

Cabinet – Supplementary agenda

A meeting of the Cabinet will be held on:

Date:	29 June 2010
Time:	3.00pm
Venue:	Meeting Room 2 - Level 3, Gun Wharf, Dock Road, Chatham ME4 4TR

Items

14. Public Spending Reductions

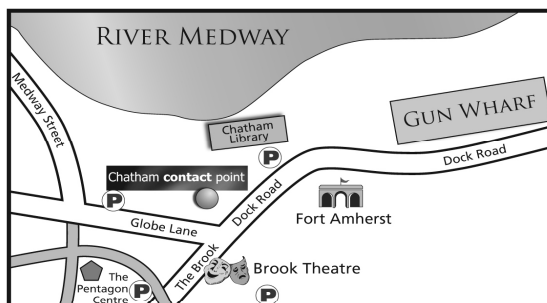
(Pages
1 - 22)

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democratic.services@medway.gov.uk

Date: 29 June 2010

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ভাষা	331780	ગુજરાતી	331782	ਪੰਜਾਬੀ	331784	کوردی	331841	ارو	331785	Русский	332374
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CABINET

29 JUNE 2010

PUBLIC SPENDING REDUCTIONS

Portfolio Holder: Councillor Alan Jarrett, Finance
Report from: Mick Hayward, Chief Finance Officer
Author: Mick Hayward, Chief Finance Officer

Summary

This report considers the recent announcements made by the Chancellor of the Exchequer in respect of the emergency reductions of £6.2 billion in public spending and the further announcements in the emergency budget presented to Parliament on 22 June 2010.

1. Budget and policy framework

- 1.1 This is a matter for Council.
- 1.2 The Cabinet is asked to consider this matter as urgent as the immediate reductions apply to the current budget and any delay in implementing recommendations increases the pro rata impact for the remainder of the year and makes achievement that more difficult.
- 1.3 The Mayor, in the absence of the Chairman of the Business Support Overview and Scrutiny Committee, has agreed that the taking of these decisions cannot be reasonably deferred, in accordance with Rule 16 (Special Urgency) of the Access to Information Rules (Part 2 of Chapter 4 in the Constitution).
- 1.4 The Vice-Chairman of the Business Support Overview and Scrutiny Committee, in the absence of the Chairman, has also agreed to waive call in on this report on the basis that this matter is reasonable in all the circumstances and to it being treated as a matter of urgency in accordance with Rule 16.11 of the Overview and Scrutiny Rules (Part 5 of Chapter 4 in the Constitution).

2. Background

- 2.1 On 24 May the Chancellor announced the Government's intention to cut back public sector spending in the current financial year by £6.2 billion. This was followed a day later by an announcement that the Local Government share of this cutback would be £1.165 billion, details of which were published on 10 June.

2.2 The £1.165 billion is a combination of savings across a number of Government departments impacting directly upon Local government services and was a combination of revenue and capital spending as set out in the table below:

Local Government Savings

	Revenue	Capital	Total
	£m	£m	£m
DfE	311.0	0.0	311.0
DfT	35.6	273.4	309.0
CLG	278.5	80.0	358.5
Local Government DEL	175.0	0.0	175.0
DEFRA	0.0	7.5	7.5
Home Office	6.0	0.0	6.0
Adjustment Grant	-1.1	0.0	-1.1
Total	805.0	360.9	1165.9

2.3 There remains a further £5.1 billion of savings to be found across government Departments and it is highly unlikely that Local Government will escape without impact from these savings in addition to the direct effect from the £1.165 billion. As an example the Department for Education (DfE) have been more forthcoming than most departments and in his most recent letter Michael Gove has, for example, highlighted that 14 – 19 Local Delivery Support Grant will be cut by £13.2 million as part of a package of additional savings of £359 million (the DfE share of the £5.1 billion) and that Local authorities will be advised in the coming weeks with details of how the current year's funding will be affected. In addition we learnt last week that the 'free swimming' initiative launched by the previous Government is to be ended from 31 July 2010. The grant received for this concession is approximately £228,000. The Cabinet report approving adoption of the scheme on 27 January 2009 set the scheme up as a discount against the normal charges, to apply for so long as the subsidy was received. The discount will therefore end on 31 July and service users are being informed.

