



# Budget Reduction Proposals 2011-15 Multiple Impacts Risk Appraisal

Supporting Equalities Impact Assessments  
of Individual Budget Proposals

July 2011

## Introduction

1. This report supports the Equalities Impact Assessments (EIA) of individual budget reduction proposals included in the 2011-15 MTFP. EIAs examine individual proposals in detail to identify the ways in which the proposal could impact on people with 'protected characteristics'<sup>1</sup> and other vulnerable groups.
2. This report is not an EIA. It is a risk appraisal. It looks collectively across all of the budget proposals and other changes taking place in the wider environment to identify groups of people who are at risk of multiple impacts from these proposals and changes and therefore especially vulnerable to disadvantage through the combined effects of two, three or more changes in their circumstances.
3. The report provides additional information to supplement EIAs and assist decision-makers in understanding the full implications of decisions. Summary text based on this report is included in individual EIA reports.
4. The contents of the report could also be valuable in contributing to strategic forward planning, providing a picture of the groups most vulnerable to change in the current era of financial constraint. It can therefore be a useful source on social inclusion for the Strategic Needs Assessment and corporate and service planning.

## The Sources of Potential Multiple Impacts

5. This appraisal of the potential for multiple impacts has taken account of four areas of change that are likely to generate negative impacts on people with protected characteristics, and other vulnerable groups. These are:
  - The budget savings proposals contained within the 2011-15 MTFP – most of these proposals have been found to have limited or no potential impact on protected characteristics, and in practice multiple impacts are likely to arise from combinations of the proposals for Adult Social Care, Children's Services, Supported Buses, Arts and Culture and Libraries.
  - The 2010/11 'in-year' budget reductions implemented during 2010.

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<sup>1</sup> Protected characteristics are identified in the Equality Act 2010 as Age, Disability, Race, Religion or Belief, Gender Reassignment, Sex, Sexual Orientation, and Pregnancy and Maternity. Marriage and Civil Partnerships is a protected characteristic only in terms of preventing unlawful discrimination.

- The wider Transformation Programme, currently consisting of 72 distinct projects including the MTFP budget proposals that have not yet been implemented.
- A range of service changes within Adult Social Care, in addition to the two proposals included in the MTFP relating to Severe Disability Premium Disregard and Eligibility Criteria Fairer Access to Care Services Banding. Some of these service changes are included in the 72 transformation projects, but the appraisal considered them and the two budget proposals as a discrete exercise to consider their combined effects on Adult Social Care clients
- Proposed changes to benefits and pensions, to reinforce the picture of risks relating to income and affordability.

## Legal Context

6. This multiple impacts appraisal was commenced after the public sector general equality duty in Equalities Act 2010 came into force, and the appraisal is framed in that context. However our approach to EIA is anchored in the Disability Equality Scheme developed with disabled people in response to the Disability Discrimination Act 2005. It also has regard to the earlier legislation on race and gender equality. For the time being we continue to utilise the proven EIA tools developed with disabled people in the new legal context.
7. The public sector equality duty set out in the Equality Act 2010 replaces the race, disability and gender equality duties. The general duty on public sector bodies is to:
  - Eliminate unlawful discrimination, harassment and victimisation
  - Advance equality of opportunity between different groups
  - Foster good relations between different groups
8. The Equalities and Human Rights Commission has issued guidance for decision makers on making fair financial decisions. This is available at: [http://www.equalityhumanrights.com/uploaded\\_files/EqualityAct/PSED/making\\_fair\\_financial\\_decisions.pdf](http://www.equalityhumanrights.com/uploaded_files/EqualityAct/PSED/making_fair_financial_decisions.pdf)
9. The law requires public authorities to have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation, to advance

equality of opportunity and foster good relations between people who share a protected characteristic (see footnote) and those who do not. Decision makers must have 'enough information' available to enable the authority to demonstrate that it has had 'due regard' to any adverse impacts arising from the proposal. Case law<sup>2</sup> suggests that an understanding of potential multiple impacts is an important part of what constitutes 'enough information' where a number of concurrent proposals are being considered by the Council and changes are also taking place in the wider environment.

