

**Purpose**

<b>What is being reviewed?</b>	Council Budget 2022-2023
<b>Service Lead and Service Unit:</b>	Adam Richens Finance
<b>People involved in EIA process:</b>	Bridget Webber Sam Johnson Sophie Bradfield Vicky Edmonds Graeme Smith
<b>Date/s EIA started and reviewed:</b>	9 December 2021 – initial EIA discussion  Elements of the Budget will have received independent EIA's and have had their own discussion sessions.

**Background**

**The Budget**

For 2022/23 the council has a legal obligation to deliver a sustainable balanced budget which enables BCP Council to meet statutory obligations whilst responding to changing activity, increased demand, and ongoing fiscal challenges, and to detail how the council plans to finance its operations and meet strategic priorities.

The BCP Council Budget details how its income and expenditure, are to be allocated and used, identified in bringing forward any budget proposals which are then used to inform final budget decisions.

The majority of decisions set out in the Findings section of this report will have been considered as part of an Equality Conversation or and had full Equality Impact assessments carried out.

**Key characteristics of the BCP Council area**

Key Characteristic	Detail
A large resident population	With a total population of around 397,000
A growing population where growth is driven by net migration	BCP's population is predicted to grow to 403,600 by 2028, a growth of 2%. This growth will be driven entirely by net migration and is a slower rate of growth than previously projected.
An ageing population	The number of residents aged 65 and over is set to increase by 15% between 2018-2028. By 2028, 24% of the local population will be aged 65+.
A healthy population	Overall health and wellbeing are generally good or better than the national average. Life expectancy and healthy life expectancy is better in BCP than it is nationally.
A diverse community	In the BCP Council area the population is split 49.8% male and 50.2% female. BCP's population has become increasingly diverse. 88% of the population are from a White British background and 12% from a non-'White British' background. Over 85 languages are spoken within the BCP area5.

Key Characteristic	Detail
	<p>According to the School Census conducted in January 2020, 77% of pupils attending school in the BCP area identify as White British, 21% identify as non-‘White British’ (2% non-disclosed)<sup>6</sup>.</p> <p>In 2011, there were at least 18,800 people born in the EU currently residing in BCP. This equates to approximately 5% of the population at that time. However, since then, both the number and representation are likely to have increased due to the upward trend in migration from the EU since 2011. Recent estimates suggest 32,000 people from EU Countries live in the BCP area<sup>7</sup>.</p> <p>Sexual orientation data is limited at a local level. Nationally 93% of the population aged 16 and over identify as heterosexual or straight and 2% of the population identify as lesbian, gay, or bisexual (LGB). Males are more likely to identify as LGB (2.3%) than females (1.8%). People aged 16 to 24 are most likely to identify as LGB (4.2%).</p> <p>Six out of ten BCP residents (60%) have a Christian religion and almost three out of ten residents (29%) state they have no religion. 1% (4,445 residents) of the population say they have a Muslim belief, 0.5% Buddhist (1,910 residents), 0.5% Hindu (1,854 residents), 0.5% Jewish (1,843 residents) and 0.7% have other religions. 8% did not wish to state a religion.</p> <p>Armed Forces: There are 1,040 serving personnel in the BCP area. There are an estimated 15,575 veterans living in the BCP area.</p> <p>It is estimated that 75% of all military personnel are married or have a long-term partner and that 53% have children they support financially; this equates to 780 partners and 551 children in the BCP area.</p>
An area with significant contrasts	BCP has areas which are among the most and least deprived in the country. 16,000 people (4% of the BCP population) live in the 10% most deprived areas in England. This increases to 45,400 people (12% of the BCP population) when we look at the number of people living in the 20% most deprived areas. 82,800 (21% of the BCP population) live in the 20% least deprived areas in England.
A thriving economy with high levels of employment	In 2019, there were 193,000 people employed in the area. The rate of unemployment was 4.7%, lower than the national rate of 4.8%.
Over four out of five businesses are micro	In 2020, there were 15,110 businesses in Bournemouth, Christchurch and Poole. The majority (89%) were micro-businesses with less than 10 employees, compared to 90% in England.
Wages slightly below national average	Currently 61% of the total resident population are of working age. Median annual pay for residents of BCP, and for people working in the BCP area, is slightly lower than the national average.
Higher house prices than the national average	Average house prices in the BCP area have increased significantly in the last ten years. The average house price in the BCP area was £302,719 in the 12 months to March 2021; this is higher than the average price regionally and nationally. The relative affordability of property has decreased between 2010 and 2020. Median house prices increased at a higher rate than the median wage, which has led to an increase in the affordability ratio (less affordable housing).

