

Finance and Resources Committee

10am, Tuesday, 27 March 2018

Council Revenue Budget Framework (2018–2023) – Impact Assessments Update Report

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Executive Summary

A report to the Finance and Resources Committee on 8th February 2018 presented a summary of the main potential equality, rights and environmental impacts of proposals described within the draft Revenue Budget Framework 2018-23, and identified recommendations for mitigating potential negative equality and rights impacts, enhancing potential positive impacts, alongside an assessment of cumulative impacts.

This report provides an update on these assessments, noting changes arising from the approved budget motion, and presents a final assessment of cumulative impacts.

Council Revenue Budget Framework (2018 – 2023) Impact Assessments Update report

1. Recommendations

1.1 It is recommended that the members of the Committee:

1.1.1 Note and continue to pay due regard in any further decision-making concerning these proposals, to

- the potential equality, rights and environmental impacts associated with the revenue budget 2018-23 proposals
- the recommendations to mitigate potential negative impacts, and
- the cumulative equality, rights and environmental impacts across all revenue budget proposals

2. Background

- 2.1 The Council's Draft Revenue Budget Framework 2018/23 set out a series of savings proposals. The report to Committee on 8th February presented a summary of potential equality, human rights, carbon, climate change and sustainable development impacts from these proposals, and of associated mitigating actions to address negative impacts, all of which informed the budget decision on 22 February 2018.
- 2.2 Since then, further information on the agreed budget proposals, including significant additional service investment, has informed the final cumulative impact assessment.
- 2.3 Integrated Impact Assessments enable the Council to assess the positive and negative impacts on people with protected characteristics in the City. They also enable the development of mitigating actions to counteract negative impacts. Due regard of such assessments should be given at Council Committees when major decisions are being made. The conclusions presented in this paper help to demonstrate meeting the requirements of the Equality Act 2010, human and children's rights conventions, and the Climate Change (Scotland) Act 2009.

3. Main report

- 3.1 There were 44 budget proposals being considered for approval by Council on 22 February 2018. To comply with statutory obligations due regard was given to the equality impact and environmental impact assessment of budget proposals.
- 3.2 Many of the budget proposals for 2018-2023 were considered as having no potential relevant impact on equality and the environment. Where proposals identified relevant potential impacts proposal sponsors were required to complete an Integrated Impact Assessment. A number of these assessments have already been completed. For others, background information on the proposal has been gathered to inform the final cumulative assessment and proposed sponsors are required to develop the Integrated Impact Assessment throughout the further development and implementation stages of the proposal.
- 3.3 Throughout this process, Finance co-ordinated the development of the budget proposals, with support and advice on equality and environmental impacts provided by the Strategy and Business Planning team where required. Responsibility for assessing the corresponding potential equalities and rights and environmental and sustainable development impacts rests with the savings proposer.
- 3.4 In carrying out the interim Cumulative Integrated Impact Assessment it was noted that more information on ten of the proposals was required. Outcomes of Council's budget-setting meeting on 22nd February, particularly those proposals not taken forward and approved additional service investment, have also informed this final Cumulative Integrated Impact Assessment.
- 3.5 **Summary update of the main potential equalities, rights and environmental impacts, including proposed mitigating actions.**
- 3.5.1 Fleet Financing Model (proposal 2) – Please see revised proposal ADD4 (below) which now replaces this proposal
- 3.5.2 Advertising on verges and roundabouts (proposal 5) – Original concern about advertising on roundabouts and verges because drivers could be distracted or confused by additional signs is now alleviated as implementation of this proposal will include using the experience of other local authorities and undertaking separate safety audits for each location.
- 3.5.3 Reviewing grants and contract management (proposal 6) – £130,000 of this saving is proposed to come from the conclusion of a number of projects funded from the Social Justice Fund. These particular funding arrangements were due to come to an end in 2018. However, some further actions to mitigate potential issues resulting from the ending of the funding have been identified where appropriate. As a result, no significant impact is anticipated.
- 3.5.4 Improving occupational health and wellbeing support for staff (proposal 9) – The initial assessment identified that revised arrangements will enable more timely action to support people who become unwell and are unable to attend work, including individuals who may consider themselves to have a disability or long-term condition within the Council's employment. The service will

provide advice on reasonable adjustments that could be made to enable disabled employees to continue in their role or to return to work. It will also provide advice for women returning to roles after pregnancy. An Integrated Impact Assessment was undertaken as part of this tendering process and identified action to require staff to be equality trained and provider premises to be accessible.

