

Item: 7

Policy and Resources Committee: 25 February 2020.

Budget and Council Tax Level for 2020/21.

Joint Report by Chief Executive and Head of Finance.

1. Purpose of Report

To consider the Revenue Budget, Council Tax level and the level of contribution from General Fund and other Reserves for financial year 2020/21.

2. Recommendations

The Committee is invited to note:

2.1.

That the cumulative funding gap identified in the Council's Long-Term Financial Plan for the period 2020/21 to 2020/22 is £9,805,000 which the Council is seeking to address through its strategic approach to budgeting as detailed in section 3 of this report.

2.2.

That the Scottish Government has issued grant settlement figures for local government and individual councils for financial year 2020/21, with the provisional revenue grant funding to the Council amounting to £77,516,000, which includes a provisional specific grant allocation for ferry services of £5,500,000.

2.3.

That the Council's request to the Scottish Government in respect of funding for ferry services for 2020/21 was £7,000,000.

2.4.

That Local Government Finance Circular 1/2020, which provides details of the provisional total Local Government revenue and capital funding for 2020/21, refers to a package of measures that make up the settlement, including:

- £100 million to be allocated to Integration Authorities that is to be additional to and not substitutional to each Council's 2019/20 recurring budgets for social care services.
- £201 million revenue and £121.1 million of capital funding to support the expansion of early learning and childcare.
- Baselineing of the £90 million added at Stage 1 of the Budget Bill for 2019/20.

- £88 million continued funding to maintain the pupil:teacher ratio nationally and secure places for probationers.
- £156 million provision for teachers' pay and £97 million for teachers' pensions.
- £5.3 million for implementation of the Barclay report (review of non-domestic rates) recommendations.
- £50 million for a new capital challenge fund for Heat Networks Early Adopters.

2.5.

That no specific sanctions have been indicated by the Scottish Government in respect of the settlement offer for financial year 2020/21.

2.6.

That the three-year funding settlement for local government from financial year 2020/21 announced as part of the settlement in February 2019 has not materialised.

2.7.

That the settlement affords the flexibility for the Council to increase Council Tax for financial year 2020/21, with a 4.84% cap on any increase in the level of Council Tax, which is equivalent to an increase in real terms of 3%.

2.8.

That, on 26 November 2019, the Policy and Resources Committee recommended a range of low risk budget savings for 2020/21 amounting to £267,600.

2.9.

The identified efficiency savings for financial year 2020/21, totalling £774,200, that are additional to the savings already approved at paragraph 2.8 above, covering risk levels assessed as low to very high, as detailed in Annex 10 to this report, which, if approved, would result in a reduction of 5.5 full-time equivalent (FTE) posts, with 1.0 FTE vacant and 4.5 FTE occupied.

2.10.

The Equality Impact Assessments, attached as Annexes 8 to 10 to this report, relating to the overall budget proposals and savings assessed as low, medium, high and very high risk.

2.11.

The advice, outlined in section 16 of this report, regarding risks to the Council's ability to continue to meet, in a secure manner, all its responsibilities and the expectations placed upon it.

2.12.

That, as a consequence of paragraph 2.11 above, the Chief Executive may be required to submit reports to the Council in accordance with sections 4(2) and 4(3) of the Local Government and Housing Act 1989.

It is recommended:

2.13.

That the General Fund revenue budget for financial year 2020/21 be set at £85,798,800.

2.14.

That powers be delegated to the Head of Finance in consultation with the Chief Executive to revise the General Fund revenue budget for financial year 2020/21 in respect of any change to the estimated funding level referred to at paragraph 2.2 above.

2.15.

That any reduction in the specific grant allocation for ferry services, referred to at paragraph 2.2 above, be subject to further consideration in due course, if required.

2.16.

That the Band D Council Tax level for financial year 2020/21 be set at £1,208.48, being a real term increase of 3% on the Band D Council Tax level for financial year 2019/20 of £1,152.69.

2.17.

That the Council's budget uprating assumptions, as set out in Annex 2 to this report, including a 1% uplift for the Third Sector, at an overall estimated cost across the General Fund of £2,813,000, be approved.