2.4 Broadly the savings from the £1.165 billion are falling into 3 known areas in terms of the effect upon Medway:

- Area Based Grant (ABG) cuts of **£1.961** million against a total ABG of £18.1 million. Of this £1.961, the DfE share is £1.63 out of a total ABG base of £6.801 million;
- A cut in the Integrated Transport and Road Safety grants (LTP capital) of **£0.945** million; and
- A cut in the PSA reward grant that was expected to be received this year of **£3.273** million (£0.975 million capital, £1.86 million revenue and £0.438 million partnership rewards).

2.5 In addition to the direct savings from the £6.2 billion members will be aware of the broader announcements made in the budget on 22 June 2010. The key point in that delivery as far as the Council is concerned is the confirmation that there will be a spending review announcement in October this year and that as part of that review Government is seeking to cut the public sector spend by some 25% over the next four years. This is in addition to the savings already announced as part of the £6.2

billion and will obviously have a serious impact on the broader public spend in the area as well as a direct effect upon the Council itself.

- 2.6 Medway's budget (non-schools) at £712 per head of population (CIPFA stats 2009/10 Finance and General Statistics) compares to the national position where the average is £1,089 and the Unitary average of £797. This reinforces the VFM credentials of the Council and against such a background a 25% reduction in resource will be difficult to manage. It may be that there is some hope of a better redistribution of resource, particularly around the effects of damping, but of course in such a scenario one Council's gain is somewhere else's loss and this has always been difficult to manage with past settlements reflecting variable increases rather than specific reductions. As a simplistic example the 2010/11 settlement sees Medway losing £4.3 million and Brighton and Hove gaining £19.5 million that equates to some 18% of the Formula Grant they receive.

3. Implications for Medway Council

- 3.1 The Council will need to agree proposals to adjust the budget for 2010/11 it agreed on the 25 February 2010 to compensate for the specific reductions in funding streams as follows:

Capital budgets:

- A loss of £0.945 million funding against the approved Local transport Plan (LTP) programme
- A loss of £0.9 million of expected Public Service Agreement (PSA) reward grant for which the allocation was approved by Council on 26 February 2009

Revenue budgets:

- A loss of £1.961 million of expected Area Based Grant (ABG) of which £1.6 million falls within Childrens' services
- A loss of £0.830 million of expected, PSA reward grant allocated as per Capital

- 3.2 In respect to the PSA reward grant additional allocations were made for 2011/12 and beyond of £0.830 million and £0.200 million revenue, and £0.025 million capital for which funding is also lost.
- 3.3 Consultation with portfolio holders and the corporate management team have produced a number of measures to cope with these changes and these are set out in the attached appendices. These identify the options for Cabinet to recommend these reductions to Council, and are set out as: capital changes for both the LTP and the PSA reductions; the revenue reductions applying in respect of ABG reductions in Childrens' services and elsewhere; proposals to meet the funding shortfall for revenue PSA grant and the numbers and locations of staff affected by the changes.
- 3.4 In total some 50 posts will be affected by these immediate changes with almost all of these posts being presently filled and this would result in compulsory redundancies albeit the option of redeployment will be pursued in the first instance. Staff involved will have been informed in advance of the Cabinet meeting and if Cabinet agrees to request full Council to consider the recommendations, then the formal consultation period will start on the week commencing 5 July 2010.