Source of data: State of BCP Report

## Stakeholders and Partners

- BCP Council Cabinet
- Business Rate payers
- BCP Council Employees
- Care experienced Young People
- Young people in BCP Council Area
- NHS Trust
- Voluntary and Community Sector led organisations in Bournemouth, Christchurch & Poole
- Visitors to Bournemouth Christchurch & Poole
- Residents
- Local Council tax payers
- BCP Council Partnerships
- Children looked after
- Schools, Academies and Universities
- Dorset CCG
- Clients of all Council services, specifically Adult and Children's Services

## Preparation and consultation

To support the development of the budget, Cabinet agreed the following high-level budget cycle as part of the 23 June 2021 Cabinet report which includes consultation arrangements:

Stage and Timing	Details
<b>Stage One:</b> April to June	<ul style="list-style-type: none"> <li>• Closure of the accounts for the 2020/21</li> <li>• High level budget planning process as set out in this June 2021 MTFP Update report to Cabinet</li> <li>• Approval of a financial strategy to support the delivery of a balanced budget for 2022/23</li> </ul>
<b>Stage Two:</b> June to September	<ul style="list-style-type: none"> <li>• Initial detailed bottom-up refresh of the baseline financial resource requirements for each service. This included a reflection on previous year's actual performance and forecast in-year performance to evaluate the realism of future year plans. The intent being to move the MTFP to a five-year time horizon (31 March 2027) was noted</li> <li>• Portfolio Holders consideration of the updated position with Cabinet and Corporate Management Board colleagues.</li> <li>• Quarter One 2021/22 Budget Monitoring report</li> </ul>
<b>Stage Three:</b> October to December	<ul style="list-style-type: none"> <li>• Fundamental budget test and challenge session. Included a review of the evidence base for service pressures including the underlying activity, trend analysis and costing estimates. Consideration of associated income strategies and any proposed mitigation strategies.</li> <li>• Refinement stage including councillor consideration of the implications of any proposed transformation and service-based savings proposals</li> <li>• MTFP Update reports to Cabinet in both October and December</li> <li>• Budget Café (all councillor) presentations on the 26 November 2021</li> <li>• Quarter Two 2021/22 Budget Monitoring report</li> </ul>
<b>Stage Four:</b> January to February	<ul style="list-style-type: none"> <li>• Taxbase report</li> <li>• Statutory consultation with representatives of Commerce and Industry</li> <li>• Quarter Three 2021/22 Budget Monitoring report</li> <li>• Finalise the 2022/23 Budget</li> </ul>

## Findings

The council seeks to maintain appropriate services for the vulnerable as well as improve the sustainability of services important for the wellbeing of all residents.

### Key Financial Planning Assumptions

A summary of the key financial planning assumptions and/or budget implications are set out below. These are taken from the MTFP Report presented to Cabinet on 15 December 2021. The list of Key Financial Planning Assumptions including further explanation is available on the council's website.

In 2021/22 one of the lowest council tax rises in the country was agreed by BCP Council. In doing so, it also achieved parity of council tax across the three towns of Bournemouth, Christchurch and Poole, following the creation of a single council in April 2019.

