APPENDIX 1

Name and brief description of proposal / policy / service being assessed

2012 budget proposals

This document provides an overview of equality issues associated with the revenue element of the Council's draft budget proposals for 2012/13. It summarises the potential equality impacts identified in relation to the budget proposals, and the steps taken to minimise impact on protected groups during the development of the proposals. It also provides a summary of the issues associated with the proposed Council Tax position.

This assessment should be read in conjunction with the Executive Board report that sets out the proposals and background in detail. Individual equality impact assessments have been carried out for specific proposals identified as relevant to equality.

Information used to analyse the effects on equality

This assessment is based on an extensive process of consultation and equality impact assessment built into the Council's overall budget development process. This has included:

- Screening of all proposals to identify potential equality impact
- Equality impact assessments for specific budget proposals where a potential equality impact has been identified
- Ongoing discussions between Officers and Executive Councillors
- Regular budget development meetings for Councillors to approve, amend, or reject budget proposals, taking into account their potential equality impact
- Additional consideration of cumulative equality and wider community impact of the proposals
- Meetings with Voluntary and Community Sector (VCS) representatives
- Consultation on the Council's budget priorities (December 2011)
- Consultation on the Council's draft budget and rent increase proposals (Jan-Feb 2012)

Statistical information and research such as demographic and workforce data, and independent reports have been referenced where appropriate. Other information has informed equality impact assessments for specific proposals where appropriate.

	Could particularly benefit (X)	**May adversely impact (X)**	How different groups could be affected: Summary of impacts	Details of actions to reduce negative or increase positive impact (or why action not possible)
People from different ethnic groups	X*	X	Budget proposals have been required to meet a funding shortfall of £20m in 2012/13 and there will inevitably be an impact on some citizens. Measures are being taken to manage the changes in a planned way, and seek to minimise the impact. Some potential adverse impact may occur as supporting vulnerable adults is a very high cost to the council and more and more people	Detailed steps have been taken as part of the budget process to protect services that are important to vulnerable/protected groups as far as possible, given the level of real terms reduction in Council spend. These have included: revision and rejection of savings proposals on the basis of potential adverse impact on vulnerable groups;
Men, women (including maternity/pregnancy impact), transgender people	X*	X		
Disabled people or carers	X*	X		
People from different faith groups	X*	☐		
Lesbian, gay or bisexual people	X*	☐		

Older or younger people	X*	X	require the Council's support. For these reasons the Council has to consider doing things differently. Because of the funding pressures and the demographic trend of more people requiring support there is an increasing emphasis on preventative provision and a shift towards self-directed support. Such proposals have been adjusted to limit adverse effects. Some of the proposals in relation to adult social care spend may result in some people being asked to pay more for the service they receive where they are assessed in line with Government guidance as being able to do so, or to have to consider lower cost options. Overall impacts for the protected groups relating to savings proposals are summarised in Table 1. Impacts associated with the Council Tax and rent position are summarised in Appendix 1. Additional information relating to impacts is set out in equality impact assessments for specific proposals where appropriate.	identification of actions to reduce the impact of specific saving proposals; and consideration of options in relation to Council Tax levels. The changes to adult social care are being implemented gradually through the annual assessment process, in order to manage the transition and minimise the impact. Steps taken to minimise adverse impact and promote equality for different groups relating to the budget proposals are summarised in Table 1. Additional actions to reduce negative or increase positive impact are set out on equality impact assessments for specific proposals where appropriate.
Other (vulnerable children/adults, low income households)	X* * based on measures taken to protect services particularly relevant for these groups	X		

Outcome(s) of equality impact assessment:

No major change needed ☒* Adjust the policy/proposal ☐ Adverse impact but continue ☐ Stop and remove the policy/proposal ☐

** Proposals have been adjusted based on equality impact as set out below*

Arrangements for future monitoring of equality impact of this proposal / policy / service:

- Arrangements for future monitoring of impacts are set out in EIAs for specific proposals where appropriate.
- Council officers will continue to meet regularly with the Community Equality Forum to discuss equality issues for specific service areas where relevant.
- Equality impact assessment is an explicit part of Council reporting and decision making processes and will be carried out for any further decisions arising from the Medium Term Financial Plan with potential equality impact.

