

APPENDIX 8

Impact analysis of budget savings proposals for 2022-23

Summary

- 1.1. The purpose of this summary is to provide an overview of how budget savings pro formas have taken account of impacts in the following areas:
 - *Equalities (particularly 'protected characteristics')*
 - *Socio-economic Impact*
 - *Ward Impact*
 - *Impact against Corporate Priorities*
- 1.2. The contents of this paper, reflect the totality of information that has been provided and by extension, the way in which relevant guidance has been understood and applied. Through its presentation, the contents of this paper may also inform discussions about the type of information that the Council's Executive and Scrutiny functions may find helpful in the future.
- 1.3. Officers are expected to conduct Equalities Analysis Assessments (EAA) in circumstances set out within the Policy Context section of this paper. This report provides an overview of the circumstances and proposals for which officers are planning to undertake EAAs.

2. Policy Context

- 2.1. The Council has a legal duty under the Equality Act 2010 to have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. The following equalities characteristics are 'protected' from unlawful discrimination in service provision under the Equality Act 2010:
 - *Age*
 - *Disability*
 - *Gender reassignment*
 - *Pregnancy and maternity*
 - *Marriage and civil partnership*
 - *Race*
 - *Religion and belief*
 - *Sex*
 - *Sexual orientation.*
- 2.2. In addition to the general duty, specific duties include a need to have defined equalities objectives and to publish information to demonstrate compliance with the general equality duty, specifically, information relating to people who share a protected characteristic and who are employed by or affected by the policies

and practices of the organisation.

- 2.3. The 'Fairer Lewisham Duty' is part of the Council's Corporate Equality Policy. Specifically it is an equalities assessment of the likely socio-economic impacts of proposals and decisions on residents and service users.
- 2.4. The Single Equality Framework 2020-24 is a delivery vehicle for Lewisham's Corporate Strategy priorities and commitments. In particular it helps the Council to ensure that all of the various activities that are geared towards the delivery of the Corporate Strategy are 'equality proofed'. It also helps to ensure that, where there are gaps in the Council's knowledge, careful and thoughtful analysis can be undertaken, ahead of time, to identify risks and any mitigating action that needs to be taken. Lewisham Council has a strong and clear commitment to equality and a series of specific objectives are set out within the Single Equality Framework:
 - *Working with partner organisations, commissioned service providers and citizens to find out what is important to communities and working together to make a difference on issues and priorities that matter most.*
 - *Fostering good relations between different groups and communities to build and maintain strong social networks and opportunities for greater cohesion.*
 - *Informing, consulting and involving a wide range of people including employees and stakeholders about decisions which affect them so that they can influence policies and practices.*
 - *Ensuring that people from different backgrounds are able to fully participate in consultation and involvement activities.*
- 2.5. The six equality prisms as defined in the Single Equality Framework 2020-24 are set out below:
 - *Has consideration been given to the 'due regard' duty?*
 - *Is disproportionality a factor?*
 - *Is intersectionality a factor?*
 - *Is unconscious bias a factor?*
 - *Is the risk of unfairness a factor?*
 - *Is marginalisation a factor?*
- 2.6. The Council's Corporate Equality Policy defines the local arrangements for delivering the above objectives, based on evolving best practice, as part of a 'Living Policy Framework'.
- 2.7. Officers who are unsure whether they should complete an Equality Analysis Assessment (EAA) are encouraged to do so anyway. This can be done as part of taking the proposal forward, if agreed. An EAA is a way of documenting thinking, reasoning and logic and it does not need to be extensive or onerous. It provides an opportunity for officers to document the evidence used and action taken related to equalities.