Area of impact/or budget proposal?	Impact	Mitigating Actions
<p><b>Council Tax</b></p>	<p>A 4.00% increase in council tax for 2022/23 (equivalent to £10.9m in extra revenue)</p> <p>As at January 2022 there were approximately 26,000 caseloads being considered by the Council for the different reductions and discount schemes available. However it is likely that some of our residents on lower earnings in unprotected groups will be affected negatively by the increase.</p> <p><b>Positive:</b> Increasing the budget will provide more funding for services highlighted below. Specific information on the benefits of providing the funding are set out in each section.</p> <p>Negative: With 10% of households in the BCP area experiencing fuel poverty, an increase in Council Tax will negatively impact on households already struggling financially which is not necessarily limited to just lower socio-economic groups given rises to the cost of living.</p> <p>As at January 2022 approximately 26,000 Council Tax accounts receive a reduction and/or a</p>	<p>There are a number of schemes in place to assist residents on lower incomes with their Council Tax bills. These include:</p> <p><b>Council Tax Support:</b> Residents on lower incomes can apply for assistance with their Council Tax bill by applying for Council Tax Support, further information is available on the Councils website <a href="https://www.bcpCouncil.gov.uk/Benefits-support-and-advice/Benefits-support-and-advice.aspx">https://www.bcpCouncil.gov.uk/Benefits-support-and-advice/Benefits-support-and-advice.aspx</a></p> <p><b>Single Person Discount:</b> If you're the only person over 18 in your home, you may be entitled to a 25% reduction on your Council Tax.</p> <p><b>Council Tax Discounts and exemptions:</b> Further details of ways in which council tax could be reduced for qualifying households is available on the website including student exemptions. <a href="https://www.bcpCouncil.gov.uk/Council-Tax/Council-Tax-discounts-and-exemptions/Council-Tax-discounts-and-exemptions.aspx">https://www.bcpCouncil.gov.uk/Council-Tax/Council-Tax-discounts-and-exemptions/Council-Tax-discounts-and-exemptions.aspx</a></p> <p><b>Discretionary Reduction and Help with Paying Council Tax Bill:</b> Section 13A (1c) of the Local Government Finance Act 1992 allows local authorities to, in</p>

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	<p>discount. However, it is likely that some of our residents on lower earnings in unprotected groups will be affected negatively by the increase.</p> <p>A single person discount is available for those qualifying households. Single Person households make up 34% of all households in the BCP . 44% of those are aged 65+ and 8% are white ethnic minority or Black and other Asian Minority Ethnic.</p>	<p>exceptional circumstances, reduce the Council Tax liability for a charge payer. Statutory exemptions and discounts must first have been exhausted.</p>
<p><b>Adult Social Care</b></p>	<p>The MTFP makes provision for an additional gross £50.9m investment in adult social care services over the 5-year period to March 2027</p> <p><b>Positive:</b> The budget has responded to assumptions around demographic growth which will help to manage the increase in demand for support for:</p> <ul style="list-style-type: none"> <li>• people with long-term conditions including those who need urgent and emergency care as well as preventing delayed discharges from hospital. In 2019. In 2019 29,500 people (8%) stated that a long-term health problem or disability limits their day to day activities a lot across the BCP Council area.</li> <li>• people with learning disabilities</li> <li>• people with mental health issues. The prevalence of depression in BCP was 11.5%, one percentage point less than the national rate (11.6%) (2019/20)</li> <li>• people who have no recourse to public funds</li> <li>• people who are often from the older population, being placed in residential and nursing care. BCP Council also has a high provision of residential and nursing care beds for its older population: 2,391 residential care beds and 2,248 nursing care beds per LA population aged 65+. This compares to national age standardised rates of 1,956 for residential care and 1,764 for nursing care</li> </ul>	<p>No mitigating action required.</p>