## Summary of Multiple Impact Risks

10. The tables on the following pages summarise the main areas of risk of multiple impacts on children and young people, older people and disabled people. These are the protected characteristics that have been identified as being most at risk of multiple impacts from the proposals and changes examined in the exercise.
11. The proposals and changes are of two broad types: budget reductions and other changes that could have direct negative impacts; and business transformation projects intended to improve services that have been identified as posing risks to the above groups of people if not designed and managed effectively using equalities impact assessment to secure positive benefits and avoid or minimise negative impacts.
12. As a general point, the shrinking of the public sector in favour of the anticipated growth in new ways of working with increased community involvement and contributions poses significant additional risks for vulnerable people, especially in the transition between old and new ways of working.

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<sup>2</sup> Namely the judgement of The Honourable Mr Justice Walker in the case of four families of disabled people v Birmingham City Council published 19<sup>th</sup> May 2011:  
<http://www.judiciary.gov.uk/NR/rdonlyres/7852C851-129F-4DFB-89C1-C495BD08DCBC/0/birminghamcitycouncil19052011.pdf>

**Table 1: Multiple Impacts Risk Appraisal**

2010/11 In-Year Budget Reductions	2011-15 MTFP Budget Reductions	Wider Transformation Programme	Benefits Changes
<b>Children and Young People</b>			
<p>Reduction in school crossing patrols budget</p> <p>Reduction in road safety, education and training budget</p> <p>Other implemented changes were management related not affecting services</p>	<p>Early Years Inclusion – reduction from 8 term time only staff to 3 full time and 1 hearing impairment support worker. Service is refocused on capacity building with staff in EY settings to provide a sustainable and more consistent service across all settings, but individual parents may experience the change as a loss of 1 to 1 contact.</p> <p>Educational Psychology – proposed reduction to 2 fte staff increased to 3 following consultation, to cover LA residual statutory function; to be located in community rather than school settings. Schools will have funds to commission service, and some are now doing this. Changes may be perceived as a loss of service by individuals.</p> <p>SEN – reduction to 2 posts plus 1 support staff, with retained management responsibility covering residual statutory duty. Again may be perceived as loss of service by individuals – main area of risk is in schools choosing to not use funding on SEN services</p> <p>Supported buses – loss of evening services across parts of the borough could impact on social/leisure accessibility.</p> <p>Potential changes to arts and cultural provision and to libraries service could impact on young people, dependent on options appraisal and impact assessment.</p> <p>Reductions in cycle and pedestrian training budgets have been balanced by additional funding from LSTF and other sources.</p>	<p>Significant risks within the programme are in savings projects covered in column to left</p> <p>Improvement projects may carry risks if not delivered effectively, especially those shifting from ‘welfare’ to self directed support:</p> <ul style="list-style-type: none"> <li>• Darlington Partnership Review</li> <li>• Integrated Commissioning Organisation</li> <li>• Free School Meals</li> <li>• Direct Payments Review</li> <li>• Mainstreaming Self Directed Support</li> <li>• Early Intervention and Development whole area approach</li> <li>• Review of services &amp; support to people with LD/SEN</li> </ul>	<p>Changes in Income Support for lone parents could impact on children</p> <p>Increase in higher education tuition fees and loss of Education Maintenance Allowance impacts on aspirations and career prospects.</p>