3. Background

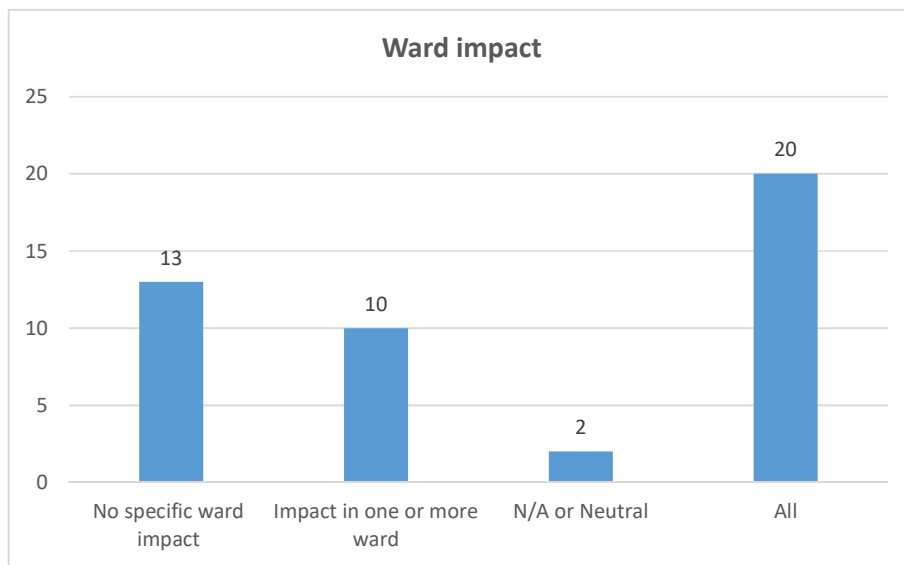
- 3.1. Officers are asked to complete equalities screening as part of the savings pro formas and as part of this, identify an impact level against each of the protected

characteristics. In some instances, mitigating action and data is provided but this is usually limited at the screening phase.

- 3.2. Forty-five savings proposals were received in two tranches (29 proposals in Tranche 1 totalling £10.410m and 16 in Tranche 2 totalling £1.425m), and the impact of changes between the templates used for each tranche are identified in the body of the report.
- 3.3. Officers were also asked to assess 'Ward Impact', 'Impact against corporate priorities' and (in Tranche 2 only) 'Socio-economic Impact'.

4. Ward Impact

- 4.1. The chart below provides the count of proposals which will have either 'No Specific Ward Impact', 'Impact in one of more ward', 'N/A or Neutral' and 'All' as recorded on the savings pro formas:



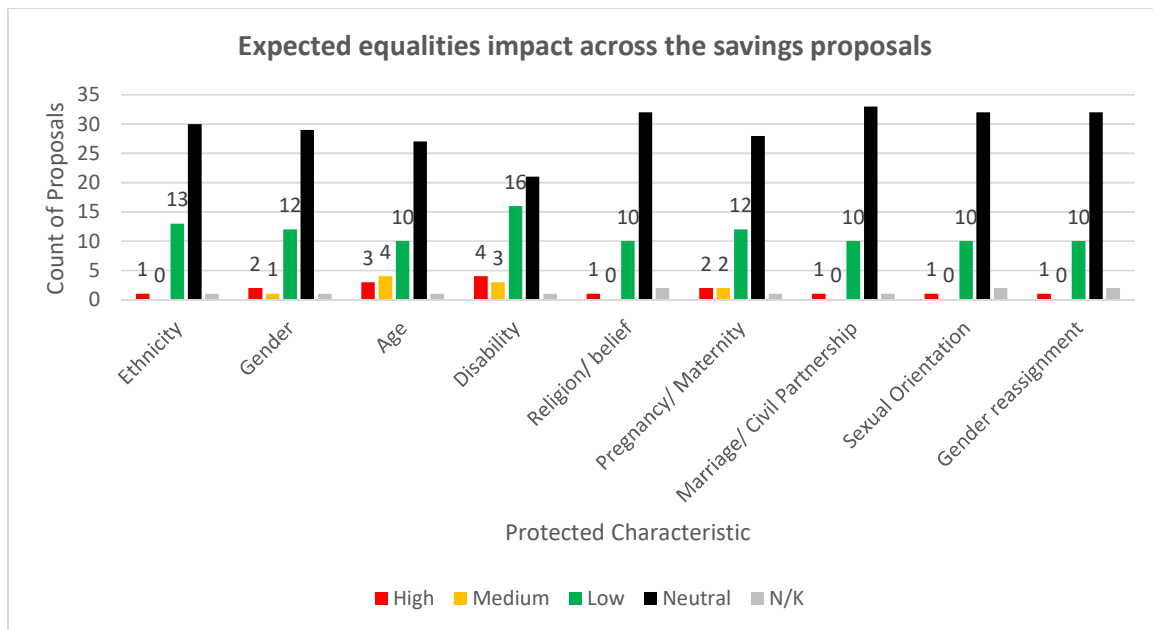
- 4.2. Two proposals are recorded as having either a 'neutral' ward impact or the ward impact is 'not applicable'; these proposals are the removal of an inflation uplift to staff budgets (A-01) and reducing contract value for the Mental Health Supported Housing Pathway Accommodation (C-17) respectively.
- 4.3. Two thirds of proposals are expected to have an impact at ward level and further analysis will be required as part of the development of proposals to fully understand this. The table below displays the ward impact of proposals by directorate.