- 3.5.5** Automating major processes and transactions for citizens (proposal 12) – An impact assessment highlighted the advantage of alleviating operational pressure on staff but did not identify any positive or negative impacts on any protected characteristic groups.
- 3.5.6** Reviewing Disabilities Day Services realignment (proposal 14) - An integrated impact assessment was deemed not to be required for this proposal as the service is not ceasing but merely being delivered in another way i.e. through a third party rather than internal Council staff. The proposal sponsor is confident that the service users are therefore not impacted.
- 3.5.7** Edinburgh Leisure (proposal 15 and proposal 27) - In view of feedback received, the level of investment in Edinburgh Leisure was increased (by £150k) relative to the original proposals and it is anticipated that this level of investment will preserve existing facility opening hours, with any increases in charges focused on those assessed to be best able to pay
- 3.5.8** Home to School Transport (proposal 16) - This project is still at the development stage. The team for the Health and Social Care element of the programme has only recently been established. An Integrated Impact Assessment will be completed for the full Travel Demand Management Programme, one workstream of which is Home to School Transport and a second which is Health and Social Care top 50 client transport costs. This Integrated Impact Assessment session involving the full team and covering the full Travel Demand Management programme will take place shortly.
- 3.5.9** Reviewing Communications Structures (proposal 20) - No issues are anticipated by the proposal sponsor (e.g. the impact on availability of materials in accessible formats). The timing of this review has been revised. However, in line with other structural reviews a formal equality impact assessment will be undertaken.
- 3.5.10** Reviewing Night Team Delivery arrangements (proposal 23) - While an impact assessment was completed, this proposal was not approved as part of the budget motion therefore is no longer relevant.
- 3.5.11** Transport Policy Enforcement (proposal 24) - Impact seeks improved outcomes for sustainability, congestion and air quality reporting through enforcement leading to behavioural change.
- 3.5.12** Align Economic Development to new Strategy (proposal 33) – Please see revised proposal ADD5 which now supersedes this proposal.

3.5.13 Public Transport Initiatives (proposal 35) - Better alignment of public transport delivery will improve integration, carbon reduction performance and affordable public transport for low to middle income households.

New proposals

3.6 As indicated at the Finance and Resources Committee on 8 February 2018, four additional proposals were identified by officers and approved as part of the 2018/19 budget motion on 22 February. The assessed impacts of these proposals are as follows:

- ADD1 Efficiencies in purchasing contract inflationary uplifts: There will be no relevant impacts across any of these areas.
- ADD4 Fleet financing model: There are no anticipated equalities and human rights issues. Procurement of newer vehicles (with increased green fuel potential) will have a positive impact on carbon reduction. (This updated proposal includes an additional saving of £0.200m in 2018/19 relative to earlier estimates)
- ADD5 Align Economic Development to new strategy: This proposal revises Proposal 33. However, the assessment of impact remains the same. The Council's Economic Strategy is currently being reviewed. The strategy will lead to a rationalisation of the Council's approach to economic development. There will be a stronger focus on high impact outcomes particularly those supporting innovation in business development and promoting fairness and equality.
- ADD6 ICT Technology savings: There are no equalities, human rights and carbon, climate change adaptation and sustainable development impacts.

Cumulative Impacts

3.7 A large number of this year's budget proposals with equalities, rights and environmental impacts are to review Council structures and/or processes. Five of these proposals were considered to have positive environmental impacts – mainly that of carbon emission reductions, while the remaining proposals concluded that neither positive or negative environmental impacts were foreseen. The previous report of 8th February highlighted the potential cumulative impacts on staff with protected characteristics as a result of revenue budget proposals, and associated changes to services. For example, employees with particular demographics may be more negatively affected overall from employee cost reductions across the Council.

3.9 Equalities impact assessment is undertaken for each significant re-structuring of service involving employee reduction including engagement and consultation with trade unions about these proposals as they develop.