2010/11 In-Year Budget Reductions	2011-15 MTFP Budget Reductions	Wider Transformation Programme	Benefits Changes
<b>Older People</b>			
<p>Concessionary fares reduced to statutory minimum</p> <p>Withdrawal of taxi vouchers</p> <p>Withdrawal of Ring a Ride funding</p> <p>Shopmobility grant reduction</p>	<p>Eligibility Criteria - change could impact more on older people with moderate/low level care needs than on disabled</p> <p>Severe Disability Premium change to level of disregard could affect disposable income and affordability for some people</p> <p>Supported bus services budget reduction – potential loss of services evenings and Sundays over large areas of borough</p> <p>Review of Third Sector funding – impact on voluntary organisations and volunteering opportunities</p> <p>Arts and libraries proposals could impact disproportionately on social opportunities for older and disabled people, including accessible buildings for social contact, dependent on preferred options for future provision.</p> <p>Trading Standards changes could leave older and disabled people more vulnerable to dishonest practices.</p>	<p>Significant risks within the programme are in savings projects covered in column to left</p> <p>Improvement projects may carry risks if not delivered effectively, especially those shifting from ‘welfare’ to self directed support:</p> <ul style="list-style-type: none"> <li>• Integrated Commissioning Organisation</li> <li>• Access Channels/ Voice Recognition</li> <li>• Direct Payments Review</li> <li>• Self Directed Support</li> <li>• Mental Health Day Opportunities</li> <li>• Review of services &amp; support to people with LD/SEN</li> <li>• Residential Care Fees</li> <li>• Domiciliary Care Call Monitoring</li> <li>• Extra Care Charging</li> <li>• Older Person’s Day Opportunities</li> </ul>	<p>Pensions reform – long-term changes; equalisation of women’s pension age and stepped increase in pension age</p>

2010/11 In-Year Budget Reductions	2011-15 MTFP Budget Reductions	Wider Transformation Programme	Benefits Changes
<b>Disabled People</b>			
<p>Concessionary fares reduced to statutory minimum</p> <p>Withdrawal of taxi vouchers</p> <p>Withdrawal of Ring a Ride funding</p> <p>Shopmobility grant reduction</p>	<p>Severe Disability Premium proposal will reduce disposable income and affordability for some people.</p> <p>Changes to Eligibility Criteria will remove free service provision to people with moderate or low needs</p> <p>Supported bus services budget reduction – potential loss of services evenings and Sundays over large areas of borough; main issue for disabled people is barriers to using buses rather than loss of service; proposed removal of Sunday service to West Park Hospital could impact on people with mental ill health through reduced visitors.</p> <p>Review of Third Sector funding – impact on voluntary organisations and volunteering opportunities</p> <p>Arts and libraries proposals could impact disproportionately on social opportunities for older and disabled people, including accessible buildings for social contact, dependent on preferred options. – the impact could be particularly significant for people with mental ill health.</p> <p>Trading Standards changes could leave older and disabled people more vulnerable to dishonest practices.</p> <p>Changes to services for children around SEN and Early Years Inclusion carries risk of disproportionate impact on disabled children.</p> <p>The proposals impacting on disabled people were also assessed as impacting on carers.</p>	<p>Significant risks within the programme are in savings projects covered in column to left</p> <p>Improvement projects may carry risks if not delivered effectively, especially those shifting from ‘welfare’ to self directed support:</p> <ul style="list-style-type: none"> <li>• Integrated Commissioning Organisation</li> <li>• Culture Trust Options</li> <li>• Access Channels/Voice Recognition</li> <li>• Direct Payments Review</li> <li>• Self Directed Support</li> <li>• Mental Health Day Opportunities</li> <li>• Residential Care Fees</li> <li>• Domiciliary Care</li> <li>• Older Person Day Opportunities</li> </ul>	<p>Changes to the benefits system and to personal assessments are causing significant challenges for many disabled people. Disability Living Allowance is being replaced by the Personal Independence Payment, and a new assessment of people’s suitability for work has been piloted.</p>

## Constraints and Limitations

13. There are practical constraints to this appraisal. Boundaries have had to be drawn in order to produce a timely report to inform decision making:

- Identification of potential impacts has been restricted to the five areas of significant current change set out in paragraph 5. These include the major current change programmes within the Council. Benefits changes are also referenced, given that issues of disposable income and affordability are a significant aspect of Council proposals. It has not been practical to include wider potential changes, for example in the Police and NHS, in the appraisal.
- We have already stated that this is a risk appraisal and not an EIA. The Talking Together events and targeted workshops in the early part of the EIA process enabled people to identify and comment on the potential for multiple impacts. People also highlighted multiple impacts risks in the EIA sessions on individual proposals. This report draws on all those views, but there has been no additional engagement specifically focused on multiple impacts.
- The appraisal of risks is based on officer judgements, though informed by the views expressed on individual proposals. Whilst officers have sought to be as objective as possible and to use tools to give structure and consistency to the approach, the result is inevitably impressionistic.
- The scale of multiple impacts is difficult to quantify and weigh in the balance given that individuals will experience them in different combinations and to varying extents in the context of their personal circumstances, and there are numerous variables in attempting to draw conclusions across a number of different change programmes.
- Nevertheless the picture derived from the exercise is presented as a helpful reinforcement to the EIA reports on individual budget proposals.



## The Overall Approach

14. The approach to identifying people at risk of multiple impacts is rooted in the EIA of individual budget proposals. This adopted the 'funnel' analogy to guide assessment over time. This started with an initial assessment of the potential impact of all budget reduction proposals from a high level whole population perspective (the 'mouth of the funnel') followed by increasingly detailed impact assessment, moving down the funnel, of individual proposals on specific groups of people.
15. The various stages in the approach were as follows:
  - a. 29 draft budget proposals were published in the Town Crier in November 2010. These were the subject of Talking Together consultation sessions held between November 2010 and January 2011 and a range of other consultations across multiple communication channels.
  - b. An officer assessment of potential impact of was carried out using a spreadsheet that assessed each proposal against a range of criteria:
    - protected characteristics
    - other vulnerable groups, such as unemployed and low income
    - One Darlington : Perfectly Placed outcomes
    - financial and operational considerations.
  - c. This exercise took into account views from the ongoing consultation with affected groups of people, but was essentially a high level (top of the funnel) officer assessment intended to guide further work.
  - d. In view of the complex suite of proposals and impact assessments under consideration, refresher training was provided for senior officers and decision makers on equalities duties and EIA.
  - e. The findings of this exercise, with the overall impact assessment spreadsheet and individual assessments for each proposal were included in the report to Cabinet on 22<sup>nd</sup> February 2011 when it recommended the draft MTFP to Council (Min. C142(2)/Feb/11 refers).

The spreadsheet provided a visual representation that enabled potential multiple impacts across all the budget proposals to be identified. The report to Cabinet included content (paragraphs 79 & 80, page 20) referring to multiple impacts that also had regard to the 'in year' budget reductions implemented early in 2010/11.

- f. Extensive engagement has been carried out before and since the February Cabinet report to identify and document the potential impact of the proposals on individuals. This engagement is ongoing. Engagement has concentrated on identifying the impacts of the particular proposal under discussion, but people have also raised potential multiple impacts.
- g. The spreadsheet tool used in the initial assessment reported to Cabinet in February has again been employed in this multiple impacts risk appraisal, but this time to look at the potential impacts arising from the Council's wider transformation programme alongside the MTFP proposals. The impact of proposed changes in the wider environment has also been considered, although this has been limited in scope.
- h. Multiple impacts have been measured across Adult Social Care services. The number of people affected by both of the proposals in the MTFP - the change to Eligibility Criteria and ending of the Severe Disability Premium disregard - has been identified. However, other service changes also are being considered and the number of people who could be affected by one or more of five service changes has been assessed. The results are set out in paragraphs 24 - 27 and the accompanying tables. The service changes counted in the exercise are Learning Disability Day Services, Age UK Bathing Service, Mental Health Day Services, Supported Living, and the Extra Care Scheme.
- i. Finally, all of the budget proposals were discussed at the People's Parliament. This facilitated session generated a picture of the potential combined impacts of the proposals, both negative and positive, on people with learning disabilities.