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	<p>Being responsive to service pressures and needs ensures the most vulnerable in society are getting the support they need, outcomes include improved health, living standards and participation in public life.</p> <p>Increases in the national minimum wage will also increase the cost of care services and this has been factored into the budget. This is a positive change for staff working who are part of the health and social care workforce who are on minimum wage and therefore may be from low socio-economic groups.</p>	
<p><b>Children's Services</b></p>	<p>The MTFP makes provision for an additional gross £45.2m investment in children's services over the 5 year period to March 2027</p> <p>There is also an increase in budget for SEND (agreed by Cabinet) to develop the service following the local area inspection of SEND and the required written statement of action.</p> <p><b>Positive:</b> Additional provisions have been made in the budget to support increased numbers of children and young people in care requiring higher cost residential settings. Children in care are some of the most vulnerable in society and supporting them with residential settings can improve all six of the Equality and Human Rights Commission's domains of equality measurement (Education, Work, Living standards, Health, Justice and personal security, and Participation). Provisions in the budget are also made for staffing costs including social care workers and staff managing referrals at the front door. Investing in this ensures better service delivery which in turn helps some of the most vulnerable in society.</p> <p>There is also an increase in budget for SEND (agreed by Cabinet) to develop the service following the local area inspection of SEND and <a href="#">the required written statement of action</a>. The statement sets out the eight</p>	<p>No mitigating action required.</p>

Area of impact/or budget proposal?	Impact	Mitigating Actions
	areas for development and includes an Equality Impact Assessment.	
<b>Green Futures Fund</b>	creates a £20m green futures fund which will enable the council to continue to support the community response to the impact of the pandemic alongside its commitment to becoming carbon neutral by 2030 <b>Positive:</b> The green futures fund has the potential to have a positive impact on mental and physical wellbeing (disability) of visitors and residents of BCP Council area.	No mitigating action required.
<b>£5.271m of gross on-going investments in council's priorities</b>	<p>£1,750,000 investment in regeneration</p> <p><b>Positive:</b> BCP has areas which are among the most and least deprived in the country. 16,000 people (4% of the BCP population) live in the 10% most deprived areas in England. Additional investment in regeneration will help to reduce the difference between the least and most deprived areas. In particular focus will be around Poole Town Centre and Boscombe. More information is set out in the State of BCP Report</p> <p>£500,000 in arts and culture recognising the importance of taking forward the BCP Cultural Compact and £250,000 in support of a cultural bounce back festival</p> <p><b>Positive:</b> Culture is an integral part of our lives, contributing to learning, health and wellbeing, economic and social regeneration, place making and community cohesion. Increased investment in culture will improve the opportunities for residents to participate.</p> <p><b>Negative:</b> Potentially certain protected characteristic groups e.g. race, ethnicity and gender could be excluded if there is a lack of diversity to the events offered.</p>	<p>No mitigating action required.</p> <p>A full EIA is being prepared a part of a future report to Cabinet on Cultural Development in the BCP Council Area and will address the need to offer a more inclusive programme of events that takes accounts of the diversity of BCP Council's residents and visitors.</p>



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	£300,000 in Housing Delivery Strategy development costs.	
	<p><b>Positive:</b> An additional investment will help to improve access to affordable accommodation. It will help to</p> <ul style="list-style-type: none"> <li>• increase the right supply of new homes to meet local needs, including affordable housing.</li> <li>• Ensure housing stock is managed and maintained efficiently, safely, and effectively, including improvements to the private rented sector.</li> <li>• Supporting area-specific regeneration plans.</li> <li>• Preventing homelessness and improving health and wellbeing through housing.</li> </ul>	No mitigating action required.
	£240,000 to improve Community Safety by appointing six extra Community Safety Accreditation Officers.	
	<p><b>Positive:</b> The appointment of six extra Community Safety Accreditation Officers will help to tackle low level crime and disorder and Anti-Social Behaviour and to make safer communities for individuals e.g., women and hate crime.</p>	No mitigating action required.
	£80,000 investment in 2 Mental Health Worker posts.	
	<p><b>Positive:</b> The provision of 2 dedicated Mental health Worker posts will allow the Council to address the mental health challenges faced by our communities and make improvement. The rate of suicide for 2017-19 in BCP (13.2 per 100,000) is significantly higher than the rates for England (10.1) and the South West (11.3).</p>	No mitigating action required.
	£70,000 in 2 Officers in communities with a particular focus on embedding Asset-Based Community Development.	
	<p><b>Positive:</b> Asset Based Community Development builds on the assets that are found in the community and mobilises individuals, associations, and institutions to come together to realise and develop their strengths. Increased investment in an additional 2 officers</p>	No mitigating action required.