- 3.5 For the revenue reductions the appendices further identify the impact and associated risks in making these changes and these are summarised in the table below:

Savings Summary

	£ 000's
Appendix 1 – Capital Savings	
LTP	862.500
Road Safety Grant	46.000
PSA	1,006.775
Total Capital	1,915.275
Appendix 2 – RCC savings (revenue)	
ABG saving (Road Safety Grant)	85.000
ABG saving (Prevent)	56.637
ABG saving (Community Cohesion)	32.941
Other revenue savings	105.000
Appendix 3 – BSD savings (revenue)	
Financial Management	170.150
HR/ICT	197.050
Communications, Performance and Partnerships	262.420
Library Books	0.120
Appendix 4 – C&A savings (Revenue – ABG)	
Various	1,798.305
Total Revenue	2,707.623
Total Savings	4,622.898

- 3.6 In total the savings target is £4.635 million and the savings highlighted above total £4.623 million.
- 3.7 Clearly at this stage it is difficult to predict the potential costs of redundancies and although the appendices identify the full year savings for the proposals it is inevitable that this sum will not be achieved in the current financial year. To the extent that these costs are one-off, Cabinet are asked to finance them from reserves.

4. Risk Management

- 4.1 The need to adjust budgets in mid-year both restricts the options available and increases the annualised target for revenue unless reserves are used to fill the gap created. The use of reserves is possible given the report elsewhere on the agenda in respect of the 2009/10 outturn position. However it is now very clear that there will be substantial reductions in spending required for the coming financial years as well and against that background it is essential that the risk of non-sustainability is mitigated. It may be possible to use reserves to meet once-off costs, such as

redundancy, in achieving sustainable reductions. Any failure to agree the budget reductions and implement speedily will pose the likely risk of over spending.

5. Diversity Impact Assessment

- 5.1 The council has legal duties in relation to race, gender and disability equality in service provision. It must assess whether any proposed changes have a disproportionately negative effect on people from different ethnic groups, disabled people and men and women, which as a result may be contrary to these statutory obligations. A diversity impact assessment screening exercise has been carried out and is attached at appendix 5. It states that there are two areas which have been identified in the DIA as having potential to impact on particular groups, disabled people and children and young people. The accessibility projects will be completed but will take longer. The savings required to be made from Children's Services were directly identified by central government. Because of these two reasons, the screening exercise did not identify the need to complete a full DIA. The impact of changes will be monitored closely to ensure that any unidentified and unintended negative impact is recognised and responded to.

6. Financial and Legal Implications

- 6.1 The financial implications are summarised in the body of the report and spelt out in some detail in the appendices.
- 6.2 Changes to the budget framework are a matter for Council and the reductions to the funding expectations require amendment to the budget as agreed at Council on 26 February 2010.
- 6.3 Any possible redundancies are subject to consultation with employees and trade unions. Formal consultation will commence after this meeting and last for 30 days. Officers' delegated authority only applies to reorganisations where there is no significant or policy implications and therefore Cabinet is asked to recommend that delegated authority is given to the Directors and Chief Executive to consider any alternative proposals presented by employees and the trade unions. The process of redundancies will be in accordance with the Council's organisational change policy and procedure.

7. Recommendations for Cabinet 29 June 2010

- 7.1 That Cabinet recommends that Full Council:-
- (i) agrees the proposals set out in this report and its appendices to redress the budget shortfall
 - (ii) approves the use of reserves accruing from the underspend in 2009/10 to fund any necessary once-off costs in implementing the changes.
- 7.2 That Cabinet authorises the Directors and Chief Executive to consider and determine all consultation responses received in respect of their Directorates.

8. Suggested Reasons for Decision

- 8.1 The budget reductions announced by the Government require changes to the budgets agreed by Council so as to avert an over spending occurring and bring the planned expenditure for the Council back in line with the funding available.

Background papers

Treasury announcements on public sector funding and departmental analyses available through Government websites.

