

## **Addendum to Executive Board Report on Equality Impact of Reduction in Grants – Implications for Services**

In response to the Government's accelerated deficit reduction plan, work has been carried out across directorates to identify reductions in expenditure/additional income. This work has included consideration of the equality impacts of these decisions.

Equality legislation requires public sector bodies to consider the impact of changes to policy and spending on equality groups and the Council has an equality impact assessment process in place. In particular, the current and future financial challenges that local authorities face are likely to have a disproportionate impact on equality groups based on national research and guidance.

In formulating the proposed actions in appendix 1, a range of equality considerations/impacts have been taken into account and these are outlined below.

The proposed reduction in payments to external providers outlined in appendix 2 will be subject to decisions under delegated powers in consultation with the appropriate Executive Member(s). An equality impact assessment will be undertaken by the lead officer on each of these decisions where appropriate.

Work on the proposed action for dealing with grant fallout clearly shows that there will be a disproportionate impact on children and young people's services which were dependent on Area Based Grant funding.

Given the urgent nature of the impending budget reduction requirement, services were unable to enact full or specific Equality Impact Assessments. However, to ensure that an equitable and fair approach was applied to the budget reduction process, some services identified a set of principles which were adopted by all the lead officers and commissioners. These specifically identified:

- Sharing the burden of the cuts across all funding streams not just those funded through the Area Based Grant
- Protecting small organisations and not including those with a grant or SLA under 15k
- Protecting services that deliver to vulnerable families and young people with high levels of need, for example, universal services taking a larger hit than specialist services
- Exploring and applying in-house savings wherever possible
- Looking at cumulative effects on the budgets of organisations that may rely on several funding sources from different council directorates
- Working closely with outside funders such as the NHS to minimise impact on providers with multiple contracts from several sources.

This means that we are able to demonstrate equality considerations have been taken into account in developing the proposed actions. This includes:

- Reduction rather than removal of service which will be facilitated by a redirection of resources
- Identification of appropriate ways to mitigate any adverse impacts on those organisations supporting vulnerable groups, particularly, young people
- Understanding the risk on targeted services for vulnerable groups and putting steps in place to minimise risk with the aim of reducing the impact upon organisations in receipt of a number of contracts via the council
- Initial discussions with community groups/external providers on the proposals

It is recognised that the majority of the funding proposals in this paper provided funding for additional rather than core services. This has resulted in some difficult decisions where it has been recognised that there would potentially be an impact on equality groups and action has (or is being) taken to identify ways of minimising risk and impact.

This issue is likely to be a factor as we move forward in this area and equality impact considerations will need to feature in all future budget reduction/setting priorities. In particular, the need to ensure that all proposals are considered as a package to understand and mitigate impact across all communities and services. This will be developed for all future budget reduction/setting decisions.