Area of impact/or budget proposal?	Impact	Mitigating Actions
	will help promote positive relationships between those who share protected characteristic and those who do not.	
	<p>£25,000 to support the work of the Youth Parliament.</p> <p><b>Positive:</b> Young people will be involved in the design and delivery of services relevant to them which will better support their needs and reduce the likelihood of unconscious bias factoring into decision-making. Improved service design can improve participation in public life for young people.</p>	No mitigating action required.
	<p>Supports a homeless health hub by setting aside £101k to cover the annual operating costs.</p> <p><b>Positive:</b> The Homeless Inclusion Health Centre will supply outreach services across the conurbation as well as further developing a multi-disciplinary team with the benefit of staff working closely together to provide a wide range of health support for individuals who are homeless in one central location. The health hub would provide office and clinic space, showers, laundry facilities, access to computers and locker space so that people can attend and receive the support and/or treatment needed for ongoing health issues. This will help improve quality of life for homeless people.</p> <p>Armed Forces - there can sometimes be a misperception around the numbers and proportion of people from the armed forces being more likely to become homeless, and rough sleeping, although it is certainly an issue for some. There are different options available for homeless veterans through the Armed Forces Covenant and associated services such as SAFFA. Generally, veterans will only open up and talk to people with similar experiences and the outreach</p>	No mitigating action required.

Area of impact/or budget proposal?	Impact	Mitigating Actions
	service has links to the relevant support services to maximise enablement of this.	
<b>Pay Award</b>	<p>BCP Council has allowed for a cost of living pay award in line with the Consumer Price Index of 3.1%</p> <p><b>Positive:</b> Increase pay for staff will be equally applied to everyone across the council.</p>	No mitigating action required.
<b>Harmonised Pay and Grading Structure</b>	<p>A key requirement following the creation of BCP Council was to create a single pay and grading structure, with a working assumption that the new arrangements would be cost neutral. In response to the challenge based on the initial observations of the peer review to revisit this assumption, the proposed budget reflects a potential for the uplift in the pay bill of the authority from 1 April 2024 onwards.</p> <p><b>Positive:</b> The pay and reward process will harmonise pay across BCP Council.</p>	This is supported by a live full EIA report which is continually updated and which is currently not being released for publication as it is incomplete at the time of writing
<b>Service-based savings and efficiencies</b>	<p>£6.6m in additional savings and efficiencies have been identified in establishing the budget for 2022/23 and these include a further £4.3m in additional savings from the council wide transformation programme</p> <p>The proposed savings are listed in Medium Term Financial Plan 2021/27 - Assumed Savings Schedule. Those identified with the most equality impacts are detailed below:</p> <ul style="list-style-type: none"> <li>• <b>SEND Transport savings</b> <b>Negative:</b> This is like to impact on those with special educational needs and disability and may reduce their ability to participate in public life</li> <li>• <b>Review of care arrangements for people with Learning Disabilities and Mental health</b> These tend to be younger clients and on a lower income. The review will need to ensure that they are not disadvantaged by revised care arrangements.</li> <li>• <b>Reassessment of all cases and implementing Strength based culture</b> <b>Positive:</b> This is likely to have a positive impact as all cases will be reassessed against the guidance set out in the Adult Social Care and Adult Social Care</li> </ul>	Responsible officers to ensure that decisions are accompanied by EIA's and that the appropriate engagement/consultation is carried out.