Approved by (manager signature): Carole Mills-Evans, Deputy Chief Executive and Corporate Director for Resources. For comments about this document please contact the Equality and Community Relations Team, equalityanddiversityteam@nottinghamcity.gov.uk or call 0115 87 64952.	Date sent to equality team for publishing: 9 February 2012

Table 1 – Outline of potential impacts and measures taken to minimise impact for different protected groups

The following is a summary based on findings of equality impact assessments carried out for specific proposals. It provides background information about the profile of the City and notes other factors likely to affect specific sections of the community. It then summarises overall impact for each group, highlights where individual proposals are of particular relevance to a group, and notes steps taken to minimise impact.

Specific details of how individual proposals have been adjusted to minimise impact and promote equality are set out in equality impact assessments for individual proposals.

Equality group	Local context and related factors	Relevant budget savings proposals and steps taken to minimise impact
Disabled people and carers	Nottingham has a higher proportion of people with a disability or long term limiting illness (20.1%) than national average.[1] Research indicates that reforms at a national level are reducing the household income of disabled people[2]. Disabled and older households may be more affected by high energy prices due to lower incomes and health conditions.	The current budget has been adjusted to minimise the impact on disabled people by: o Protecting Adults and Children's services in overall terms – funding for these areas is set to rise by over £1.000m in the context of a budget reduction of over £10.000m o Protecting welfare rights services – the Council will continue to provide a comprehensive welfare rights service o Identifying a package of adult social care related proposals that allows savings to be made while continuing to ensure that assessed needs at high moderate, substantial or critical level can continue to be met o Minimising the level of rent increase o Ensuring domestic Enviroenergy price rises will be kept below the market average The proposals in this budget affecting disabled people consist of a set of related proposals resulting in reductions in some aspects of adult social care spend, in the context of a wider shift to self-directed support and emphasis on preventative provision. Together with services for children, services for adults make up over half of the council's total budget and more people require support. For these reasons, the Council has to consider options for delivering these services differently. To mitigate the impact of any changes, the Council has recently introduced early intervention approaches for vulnerable adults like the Nottingham Circle. The proposals in the budget may result in some disabled people being asked to pay more for the service they receive where they are assessed in line with Government guidance as being able to do so, or to have to consider lower cost options, potentially resulting in people experiencing disruption due to a change in the way they receive their service (which could particularly affect people with dementia, learning disabilities, mental health conditions or visual impairment) – but the proposals ensure that only those who are assessed as able to pay are asked to do so, appropriate budgets will be assigned to meet assessed needs, and disruption minimised as changes would be introduced gradually through the annual assessment process.