- j. The results of these various exercises are summarised below. For brevity's sake the spreadsheets and other evidence are not included in this report but can be made available.

## Overall Findings

16. The protected characteristics identified in the initial spreadsheet exercise (paragraph 11b) as most at risk of multiple impacts were:

- Age (both older people and children)
- Disability (Cabinet report, Draft Medium Term Financial Plan, 22<sup>nd</sup> February 2011, page 20, paragraphs 79 & 80).

Risks to other protected characteristics of multiple impacts were judged to be not significant. Our analysis covered more than the nine protected characteristics, and it highlighted multiple impacts risks for carers, people with long-term limiting illnesses and people with mental ill health problems. For simplicity, and in line with the definitions used in equalities legislation, the risks to these groups are included under disability.

17. Unemployed people and people on low incomes, again not a protected characteristic but a vulnerable group in the local population, were also assessed as being at risk of multiple impacts, but to a much lesser degree than the groups referred to in paragraph 16.
18. The report to Cabinet on 22<sup>nd</sup> February highlighted the vulnerability of the three groups (children, older and disabled people) to multiple impacts (paragraph 79 in the Cabinet report), with particular risks in the areas of income and affordability, and transport/access to services and facilities.
19. Findings from the engagement work carried out since February on individual impact assessments has reinforced the view that it is these three groups that are most vulnerable to risk of multiple impacts.
20. The current schedule of 72 projects in the Transformation Programme is a mix of operational and 'back-office' change proposals and the MTFP budget reduction proposals. The spreadsheet used in the original 'top-of-the-funnel' assessment of the 29 MTFP budget savings proposals was adapted to explore the risk of multiple impacts across protected characteristics and

other criteria. It must be emphasised again that this is an appraisal of potential risk rather than objective and measured reality.

21. The risk of multiple impacts on other protected characteristics was not strongly significant.
22. It must also be emphasised that the exercise suggested that the likelihood of positive effects from the suite of transformation projects outweighed the risk of negative impacts. The balance of positive and negative risks is outlined in paragraph 35 of this report. It is important to keep positive impacts and potential mitigation of negative impacts separate from a clear statement of the range of negative impacts.
23. Table 1 on pages 4-6 summarises the proposals and other changes identified from all of the above sources that could combine in multiple impacts on children and young people, older people and disabled people.
24. We also looked at multiple impact risks within Adult Social Care services, setting aside potential risks from other proposals and changes. Considering the two Adult Social Care budget proposals alongside other planned (non-MTFP) service changes enabled us to identify the numbers of people who could be affected by multiple changes – figures are set out in tables 2 & 3 below. This exercise does not allow us to assess the potential severity of multiple impacts on each service user; that will be done through individual assessments.

Table 2: Number of people affected by SDP and Eligibility Banding Proposals

	<b>Severe Disability Premium (SDP)</b>	<b>Eligibility Criteria Moderate Banding</b>	<b>Eligibility Criteria Low Banding</b>	<b>Both SDP &amp; Moderate Banding</b>	<b>Both SDP &amp; Low Banding</b>
<b>No. of people affected</b>	337	349	30	22	1

25. This tells us that 314 out of 337 people on Severe Disability Premium have a substantial or critical tax banding and will not be affected by the proposal to cease provision for people in low and moderate bandings. **23 people** will be affected by both the SDP and Eligibility Banding proposals. (All figures

are as at July 2011, but are subject to fluctuations as people come into or leave services – actual numbers will change but the overall picture can be taken as a reasonable guide as we move forward in time).

26. The following table shows the numbers of people affected by one or more of the service changes listed in paragraph 6h. Most of the people affected by these service changes will also be affected by the Eligibility Banding proposal and a much smaller number by the SDP proposal.