Ward Impact	Community Services	Corporate Resources	Cross Council	CYP	Housing, Regen. and Public Realm	Total
All	5	3	1	3	8	20

Impact in one or more ward	1			1	8	10
Neutral	1		1			2
No specific ward impact	1	5	1	2	4	13
Grand Total	8	8	3	6	20	45

5. Impact Across Protected Characteristics

5.1. As part of the savings pro formas, officers are asked to identify the “expected impact on service equalities for users” against a criteria of “High / Medium / Low or N/A” for each of the protected characteristics. The below chart illustrates how officers identified potential impacts to specific protected characteristics.



5.2. Data labels have been added to clearly display the number of proposals which officers anticipate will have a ‘High’, ‘Medium’ or ‘Low’ impact. It should be noted that the pro forma provides officers with an opportunity to screen for potential equalities impacts, and new impacts may come to light as proposals are developed and information is received from residents.

5.3. It is anticipated that the 2022/23 savings will have the greatest impact on residents with disabilities, with seven proposals anticipating a ‘High’ or ‘Medium’ impact, with a total value of £2.127m. The ‘High’ impact proposals can be summarised as follows:

- *Replacing the use of private and pool cars or public transport with a car club arrangement and electric bikes (A-03) (£150k)*
- *Integration of day services and supported learning (C-02) £(100k)*
- *Full restructure of Housing Needs Service (C-10)(£300k)*

- *Increasing independence and use of community resources to reduce use of institutional care (F-24) (£430k)*
- 5.4. Officers have identified that EAAs are required for C-02 and C-10 and it is recommended that one is also completed for F-24 where the officer was not sure. The savings pro forma indicates that no EAA is required for A-03 as mitigating action, allowing disabled staff to continue using cars, is proposed. In spite of this, it would seem prudent to take a proportionate approach to completing EAAs where any impact has been identified, for example to better understand how many staff the mitigating action would need to be taken for and to ensure safeguards are in place to ensure that disabled staff joining Lewisham in the future, are not disproportionately affected should the budget be removed.
- 5.5. It is anticipated that seven proposals will have a ‘High’ or ‘Medium’ impact due to the age of the resident, with a total value of £1.983m. The ‘High’ impact proposals can be summarised as follows:
- *Full restructure of Housing Needs Service (C-10)(£300k)*
 - *Removing free swim & gym for over 60s without a registered disability (E-14)(£95k)*
 - *Increasing independence and use of community resources to reduce use of institutional care (F-24)(£430k)*
- 5.6. Savings C-10 and F-24 are addressed further on. Officers have indicated that no full Equalities Impact Assessment is required for E-14 however no evidence for this is provided through the pro forma which indicates that “those in most financial need” will be affected. Although the socio-economic ‘duty’ in s1(1) of the Equality Act 2010 is not in force in England, an EAA would provide an opportunity to consider these factors through the prism of the Single Equality Framework in line with the Fairer Lewisham Duty.
- 5.7. The restructure of the Housing Needs Service (C-10) is the only proposal which expects a ‘High’ impact across each of the protected characteristics. The other proposal with an identified ‘High’ impact on ‘Gender’ and ‘Pregnancy/Maternity’ is decommissioning the Adult Placement Service and Parent & Child Service (C-28). Officers did not know if an EAA was required for C-28 and hence it is recommended in light of this.
- 5.8. The new savings pro formas for 2022/23 did not ask officers to assess ‘Overall Impact’ of proposals on the protected characteristics, however the table below shows the level of impact against whether or not officers indicated that an EAA was required for the previously agreed Tranche 1 proposals which total £10.4m.