Lead officer contact

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LTP Funding

1. **Lordswood Leisure Centre Access Improvements** run the scheme over two financial years - Spend would be : £265,000 2010/11 and £75,000 in 2011/12 **SAVE £75,000 in 2010/11**
2. **Ranscombe Farm** - reduce budget from £300,000 to £50,000 and improve visitor car park and visitor signage only. **SAVE £250,000 in 2010/11**
3. **Twydall Traffic Calming Project** - abandon scheme and not take up the offer of match funding of £330,000 from the charity SUSTRANS. We have already spent £35,000 on this project leaving £295,000 in the current Council financed part of the budget. **SAVE £295,000 in 2010/11**
4. **Air Quality Schemes** - reduce budget from £150,000 to £100,000 in 2010/11. We will still monitor air quality but not. **SAVE £50,000 in 2010/11**
5. **A228 Average Speed Cameras** - Reduce budget from £130,000 to £30,000 and maintain cameras for one year only in 2010/11 and not for at total of 4 years as planned. **SAVE £100,000 in 2010/11.**
6. **Albemarle Road Lordswood Access Improvements** £60,000. This is a series of improvements to upgrade pedestrian facilities for the less able/ disabled and improve access onto buses. We could run over two financial years and save £30,000 this year. **SAVE £30,000 in 2010/11.**
7. **Parkwood Shopping Centre** - £125,000. This is a project to deliver better disabled access to the shopping centre. Split the remaining budget into 2010/11 and 2011/12. **SAVE £62,500 in 2010/11.**

TOTAL LTP Capital Savings £862,500

Road safety grant

1. **Road Safety Partnership** - £71,000 budget for maintenance of speed cameras reduced to £25,000 for minimal maintenance. **SAVE £46,000 in 2010/11.**

TOTAL Road Safety Capital £46,000

Council's Capital Programme (PSA funding reduction)

1. **Eastgate House** - removing the capital allocation which is match funding for any successful lottery bid would release about £448,817 and leave £100,000 for ongoing essential repairs and running costs of this Grade 1 listed building. However we have a lottery bid being submitted on 25 August for around £1 million and the £550,000 is the match funding for the bid. **SAVE £448,817 in 2010/11**
2. **Watermill Wharf** - after the withdrawal of SEEDA and CLG finance the scheme is not funded. However, it would be prudent to keep a small float in the budget line until the close of the financial year in case HCA ask for the money which they sank into the scheme back. By showing a budget line we can maintain the scheme is still alive if we need to. Reduce sum from £7,600 to £3,000. To move this project on which has planning consent we could look to offer the site to the private sector. **SAVE £4,600 in 2010/11**
3. **Gillingham Park** - we did not receive the lottery funding applied for. We could remove the £103,358 in the Council's budget but some of the pathways are in a dangerous state and need resurfacing. Suggest leaving £50,000 in the budget line. **SAVE £53,358 in 2010/11**
4. **Medway Tunnel** Duplicate provision in LTP and Council programme. Delete £500,000 funded ex RBT reserve. **SAVE £500,000 in 2010/11**

TOTAL Council Capital Savings £1,006,775

Appendix 2 – Budget Reductions – Regeneration, Community and Culture

Proposal	Action	Estimated savings, include. On-costs	Impact
Conservation Team	5 FTE's. 1 additional post funded by English Heritage which is about to time expire. 1 vacant part time admin assistant to be deleted	£15,000	Vacant post so no current impact but will restrict capacity of team
Town Centre Management	1 FTE and restructure team	£30,000	Deletion of senior town centre management co-ordination role and consequent reduction in team from 3.3 FTE to 2.3 FTE will lead to a reduction in town centre activities
Highways Response Service	Reduction of two posts from the responsive highways service area	£60,000	Minor impact on response times to customer requests resulting in delays to highways repairs.
Prevent Project (ABG)	Reduction in funding support to partnership projects	£56,637	The reduction in area based grant funding for the national Prevent strategy means that there will be a significantly lower level of funding to provide support for communities and organisations to reduce the risk of vulnerable individuals being attracted to violent extremism from whatever source.
Community Cohesion (ABG)	Reduction in funding support to partnership projects	£32,941	Reduced budget for interpretation services, housing advice and pupil integration; benefitting Luton and All Saints
Road Safety Grant (ABG)	Reduce funding to projects	£85,000	£260,000 budget reduced by £85,000 with consequent reduction in activity which will mean some road safety projects are cancelled
GRAND TOTAL RCC		£174,683	