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	<p><u>Commissioning Strengths based framework</u>. This involves working with each client to look at what they want to achieve and take their individual characteristics into account.</p>	
<b>Transformation Savings</b>	<p>The savings from the programme can be broken down into 10 separate workstreams with the total estimate being in the range £26.7m to £43.8m.</p>	
	<p>The Transformation Programme is designed to have an overall positive impact on both service users and employees.</p> <p>The cumulative 2022/23 savings from the transformation programme are specifically associated with.</p> <ul style="list-style-type: none"> <li>• Reduction in employee headcount through the consolidation of common roles/work.</li> <li>• Reduction in employee headcount through the consolidation of organisational layers/structures.</li> <li>• Reduction in third-party spend through more robust procurement and contract management. This will include smarter ways of working such as the digital mail and the reduction of spend throughout the council by the centralisation of spending on items such as stationery, photocopying and printing.</li> <li>• The Councils estate and accommodation project.</li> </ul>	<p>The overall impact of the individual workstreams are being assessed as part of the ongoing project. They are considered through the EIA process. The documents are live documents and are currently not being released for publication as they are incomplete at the time of writing.</p> <p><b>E.g. The Council's estate and accommodation project:</b> In 2020 the Council undertook a Working Practices Survey to identify whether employees with certain characteristics are having different experiences of working at home. This was used to inform the accommodation strategy – a key part of the transformation programme. It was found that staff with disabilities may prefer working from home due to increased comfort. As a result these preferences have been taken into account in the development of the councils accommodation and the option to work from home will continue for all staff where possible. Some staff may not have access to a suitable, safe workspace outside of an office environment and no access to space to have confidential discussions and this has been considered with office space being available for those staff who need it.</p>
<b>Concessionary fares</b>	<p>Concessionary fares budget is being reduced by £0.35m.</p>	
	<p><b>Neutral:</b> Due to the anticipated reduced number of eligible journeys as a result of less people using public transport due to Covid, the budget for concessionary fares is being reduced by £0.35 million in response to this.</p>	<p>This decision was considered by Cabinet in December 2021 and the accompanying <a href="#">EIA</a> can be viewed on the Council's website.</p>

### Summary of Equality Implications

BCP Council has a fiduciary duty to its taxpayers to be prudent in the administration of the funds it holds on their behalf and an equal duty to consider the interests of their community which benefit from the services it provides. In this budget the council has sought to maintain appropriate services for the most vulnerable as well as improve the sustainability of services important for the wellbeing of all residents.

The impacts of the council budget for 2022-23 have been assessed considering the nine protected characteristics (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and the locally-observed characteristics (low socio-economic groups, members of the armed forces, carers). The Equality and Human Rights Commission's six selected domains of equality measurement have also been considered, identified as the areas of life that are important to people and that enable them to flourish. These are: Education, Work, Living standards, Health, Justice and personal security, and Participation.

A number of positive impacts on protected groups have been identified throughout this EIA as investments are being made in key areas to improve services for our most vulnerable residents including the elderly and disabled, children with special educational needs and disabilities and people from low socio-economic groups including those who are homeless or rough sleeping.

As part of the budget, council tax is being raised to support increased service provision, which will have a positive impact on many residents. Mitigating actions have been identified to support those who may be negatively affected by this, for example by utilising schemes for residents on lower incomes.

Additional investment in regeneration will help to reduce the difference between the least and most deprived areas whilst financial support for the youth parliament will ensure young people are involved in the design and delivery of services that they use enabling better participation in public life.

Individual equality impact assessments should support some of the decisions noted in this EIA, for example with service-based savings and efficiencies and this has been noted under mitigating actions where relevant.

21/01/2022