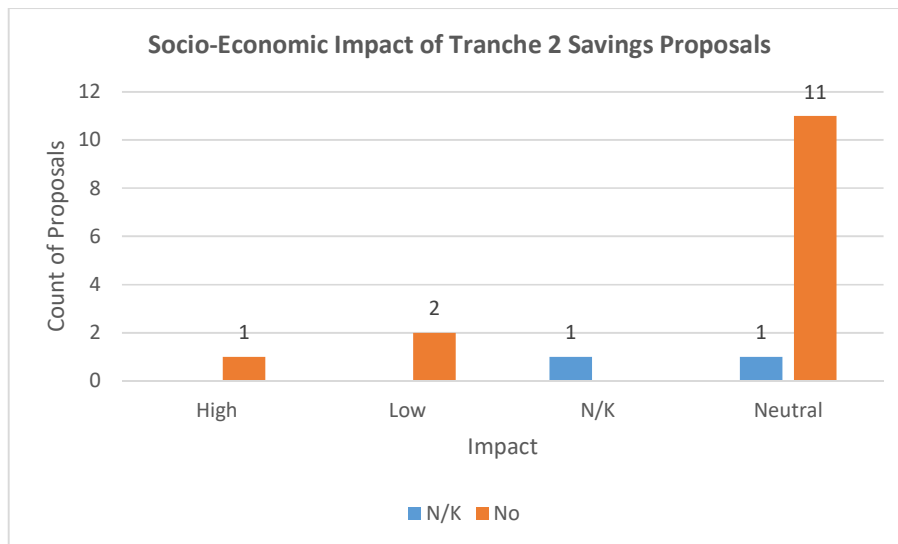
EAA Required	Count of Proposals	Percentage of Proposals
N/K	3	10.34%
Low	2	6.90%
Neutral	1	3.45%
No	20	68.97%
Low	6	20.69%
N/K	1	3.45%
Neutral	13	44.83%

Yes	6	20.69%
High	1	3.45%
Low	4	13.79%
Neutral	1	3.45%
Grand Total	29	100.00%

- 5.9. The purpose of the above table is to highlight the number of low impact proposals for which officers are not planning to complete EAAs. The six proposals which are identified as not requiring an EAA and having an overall 'Low' impact from the previously agreed proposals are as follows:
- *Strengthening edge of care offer (F-02)(£500k)*
 - *Income through Catford estate consolidation (D-06)(£11k)*
 - *Re-evaluating business rates for corporate estate, rationalising corporate estate and utilising as temporary accommodation, and income through filming (D-02, D-05, D-07, D-08)(£140k)*
 - *Creation of a single generic Revenue and Benefits system (A-04)(£100k)*
 - *Reduction in duplication in Revenues and Benefits (A-06)(£400k)*
 - *Improving Children's placements value for money and claiming income for UASC and from partners (B-02, C-03, E-06, F-03, F-04, F-05)(£1,415k)*
- 5.10. Mitigating action is often based on limited data as part of the equalities screening exercises, so it is recommended that EAAs are carried out where there is limited assurance that the public sector equality duty has been met in other ways.
- 5.11. Although the pro forma used for the previously agreed proposals does not differentiate between positive or negative equalities impacts (and respondents have not consistently made this distinction in the new proposals pro formas), it is assumed that the nature of reducing funding for services will typically have a negative impact. In some circumstances, proposals might have a positive impact on the protected characteristics and officers are encouraged to still undertake equalities analysis in these circumstances to ensure that the decisions are evidence-based and sufficient action is taken to ensure that these benefits are realised.
- 5.12. Where officers do not know whether or not the proposal requires a full EAA, they will be advised to complete one in line with the Draft Corporate Equalities Policy and Draft Equalities Analysis Assessment Toolkit as part of implementing the proposal if agreed.