Budget Reductions – Financial Management			
Proposal	Action	Estimated savings	Impact
Reduce Verification Visiting team	Remove two out of four Customer Liaison Officers	£62,000	These posts currently undertake verification visits in relation to claims for Housing Benefit and Council Tax Benefit. Originally the posts were also to include an element of work for the Benefit Fraud team but this has declined over the last 12 months. It had been envisaged that the role would be amended to visiting claimants in their homes checking evidence for claims submitted electronically. It will now be necessary for a greater proportion of claimants to deliver the evidence to Chatham Contact Point or one of the benefit surgeries.
Reduce housing benefit fraud investigations work	Remove one investigation officer post and one investigations administration assistant post (two of nine posts)	£57,160	These posts investigate or support the investigation work. Less cases will be investigated. To mitigate the impact, only the highest risk assessed cases will be investigated.
Reduce Cashiering Service	Changes in working practices have prompted a review of the service which is not yet finalized. However it is clear that one vacant and one further post can be lost from the existing structures.	£50,990	The cashiers reconcile, process and bank payments received via the general post, some outside income generating establishments and some telephone payments. They also administer the Councils Bus Pass scheme. Since the closure of the cash desks at the time of the move to Gun Wharf workloads have diminished and whilst some staff have been seconded and posts left vacant, there remains room for more efficiencies. There is a risk that some activity may take longer but it is believed that this can be managed.
TOTAL SAVING		£170,150	

Budget Reductions – Human Resources/ICT			
Proposal	Action	Estimated savings	Impact
Reduce support for equalities and employment	Remove equalities post in HR Strategic equalities work to be carried out by policy and communications	£32,680	This post supports development work on equalities and the staff forums. In addition it produces all required equalities data, supports DIAs across the Council and provides specialist advice. Strategic employment work will be taken on by Comms and Review.
Reduce workforce development team	Remove one workforce adviser –	£37,590	This post currently supports member development, NVQs and Apprentices. NVQs are now being managed by Adult Learning and the resourcing team will take on the recruitment of apprentices. Support for apprentices will be reduced and we will need to review workloads, but protect support for children and adults, ICT and statutory training
Reduce health and safety strategic team	Remove h&s trainee post and part-time safety adviser	£49,260	Support to managers on day-to-day health and safety will be reduced – (need to recruit to vacancy for qualified adviser).
Reduce resourcing team (recruitment and temp agency)	Remove one recruitment officer	£27,520	Support to managers for recruitment will be reduced.
Reduce in-house development support	Remove budget for support to new developments	£25,000	Services will have to fund ICT developments
Review software contracts	A number of software contracts (eg Oracle) are up for renewal and we will review licensing arrangements and negotiate on price	£25,000	Dependent on getting good deals with the software houses.
TOTAL SAVING		£197,050	

Budget reductions - Communications, Performance and Partnerships Division			
Proposal	Action	Estimated savings,	Impact
<p>Remove dedicated support to LSP as part of approach to 'mainstream' strategic partnership working.</p> <p>The council and its partners have struggled to mainstream the work of the LSP. Now the sustainable community strategy has been agreed, key partners have the opportunity to streamline partnership processes, select and support key partnership projects to achieve better with less across public services in Medway. This proposal removes dedicated LSP support, with the expectation that partners will resource partnership project working where there are efficiency and effectiveness business cases to do so.</p>	Delete dedicated LSP support posts – 2 FTE	£69,760 (this is the council's contribution – PCT also make contribution)	This proposal places greater emphasis on the executives of key agencies and the LSP thematic partnerships. The risk is that they will not respond. Regular meetings of the leaders of the key agencies in Medway, based on a clear shared implementation plan for the sustainable community strategy will provide important mitigation.
<p>Remove dedicated support to council staff and voluntary sector for making bids for UK funds</p> <p>The council and voluntary sector organisations have benefited from dedicated support to build capacity and skills and provide access to information about available funds, as well as a quality assurance role to check draft bids. The team has existed since 2001. This proposal recognises the progress that has been made in acquiring skills in many services and requires individual services to be self sufficient in making bids.</p>	Delete corporate bidding team – 2 FTE	£121,600	There is a risk that fewer and lower quality bids will be submitted as a result of this proposal. This can be mitigated by senior council managers taking on the QA function to ensure bids are evidence based.

