council has to review the way it provides services as we cannot carry on providing services in the same way as we have in the past. One of the aims of the transformation savings previously agreed is to produce different or better outcomes for less public money. Efficiency savings are aimed at delivering the same or similar outcomes for less money.

### **Positive Impact:**

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The budget proposals include some additional expenditure, over and above the levels agreed at County Council on 13 February 2020, and these are in direct response to Covid 19.

The amended budget will also include some additional expenditure for non-Covid 19 issues. This is likely to include those services that have experienced material growth in their demand in the final three months of the 2019-20 financial year. This growth would not have been reflected in the budget that was approved at County Council on 13 February. An example is the increased demand for independent foster care placements within Children's Social Care.

## 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 Amended Budget Proposals
- The amended budget proposals take into account the additional funding announcements by Government, financial and activity levels at the end of 2019-20, alignment of spending 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, the 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.

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**Internal Action Required      YES**

At this stage, it's too early to know whether there is any adverse impact on any particular group. Directorates are responsible for completing individual EqIA on any specific proposals that might arise from the amended budget.

**Equality Impact Analysis/Assessment Action Plan**

<b>Protected Characteristic</b>	<b>Issues identified</b>	<b>Action to be taken</b>	<b>Expected outcomes</b>	<b>Owner</b>	<b>Timescale</b>	<b>Cost implications</b>
Some groups	Emerging equality issues affecting certain groups	We will actively promote the consultation through emailing representatives of known groups	Better engagement with the consultation from those potentially affected groups	Simon Pleace	July 2020	£0