2.18.

That, on account of the need to balance the budget and bring spending into line with available funding, no baseline service pressures be approved for inclusion in the revenue budget for financial year 2020/21.

2.19.

That efficiency savings totalling £774,200, covering risk levels assessed as low to very high, as detailed in Annex 5 to this report, be approved and applied for financial year 2020/21, summarised by service as follows:

Chief Executive's Service.	£32,100
Corporate Services.	£15,000
Development and Infrastructure.	£463,200

Education, Leisure and Housing.	£120,200
Orkney Health and Care.	£143,700

2.20.

That the cost of the following savings in 2020/21, totalling £48,000, be funded from the Crown Estate net revenue allocation for 2019/20:

Road Closures for Events and Festivals	£5,000
Winter Free 1 Hour Parking	£24,000
Development and Marine Planning	£14,000
Archaeology Workforce Planning	£5,000

2.21.

That powers be delegated to the Head of Finance to allocate any General Fund underspend from financial year 2019/20 to the following provisions:

- £179,709 secured through a successful Non-Domestic Rates appeal, to the Innovation Fund to help towards the cost of undertaking transformational change projects.
- Any remaining underspends to the repayment of capital debt.

2.22.

That the General Fund contingency established when setting the revenue budget for financial year 2019/20 be applied as a funding source in setting the General Fund revenue budget for 2020/21.

2.23.

That any further efficiency savings realised, or additional funding secured that is not specific to government initiatives that must be funded, be retained in a General Fund contingency.

2.24.

That Executive Directors should review and increase existing charges by a minimum of 3%, from 1 April 2020, if possible, to do so, or as early as possible thereafter, with the following exceptions, where alternative arrangements are required or proposed:

- Building warrant and planning fees.
- Harbour charges.
- Ferry fares.
- Car park charges.
- Residential care and home care.
- Very sheltered housing.

- Supported accommodation.
- Licensing fees.
- Ship sanitation certification.
- Marriage / civil partnership.
- Roads inspection fees.
- Trade waste charge.
- Homelessness rents.

2.25.

That should the confirmed allocation of fairer ferry funding be less than £5,500,000, ferry fares be increased by 3%, with ferry fares frozen should the allocation be confirmed as £5,500,000 or more.

2.26.

That the contribution from the Strategic Reserve Fund used as a funding source be set at a cumulative maximum of £22,050,000 over the three year period 2020/21 to 2022/23.

2.27.

That the draw from the Strategic Reserve Fund for 2020/21 be set at £6,317,200, with the actual contributions for financial years 2021/22 and 2022/23 confirmed when the budgets for those years are set.

2.28.

That, for financial year 2020/21, the non-earmarked General Fund Balance should be set at a minimum target level of 4% of the Council's net budgeted expenditure.

2.29.

That the policies of presumption against new commitments and the moratorium on staff establishment increases should continue to remain in force across General Fund services, with the following conditions:

- Exceptions might be considered for new commitments which are 100% funded by external bodies – proposals involving the Council in partnership funding shall require compensatory savings to be identified.
- The Council should consider undertaking new statutory duties or any case where it was considered that statutory duties were not being fulfilled, however, such duties having financial implications should first be reported to the relevant Committees for approval.
- The Council should consider new commitments where compensatory savings could be identified – any Committee considering such recommendations should, in the first instance, seek to identify savings from within its revenue budget.
- Any restructuring exercises of Council services must be cost neutral at worst for Council General Fund services.

2.30.

That powers be delegated to the Head of Finance, as Section 95 Officer, in consultation with the Chief Executive, to prepare and distribute a detailed budget incorporating all of the budget adjustments agreed by the Council.

3. Developing the Budget Strategy

3.1.

The Council has faced significant budget constraints in recent years that have required year on year savings; delivering savings of £13,567,700 between the year ended 31 March 2012 and financial year ending 31 March 2020 as follows:

Financial Year.	Savings total.
2011 to 2018. (7 years)	£11,461,000.
2018 to 2019.	£1,756,700.
2019 to 2020	£350,000.