<p>Refocus council's work on sustainability to its own energy consumption / emissions</p> <p>The council currently has targets in relation to emissions from its own operations, and a broader role in encouraging reductions across Medway. The national indicator measuring Medway wide emissions is a very crude measure that is not easily influenced by the council – Medway's low levels of emissions are largely a product of its lack of large businesses. The council has as a result, focused on the areas where it can make a direct impact – eg through housing and transport. This proposal recognises the effective work of the council's energy manager and reduces spend on an additional post to support sustainability work.</p>	<p>Withdraw council 50% contribution to 1 FTE currently being recruited to develop sustainability strategy and support energy efficiency in schools. Schools element is externally funded so 0.5FTE could be recruited.</p>	<p>£15,000</p>	<p>Schools do contribute to a high percentage of 'council' energy usage and emissions. As a result the energy manager is working proactively with them which will mitigate against any negative impact of this reduction in funding.</p>
<p>Reconfigure corporate equalities resources (also see <i>further reference to equalities post above</i>) – This proposal sees the combination of two posts currently working on equality in employment and service delivery. The Equalities Act simplifies the requirements in this area and encourages councils to mainstream equalities work within its business plans, rather than creating separate equality schemes.</p>	<p>One post will take on strategic equalities work relating to employment as well as the existing service delivery focus, with operational role subsumed in general HR duties. The equalities project budget will be reduced by £10,000 (to £15,000)</p>	<p>£10,000</p>	<p>The council has existing and known future statutory responsibilities in relation to equalities. Retaining one post will allow the council to continue to meet its statutory responsibilities.</p>
<p>Reduce spend on marketing</p>	<p>10% reduction in marketing budget in year.</p>	<p>£37,000</p>	<p>Focus on priorities and areas where evidence shows that marketing makes a difference</p>
<p>Delete vacant post</p>	<p>Delete balance of data quality post currently vacant (0.3FTE)</p>	<p>£9,060</p>	<p>Ensuring data quality is part of the role of specialist performance posts and of line managers' role.</p>
<p>TOTAL SAVING</p>		<p>£262,420</p>	
<p>GRAND TOTAL BSD</p>		<p>£629,620</p>	

The strategic risks associated with the savings options listed below can be summarised as follows:

- a) intervention from central government or Ofsted, particularly in relation to the effectiveness of the Council's school improvement services.
- b) insufficient capacity to restructure the school improvement service in response to a reduction in funding of £1m from 2011/12 relating to the national strategies.
- c) damage to the Council's reputation in relation to cuts that affect parents, schools and the third sector, particularly where contracts have to be renegotiated, and the political implications of this.
- d) less support for schools may encourage more to become academies with consequent revenue implications
- e) the capacity of the LA to implement the cuts in-year as this will require significant input from HR, legal services, finance and ICT
- f) redundancy costs