3.10 In addition, Human Resources is responsible for monitoring the cumulative effect of those affected by staffing reductions and, if appropriate, identifying action to

mitigate impacts. This will include the following budget proposals as they are rolled out:

- Reviewing Customer Service structures (Proposal 11),
- Reviewing Strategy and Insight structures (Proposal 32)
- Reviewing Business Support and Shared Services (Proposal 34)
- Reviewing property and facilities management (proposal 38)
- Reducing Interim Management expenditure (proposal 40)
- Reviewing Human Resources (proposal 42)
- Reviewing Finance and Procurement Structures (proposal 43)
- Reviewing Legal and Risk Structures (proposal 44)

- 3.11 The interim cumulative impact assessment identified older people, people with disabilities, people experiencing poverty and people for whom English is not their first language potentially being impacted by proposals. However, in light of the integrated impact assessments since submitted, the mitigating actions identified, the proposals not approved by Council and additional investments agreed by Committee it is concluded these groups are no longer likely to be impacted negatively by the budget proposals.
- 3.12 Lessons learned from this year's budget preparation will be reviewed and should be incorporated at the earliest opportunity into the budget proposal process for next year.

4. Measures of success

- 4.1 Due regard to the equality and rights impacts has been given to each of the savings, and additional income budget proposals.
- 4.2 The potential equality and rights impacts are taken into account when budget decisions are being made, and recommendations for mitigating negative impacts are implemented and reported on.
- 4.3 The potential carbon emissions, climate change adaptation and sustainable development impacts are taken into account when budget decisions are being made.
- 4.4 The potential cumulative (both annual and incremental) impacts are taken into account, and mitigating actions are identified when each year's budget decisions are being made.
- 4.5 Senior managers across all Service Areas take responsibility and ownership for compliance with Council systems put in place to ensure that statutory duties are met.

5. Financial impact

- 5.1 This report identifies the potential risks in relation to equality, rights and the environment. The Council could be the subject of a legal challenge if these risks are not considered and addressed. Other financial risks relate to savings derived from preventative services which may result in increased demand on other crisis intervention services.

6. Risk, policy, compliance and governance impact

- 6.1 The incorporation of equalities and rights, and carbon impact assessments as an integral part of the budget development process reflects both good practice and compliance with relevant legal duties. This activity enables the Council to highlight any unintended consequences of specific proposals on vulnerable service users, climate change and partnership and prevention activity, increasing the effectiveness of the mitigating actions.
- 6.2 The process is also aligned to wider council and Edinburgh Partnership strategies and plans, enabling more effective prioritising of available resources in a way that best supports the needs of vulnerable service users and groups.

7. Equalities impact

- 7.1 Undertaking equality and rights impact assessment is intended to ensure that any negative impacts, including cumulative impacts, for protected characteristic groups set by the Equality Act 2010 are reduced.
- 7.2 It also ensures that the Equality Act 2010 public sector equality duty is met with regard to (i) eliminating unlawful discrimination, victimisation and harassment; (ii) advancing equality of opportunity and (iii) fostering good relations, and that any infringements on human and children's rights are minimised.

8. Sustainability impact

- 8.1 Carbon impacts assessments have enabled consideration of the public body duties under the Climate Change (Scotland) Act 2009. The findings of these assessments will also help to achieve a sustainable Edinburgh with regard to progressing climate change, social justice and community wellbeing objectives.

9. Consultation and engagement

- 9.1 Lead officers are required to have utilised a range of evidence gathering, including public involvement where appropriate to draw up proposals and consider their impact.
- 9.2 A Council-wide budget engagement process has also taken place. This has included members of EaRN (The Equality and Rights Network). Feedback was then gathered as part of the budget engagement process.
- 9.3 The cumulative impact assessment is based on the information provided in the proposal templates and from the budget engagement feedback.

10. Background reading/external references

[Equality, Diversity and Rights Framework 2017 - 2021](#)

[Public Bodies Climate Change Duties Reporting](#)

[Revenue Budget Framework 2018/23: Mid-Year Review](#), Finance and Resources Committee, 7 November 2017

Final Cumulative Integrated Impact Assessment

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11. Appendices