Table 3: Number of people affected by Adults Social Care Service Changes

Number of Service Changes	1	2	3	4	5
Number of individuals affected	578	60	33	5	3

27. So 578 people will be affected by one or other of these service change proposals whilst 3 will be affected by all five. This identifies the number of impacts but not the severity of impact on individuals. Someone may be impacted in a minor way by five proposals or seriously by one and there will be a range of levels of impacts. The level of impact for each of the proposals will vary from individual to individual and will be identified during individual reviews.
28. The programme of engagement around the two Adults Social Care proposals included in the MTFP generated a wide range of statements from service users about the impact on them of the proposals. These impact statements have been fed into the Equalities Impact Assessment of the proposals. They have also been categorised by themes. The dominant themes are:
- Loss of financial and social independence
  - Loss of interaction and becoming socially isolated
  - Erosion of health and wellbeing, with an emphasis on mental ill-health

## Key Groups and Themes

29. The multiple impacts appraisal has reinforced and expanded on what the report to Cabinet in February said about the groups and the aspects of life most likely to be at risk of multiple impacts. In conclusion, we can confirm that the groups most at risk are:

- Children and young people
- Older people
- Disabled people

The aspects of life most likely to be affected by multiple impacts are:

- Disposable income and affordability
- Transport and accessibility to services and facilities
- Social activity and interaction (or isolation and loneliness)
- Health and mental wellbeing – particularly the latter linked to isolation

## Risk Management

30. This is a report about risk, and it has necessarily focused on highlighting the risks of negative impacts arising from the combined effects of multiple changes. Having identified the risks, it is appropriate to set out ways in which those risks could be managed, and to refer to positive aspects of the change programme.

31. Members will make decisions about each budget savings proposal in the light of the information contained in the equalities impact assessment for the proposal, reinforced by the information in this multiple impacts appraisal, and having regard to the Council's general duty under the Equality Act 2010. If minded to approve proposals, it will be appropriate to consider whether mitigation is feasible and required. The following points may be helpful.

32. As part of the impact assessment process, a 'Positive Appreciation' exercise was carried out. This examined all of the non-statutory services that the Council would continue to deliver if all of the budget savings proposals

published in November 2010 were approved and implemented. This was an officer exercise and did not involve consultation.

33. The positive appreciation exercise found that the groups of people most likely to be impacted by savings proposals and most at risk of multiple impacts, i.e. children and young people, older people and disabled people, were also the groups that would benefit most from retained non-statutory services.
34. The Council's duty is, of course, to seek to avoid, minimise or mitigate any negative impacts of its decisions, and the positive aspects of retained services are not an argument in favour of proposals that could have negative impacts. However it is relevant in considering those proposals to have an appreciation of the Council's continuing focus on providing services to meet the needs of vulnerable people whether or not it is minded to approve the budget savings proposals.
35. The appraisal of the potential risks associated with the Transformation Programme projects mirrored the picture provided by the Positive Appreciation exercise. Table 1 highlights projects that could pose risks to the three key groups of people, but the exercise did highlight more potentially positive than negative impacts across the programme. In numerical terms, 21 projects were assessed as capable of delivering positive outcomes for children and young people, compared to 12 with risks of negative impact. The comparable figures for older people are 22 positive and 15 with negative risks, and for disabled people 24 and 18.
36. Again, this exercise is not about numbers and the above is not an argument for approving budget savings proposals. It does however suggest that the balance of planned change has the potential to produce improved provision for our key groups of vulnerable people. It will be important to ensure that the management of these projects, supported by effective equalities impact assessment, maximises positive improvement and avoids the risks of negative/multiple impacts.
37. Cabinet reports and impact assessments on individual proposals will refer to potential mitigation measures, should Members be minded to approve proposals. As a general principle, and in addition to the point made in the

above paragraph, the findings in this report and in individual impact assessments on at-risk groups (as summarised in paragraph 29) should be incorporated in the Strategic Needs Assessment and improvement priorities for these groups should be addressed in Corporate and Service Planning.

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