[1] 2001 Census
[2] Destination Unknown, Demos, August 2011

Children and young people	Nottingham has a higher proportion of young people than national average - 39% under 25 compared to 31% nationally (mid 2010 estimates) Nationally, youth unemployment is at an all time high[3].	The current budget has been adjusted to minimise the impact on children and young people by: o Protecting Children's services – funding is set to rise by c £0.450m in the context of a budget reduction of over £10.000m. o Prioritising initiatives that help create jobs such as the Nottingham Jobs Fund, Nottingham City Employer Hub and appointment of a specialist Employment & Skills Team o Avoiding closure of Children's Centres The Council is seeking to limit the impact of budget reductions on children, young people and their families by delivering efficiencies within non-statutory functions. Services which provide preventative, specialist or targeted support to vulnerable families are being considered more holistically as a strategic transformation. This approach will enable the Council to consider new or more efficient models of delivery and manage the transition safely and protect the most vulnerable in the City. The Council has prioritised diversionary activities for young people and has secured £0.330m Lottery funding to continue its partnership programme of £1 a day holiday activities for young people at local leisure centres for the next 3 years. The Council has also targeted worklessness as a key priority, and in November 2011 launched the Nottingham Jobs Fund, a £1.500m fund intended to create 240 private sector jobs for young people over the next 3 years. In addition, all entry-level Council jobs have been ring-fenced as apprenticeships for City residents, and are targeted towards young people. Items in the draft budget proposals assessed as having a potential impact on young people include restructures of youth and play, reduction in the school clothing allowance, and a minor change to Children's Centres opening hours. All possible efforts have been made to ensure proposals relating to Children's and Families Services avoid adverse impact for service users, for example deletion of vacant posts and ensuring Connexions funding continues to be appropriate for young people's needs while reflecting changing Government requirements.
Older people	The number of people in the City aged 85 or over is projected to increase by over 2,000 by 2031, an increase of over 40%. Older people are more likely to be reliant on public transport services and adversely affected by higher energy prices.	The current budget has been adjusted to minimise the impact on older people by: o Protecting Adults services – funding is set to rise by around £0.575m in the context of a budget reduction of over £10.000m. o Identifying a package of adult social care related proposals that allows savings to be made while continuing to ensure that assessed needs at high moderate, substantial or critical level can continue to be met o Protecting Community Protection posts and current levels of street lighting, both of which play an important role in ensuring people are safe in their neighbourhood and homes (an issue of particular importance to older people) o Protecting concessionary fares (the saving proposal in this area has been negotiated with suppliers in relation to the administration of the scheme) o Minimising the level of rent increase o Ensuring domestic Enviroenergy price rises will be kept below the market average.

[3] http://www.ons.gov.uk/ons/rel/lms/labour-market-statistics/november-2011/statistical-bulletin.html#tab-Youth-unemployment

		Items in the draft proposals assessed as having a potential impact on older people include changes to the responsive Night Noise service, where adjustments have been made to minimise impact by putting alternative arrangements in place. Because older people are more likely to have a disability and/or receive social care, the positive and potential adverse impacts identified in relation to disability above may also be relevant to older people.
Women, Maternity and Pregnancy	Research indicates that policy changes at a national level (e.g. welfare reforms) are disproportionately impacting on women.[4] The Fawcett Society identifies Children's Centres and violence against women services as areas where cuts have a potentially disproportionate impact on women.[5].	The current budget has been adjusted to minimise the impact on women by: o Protecting Domestic Violence services o Protecting Welfare Rights services o Avoiding closure of Children's Centres o Seeking to minimise the number of compulsory Council job losses (due to the Council's workforce profile, any workforce reductions are likely to amount to an overall gender impact). Potential gender impact has also been assessed in relation to adult social care proposals, as a higher proportion of those receiving social care support are women. As above, the overall steps taken to protect adults' services and retain the current eligibility criteria are assessed as positive impacts.
Race	Nottingham has a higher proportion (25%) of Black or Minority Ethnic (BME) citizens than the national average (17%).[6] 40% of school pupils are BME.[7] The City also has a high proportion of migrants from EU Accession countries compared to other Core Cities (NINO registrations). The local community has raised concerns regarding status of BME specialist services	The current budget has been adjusted to minimise the impact on Black and Minority Ethnic citizens by: o Prioritising initiatives that help create jobs such as the Nottingham Jobs Fund, Nottingham City Employer Hub and appointment of a specialist Employment & Skills Team o Protecting Welfare Rights services o Avoiding closure of Children's Centres o Avoiding excessive reductions to voluntary and community sector grant funding (see below) o Minimising the level of rent increase Proposals relating to children and young people and the voluntary sector have been assessed as relevant to race equality given the younger profile of Nottingham's BME community and the important role of the voluntary sector in providing culturally specific services. Specific proposals identified as relevant to race equality include the proposed changes relating to community centre staffing arrangements. The Council has aimed to minimise impacts by working closely with BME community centres and the voluntary sector in relation to budget proposals.