Budget Heading	Savings Option	Services Affected	Estimated Staff Reductions
	£		
Study Support	50,800	Cease provision of Medway Children's University.	1
School Advisory Team	58,900	Scale down the Broadband Connectivity capital project that delivers improved ICT services for schools.	0
Advanced Skills Teachers	41,500	Withdraw provision for the recruitment of further Advanced Skills Teachers in schools.	0
Extended Schools Grants	450,000	Reduce funds for before & after school clubs, holiday play schemes (including for disabled children), counselling services, parenting support and play therapy.	11
Primary National Strategy - Central Support	378,000	Reduce funding for activities designed to improve standards in primary schools and to support schools that are causing concern.	5
Secondary National Strategy - Central Support	382,000	Reduce funding for activities designed to improve standards in secondary schools and to support schools that are causing concern.	5
Secondary National Strategy - Behaviour and Attendance	68,300	Reduce funding that is aimed at improving behaviour and attendance at secondary schools.	1
School Travel	32,000	Reduce funding used to encourage pupils to travel to school on foot or bicycle, rather than by car.	1
Medway Youth Trust	100,000	Reduce funding for Connexions services that help young people access employment or training.	0
Teenage Pregnancy	100,000	Reduce funding for public health activities, including those targeted at preventing teenage pregnancies.	2
Safeguarding review processes	5,000	Reduce funding for the Medway Safeguarding Children Board (MSCB).	0
Supporting People	131,805	we will remove a consultant lead officer with immediate effect - saving around 50k, delete an admin post - saving around 20k and the balance of almost £62k will be found by re-focussing the programme on personal budgets.	1
Total Savings Options	1,798,305		27
Savings Required	1,761,805		

NB: The staff numbers relate to those directly employed by Medway Council (including schools). Other staff may be affected where budgets are being used to fund activities in the voluntary sector or health authority.

Appendix 5 - Diversity Impact Assessment: Screening Form

Directorate	Name of Function		
All Council	Review of services due to budget reductions		
Officer responsible for assessment	Date of assessment	New or existing?	
Neil Davies	29 th June 2010	New	
Defining what is being assessed			
1. Briefly describe the purpose and objectives	<p>The Council aims to deliver effective, efficient and sustainable services which meet the needs of the community.</p> <p>This report responds to announcements made by the Chancellor of the Exchequer in respect of the emergency reductions of £6.2 billion in public spending and the further announcements in the emergency budget presented to Parliament on 22 June 2010. As a result Medway Council has to find savings of some £6.1 million in year. As part of this process a series of measures are being announced which will impact on the capacity of the Council to deliver some projects and services.</p> <p>The budget reductions announced by the Government require changes to the budgets agreed by Council to avert an over spend occurring and bring the planned expenditure for the Council back in line with the funding available.</p> <p>The report is asking cabinet to consider this matter as urgent as the immediate reductions apply to the current budget and any delay in implementing recommendations increases the pro rata impact for the remainder of the year and makes achievement that more difficult.</p>		
2. Who is intended to benefit, and in what way?	<p>Savings are intended to be achieved in a way that ensures financial sustainability whilst not disproportionately impacting on unfairly disadvantage any sections of the community. Particular areas have been identified:</p> <p><u>Capital budgets:</u> A loss of £0.945 million funding against the approved LTP programme A loss of £0.9 million of expected PSA reward grant</p> <p><u>Revenue budgets:</u> A loss of £1.961 million of expected Area Based Grant of which £1.6 million falls within Childrens' services A loss of £0.830 million of expected PSA reward grant allocated as per Capital</p>		
3. What outcomes are wanted?	<p>Council to continue to provide effective services to residents which meet their needs whilst at the same time ensuring that it has a stable financial base.</p>		