6. Socio-Economic Impact

- 6.1. For the new proposals for 2022/23 budget reductions, officers were asked to assess the socio-economic impact as either: 'High (Positive / Negative)', 'Medium (Positive / Negative)', 'Low (Positive / Negative)', or 'Neutral'. None of the 16 new proposal pro formas indicated that an Equalities Analysis Assessment was required, and officers did not know in relation to two of the proposals.

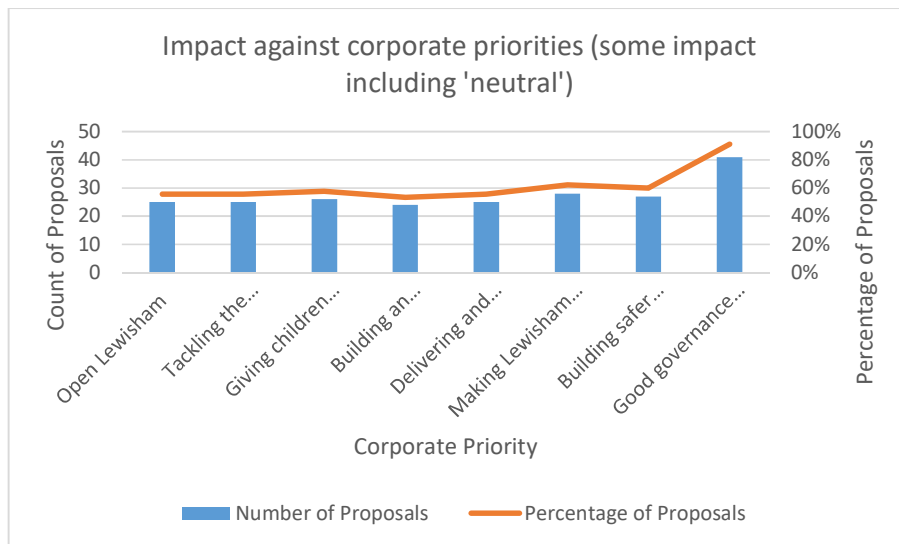


- 6.2. The proposal assessed as having a 'High' socio-economic impact is removing free swim & gym for over 60s without a registered disability (E-14) (£95k). The other two proposals with a socio-economic impact which is not neutral is the income generation from an asset transfer of a Children's Centre (D-13) (£11k) and deleting vacant posts within Youth Offending and Early Help, transferring funding of clinical post in school (C-35) (£177k).

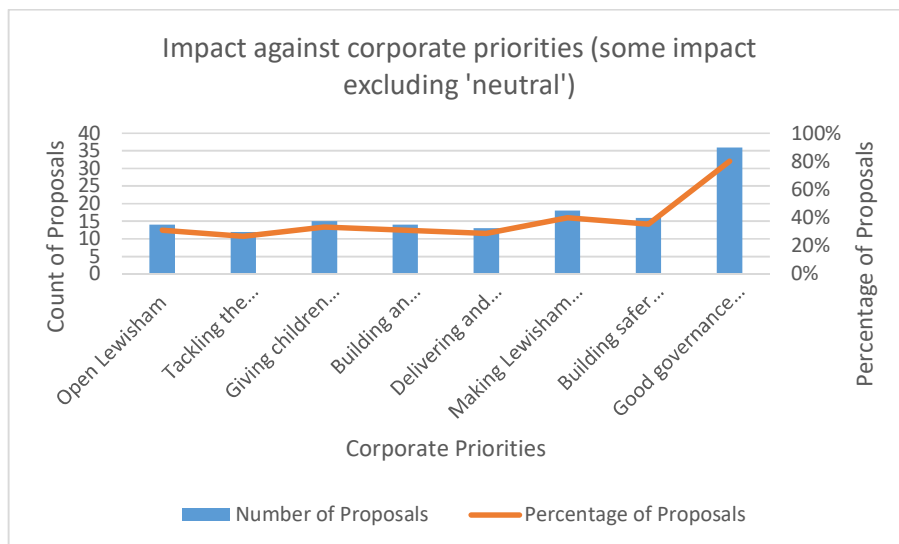
7. Corporate Priorities Impact

- 7.1. Officers completing the savings pro formas were asked to assess the impact of the proposal on the corporate priorities. This task has been approached in different ways, by officers, due to changes in the proforma, which were introduced to gather additional information, for more useful analysis. The previously agreed proposals pro forma asked officers to rank priorities in order of impact and the new proposals pro forma asked officers to assess impact level; it is hoped that the revised approach will allow for a more meaningful discussion about the impact of savings on priorities in future years. In the absence of comparable data, the following information is presented:

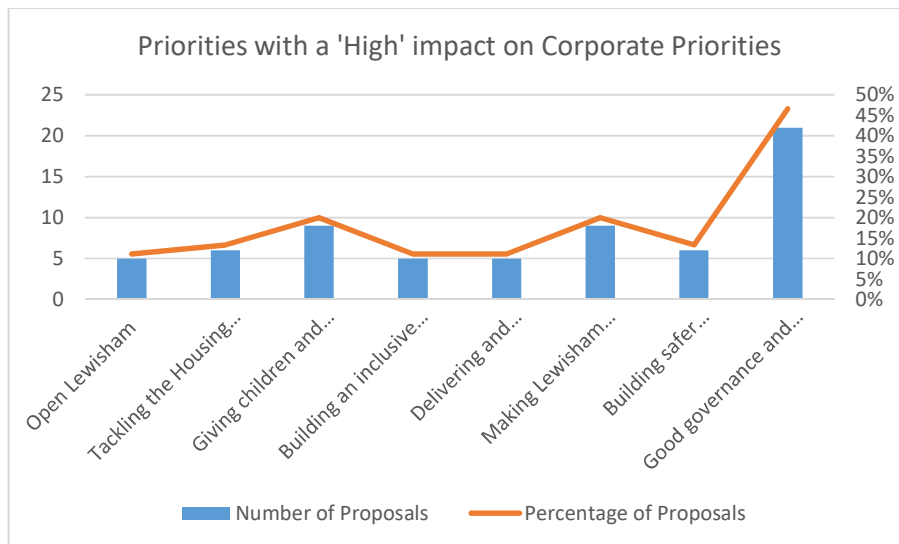
- *Under each priority, the percentage of proposals which list some level of impact or ranking (including neutral impacts)*



- *Under each priority, the percentage of proposals which list some level of impact or ranking (excluding neutral impacts)*



- *Under each priority, the percentage of proposals ranked as having the 1st or 2nd greatest impact against the proposal or a high impact (positive and negative) proposals.*



7.2. The majority of proposals impact 'Good governance and operational effectiveness' in some way (91% of proposals) and this priority is also the most likely to be highly impacted (47%) (£4,734k).

7.3. Based on responses to the savings pro formas, it is likely that the following corporate priorities other than 'Good governance and operational effectiveness' will be most significantly impacted:

- *Giving children and young people the best start in life ('High' impact in 20% of proposals)(£777k)*
- *Making Lewisham greener ('High' impact in 20% of proposals)(£1,247k)*

8. Proposals Identified As Requiring Full EAAs

8.1. Officers have identified that 6 of the 45 proposals require an EAA (13%) (£1,803k). The small number of EAAs proposed could be for a number of reasons, including those provided below or others that are known to the service leads themselves.

- *Many of the savings relate to structural or financial changes which should not impact service delivery (for example 20-25% of the total value of savings sought relate to the removal of an inflation uplift as part of A-01)*
- *Officers may have based their assessment of the requirement to complete an EAA on local evidence which has not been included on the pro forma; service managers are best-placed to make these judgements about the services for which they are responsible.*
- *Officers may be confident that they are able to evidence that they have sufficiently met the Public Sector Equality Duty in other ways. An EAA in itself does not discharge the Council's duty, rather it constitutes a written record of how it has been done.*

8.2. Of equal importance is the fact that, the number of proposals where the requirement to conduct an EAA was 'Not Known' increased in the in 2021/22 (5) compared to those offered in 2020/21 proposals (3). As set out in this summary and for the avoidance of doubt, the decision to undertaken an EAA should be the default, in the face of uncertainty.