[4] The Impact on Women of the Budget 2011, Fawcett Society, April 2011
[5] A Life Raft for Women's Equality, Fawcett Society, November 2011
[6] 2007 experimental estimates
[7] 2011 School Census

Sexual orientation and transgender identity	An estimated 6.6% of the population is lesbian, gay, bisexual or transgender (LGBT)	The current budget has been adjusted to minimise the impact on people who are lesbian, gay, bisexual, transgender by: • Protecting Community protection posts and current levels of street lighting, both of which play an important role in ensuring people are safe in their neighbourhood and homes (an issue of particular importance to LGBT people and which may be relevant to reducing the incidence of hate crime in the City) • Avoiding excessive reductions to voluntary and community sector grant funding (see below).
Religion and belief	Nottingham has higher proportions of Muslim and Sikh citizens than the national average.	The current budget has been adjusted to minimise the impact on people from minority faith groups by: • Protecting Community protection posts and current levels of street lighting, both of which play an important role in ensuring people are safe in their neighbourhood and homes (an issue of particular importance to people from minority faith groups and which may be relevant to reducing the incidence of hate crime in the City) • Avoiding excessive reductions to voluntary and community sector grant funding (see below).
Marriage or civil partnership		No proposals in the draft budget savings are assessed as having a potential impact in relation to marriage and civil partnership.
Community cohesion and the voluntary sector	The voluntary sector provides an important role in providing services to the BME community, young, older, disabled citizens, and other marginalised or vulnerable groups, and promoting community cohesion. Voluntary and Community Sector (VCS) groups have expressed a desire for closer involvement and more regular updates in relation to the budget development process.	The budget proposals have been adjusted to minimise the impact on voluntary groups and cohesion by: • Avoiding excessive reductions to VCS grant funding • Shaping voluntary sector related proposals to minimise impact (for example in relation to the timing of changes) and promote equality (for example making specific provision for groups working on equality issues) Additional steps have been taken to ensure the VCS is involved in the budget development process and to develop a timetable for consultation of the VCS in relation to the Council's budget. It is Council policy that any cuts in funding to the VCS will not exceed the level of reduction to its own funding settlement. (This policy was adopted last year, and is reflected in the Government's recently published Best Value Statutory Guidance.) In addition, as a result of the Coalition Government 'Big Society vision', funding streams that bypass or exclude local authorities are increasingly available to the VCS[8].

[8] Open letter, Nick Hurd, Minster for Civil Society, Cabinet Office, 11 October 2011

Appendix 1 - Summary of equality impacts associated with proposed Council Tax and Rent position

The Council's budget proposals include a proposed **3.4%** increase in Council Tax and a proposed **5.6%** increase in rent and service charge for Nottingham City Homes (NCH) tenants. To illustrate, the cost of a 3.4% Council Tax increase amounts to **58 pence per week** for a Band A property and **87 pence per week** for a Band D property. A 5.6% rent rise would result in an average weekly increase of £3.56.

In 2011/12, the Government offered a Council Tax Freeze Grant (CTFG) which would fund the equivalent of a 2.5% Council Tax increase. This funding was "locked" into future funding settlements, and the Council accepted it as it would continue to receive an annual grant of £2.500m.

The Government has offered a similar level of CTFG for 2012/13, but as a one-off payment with no further grants to cover this shortfall in future years. Acceptance of this one-off grant would equate to a further real-term funding cut in 2013/14 of £3.500m. To neutralise this, the Council would need either to impose a **6.0%** Council Tax increase or make additional reductions in expenditure of **£3.500m** in 2013/14.

The Government is changing the way council housing is financed. Until now, rent collected from council tenants all over the country was redistributed following a complicated formula. From April 2012, the new 'self financing' system means that Nottingham will retain all the rent collected locally, but costs will no longer be subsidised by the formula. In moving to this new system, the Government has assumed a rent rise for Nottingham City Council tenants of **8.36%** in April 2012. The Council is proposing to mitigate the impact of the rent and service charge increase by limiting this to **5.6%** in 2012/13.

Potential adverse equality impact of Council Tax increase to offset reductions in the Council's external funding

The Council has sought to identify the equality impact of an increase in Council Tax costs on people in relation to disability, race, gender or other protected characteristic.