4. What factors/forces could contribute/detract from the outcomes?	Contribute	Detract
5. Who are the main stakeholders?	Residents of Medway.	
6. Who implements this and who is responsible?	Senior Management Team and Elected Members.	
Assessing impact		
7. Are there concerns that there <u>could</u> be a differential impact due to <i>racial groups</i>?	YES	
	NO	
What evidence exists for this?	The savings are being made across a wide range of services and there is no evidence to suggest that this will directly impact on particular groups. However, this will be monitored closely to ensure that any unidentified and unintended negative impact is recognised and responded to.	
8. Are there concerns that there <u>could</u> be a differential impact due to <i>disability</i>?	YES	A number of the projects affected are related to accessibility.
	NO	
What evidence exists for this?	It should be noted that these projects are being delayed i.e. rather than being delivered within one financial year as anticipated they will take place over a longer period. The proposed extension to the completion of the projects is to ensure they are carried out in a financially prudent way.	
9. Are there concerns that there <u>could</u> be a differential impact due to <i>gender</i>?	YES	
	NO	
What evidence exists for this?	The savings are being made across a wide range of services and there is no evidence to suggest that this will directly impact on particular groups. However, this will be monitored closely to ensure that any unidentified and unintended negative impact is recognised and responded to.	
10. Are there concerns there	YES	

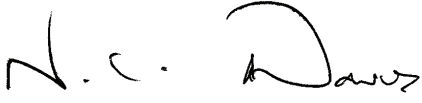
could be a differential impact due to <i>sexual orientation</i>?	NO	
What evidence exists for this?	The savings are being made across a wide range of services and there is no evidence to suggest that this will directly impact on particular groups. However, this will be monitored closely to ensure that any unidentified and unintended negative impact is recognised and responded to.	
11. Are there concerns there <u>could</u> be a have a differential impact due to <i>religion or belief</i>?	YES	
	NO	
What evidence exists for this?	The savings are being made across a wide range of services and there is no evidence to suggest that this will directly impact on particular groups. However, this will be monitored closely to ensure that any unidentified and unintended negative impact is recognised and responded to.	
12. Are there concerns there <u>could</u> be a differential impact due to <i>people's age</i>?	YES	The areas identified for reduced funding by central government include a number of services provided for young people.
	NO	
What evidence exists for this?	The Council is in the position of having to cuts in the areas identified by Government. In order to remain financially viable these services will need to be reduced accordingly. Every effort will be made to ensure that children and young people are supported whilst these changes are introduced and that their safety is paramount. We will continue to monitor any unintended impact carefully.	
13. Are there concerns that there <u>could</u> be a differential impact due to <i>being transgendered or transsexual</i>?	YES	
	NO	
What evidence exists for this?	The savings are being made across a wide range of services and there is no evidence to suggest that this will directly impact on particular groups. However, this will be monitored closely to ensure that any unidentified and unintended negative impact is recognised and responded to.	
14. Are there any <i>other</i> groups that would find it difficult to access/make use of the function (e.g. young parents, commuters, people with caring responsibilities or dependants, young carers, or people living in rural areas)?	YES	If yes, which group(s)?
	NO	
What evidence exists for this?		

15. Are there concerns there could have a differential impact due to <i>multiple discriminations</i> (e.g. disability <u>and</u> age)?	YES	Brief statement of main issue
	NO	
What evidence exists for this?		

Conclusions & recommendation		
16. Could the differential impacts identified in questions 7-15 amount to there being the potential for adverse impact?	YES	Two areas have been identified in the form as having potential to impact on particular groups, disabled people and children and young people. The accessibility projects will be completed but will take longer. The savings required to be made from Children's Services were directly identified by central government.
	NO	
17. Can the adverse impact be justified on the grounds of promoting equality of opportunity for one group? Or another reason?	YES	Not Applicable
	NO	
Recommendation to proceed to a full impact assessment?		
NO	These savings have to be made as direct result of reductions in funding this financial year. If not implemented speedily the Council could be in a financially vulnerable position. However, as the situation evolves the Council will remain vigilant to the possibility of any unidentified and unintended impact.	

Action plan to make Minor modifications		
Outcome	Actions (with date of completion)	Officer responsible

Planning ahead: Reminders for the next review		
Date of next review	Not applicable to schedule this DIA for full review, but the council will continue to monitor impact..	
Areas to check at next review (e.g. new census information, new legislation due)		
Is there <i>another</i> group (e.g. new communities) that is relevant and ought to be considered next time?		
Signed Assistant Director	Date	

Signed Chief Executive 	Date 29/6/10	

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