At the national level it is established that:

- many older and disabled people live on low levels of income, with the majority of older people living alone being women;[9]
- on average, women earn 14.9% less than men[10];
- income and employment rates vary between ethnic groups, with Census data showing that ethnic minority citizens are more likely to be on a lower income.
-

Council Tax Benefit is a national benefit which is currently available to support low income households to meet their Council Tax costs.

At the local level, whilst the data on how Council Tax costs impact upon specific protected groups is limited, the following has been established:

[9] Age UK 'Later Life in the UK' factsheet December 2011
[10] 2010 - 11 Office of National Statistics Annual Survey of Hourly Earnings

Older People

Of the 46,400 older people (aged 60+) living in the City, 14,628 claim Council Tax Benefit (CTB), of whom 3,364 live with a partner. This means that, assuming that the claimant's partner is an older person, 38.8% of older people live in a CTB claiming household, compared to 25.8% of the overall population. The real figure may be higher as this excludes older people who are living as a non dependent adult with people of working age. This suggests that older people are, on average, more likely to be receiving help to meet their Council Tax costs than the overall population.

Disability

Limited local data is currently held in relation to the Council Tax liabilities of disabled households, although a number of disability related benefits (e.g. Income Support: Disability Premium, Employment Support Allowance, Disability Living Allowance, Attendance Allowance and Independent Living Fund) potentially qualify citizens for CTB. At a national level, many disabled people live on low levels of income, and while a Council Tax increase may potentially impact on this group, this will be mitigated where disabled people receive help to meet their Council Tax costs through CTB paid to households that qualify for disability related benefits.

Black and Minority Ethnic

Analysis of the available ethnicity data of CTB claimants suggests that people from BME groups may be roughly 10% more likely to claim CTB than the general population. However, the data on the ethnicity of CTB claimants is limited, and consequently it is difficult to draw any firm conclusion in respect of race equality impact that will result from the proposed Council Tax increase.

Low income households

Where income levels are sufficiently low that citizens qualify for support with Council Tax costs, CTB is currently available and will continue to be so in 2012/13, and this will cover any increase in Council Tax costs.

However, low income households with income levels just above the threshold for support with Council Tax costs may experience an adverse impact from an increase in Council Tax costs. This could include some protected groups – women, disabled people, older people, and black and minority ethnic citizens – since national data indicates that the people in these groups are generally more likely to be on low incomes, and in the absence of local data it is reasonable to assume that the national picture is reflected locally.

Potential positive equality impact of Council Tax increase to offset reductions in the Council's external funding

The Council is experiencing increasing demand on services such as welfare and housing advice; services for vulnerable adults (such as disabled and/or older people) and children make up over half of the Council's total budget.

An increase in Council Tax as part of the overall 2012/13 budget proposals would offset the future shortfall of **£3.500m** that would result from acceptance of the one-off Council Tax Freeze Grant. Within these proposals for 2012/13 the Council has sought to protect services that benefits vulnerable and protected groups, for example:

- Continuing to meet care needs assessed as high moderate or above (more than 80% of Councils have moved to restrict eligibility to substantial and critical needs only)

- Domestic violence services
- Welfare advice services (no longer provided by some Councils)

Research by the Joseph Rowntree Foundation[11] concludes that:

- the most deprived local authorities have been hit hardest by Government funding cuts;
- the scale of cuts will inevitably result in cuts to services as they cannot be fully absorbed by efficiency measures; and
- the impact of service cuts will fall more heavily on disadvantaged people because they are more reliant on public services.

The proposal to increase Council Tax in 2012/13 seeks to mitigate the impact that cuts in public services are likely to have on disadvantaged people across a range of vulnerable groups, thereby mitigating the overall pressure on these groups.

Actions to reduce any adverse impact

The financial impact of an increase to Council Tax will be mitigated through the availability of CTB to households that meet the criteria, and the Council's current draft budget proposals include provision for a continued welfare rights services.

People under the age of 18 (or over 18 for whom Child Benefit is still paid), students and carers will continue to be disregarded for the purposes of Council Tax; and additional discounts will continue to be provided in relation to disability.

[11] Serving Deprived Communities in a Recession; Joseph Rowntree Foundation, January 2012