3.2.

In the 2 July 2019 Local Government finance: facts and figures 2013-14 to 2019-20 briefing, the Scottish Parliament Information Centre (SPICe) reported that, between 2013/14 and 2018/19, the revenue grant to local government has fallen around 7.5% in real terms, which is far greater than the real terms reduction in Scottish Government funding of 2.8%. However, this trend was reversed between 2018/19 and 2019/20 with the revenue allocation to local government increasing by 1% and the Scottish Government's revenue budget increasing by 0.9%. Orkney however received a revenue allocation that was a -1% change in real terms between 2018/19 and 2019/20.

3.3.

The outlook over the timeline for the current Scottish Parliament is also particularly challenging, with 'unprotected' parts of the Scottish budget facing real terms cuts of 13% to 16%.

3.4.

For financial year 2020/21, the Scottish Government set a draft budget and Local Government finance settlement on 6 February 2020. The UK Government will however only announce the UK budget on 11 March 2020 with the possibility of additional budget consequential for the Scottish Block Grant.

3.5.

The Council's annual budget uplifts since financial year 2011/12 have reflected the prudent approach taken to the budget, with uplifts set at less than the headline rate of inflation. This approach has resulted in all Council services having to find additional efficiency savings within their approved budgets to cover the impact of

cost price increases. General Fund service overspends against budget in financial year 2018/19 reflected the pressure some services budgets are facing.

3.6.

The low price of oil, which provided some respite in transport and property heating costs in financial years 2014/15 and 2015/16, rose quite steadily to peak at \$73.93 in June 2018 before falling back to \$45.41 at December 2018. The price has risen again in January 2020 to \$70.73 on 6 January 2020 amid fears of disruption to global oil supplies following US military action in the Gulf. Economic commentators Capital Economics are not, however, projecting significant changes in the headline rate of inflation over the 2020 calendar year, as follows:

- Quarter 1: 1.9%.
- Quarter 2: 1.4%.
- Quarter 3: 1.5%.
- Quarter 4: 1.6%.

3.7.

Local Government had been assured, as part of the budget deal for 2019/20, that a three-year settlement for 2020/23 would be provided. The uncertainty from the UK's departure from the European Union and a General Election in December 2019, followed by a delay in setting the UK budget, has however resulted in a rethink on the three-year settlement commitment, with a single year settlement for 2020/21. A key recommendation made in this report is, therefore, to also set a one-year budget for 2020/21 only, however a three-year maximum contribution from the Strategic Reserve Fund is proposed that should provide the necessary flexibility to accommodate the budget savings that will need to be delivered over the next three year period.

3.8.

The Council received a share of £90 million that was allocated to local government as a late adjustment in the deal to secure parliamentary approval for the 2019/20 Scottish Government budget. This additional funding was placed in a General Fund contingency when setting the revenue budget for financial year 2019/20. This contingency has been applied as a funding source in the draft General Fund revenue budget for 2020/21, but it is also proposed that any further efficiency savings realised, or additional funding secured for 2020/21, that is not specific to government initiatives that must be funded, be retained in a General Fund contingency.

3.9.

A medium-term resource strategy has been developed to establish the framework for budget setting over the period 2017 to 2022 with the general recognition that further spending reductions need to be considered in a strategic manner over the medium-to-long term given the requirement for continued and significant budget reductions. A Long-Term Financial Plan has also been prepared which gives an indication of the funding gap that the Council could face over the next ten years.

3.10.

The implication for the Council is that, on current predictions, real terms increases in general revenue funding cannot be expected any time soon. The use of reserves to balance the budget must however only be a short-term solution. There is therefore a continuing requirement to reduce the level of General Fund expenditure to bring it into line with the financial support received.

3.11.

In addition to setting the Council Tax level for financial year 2020/21, the Council is required by law to set a balanced revenue budget by 11 March whereby the level of budgeted expenditure cannot be set at a level greater than the known or realistically anticipated total income for that year.

4. Grant Settlement

4.1.

Local Government Finance Circular 1/2020 was issued on 6 February 2020 and sets out the provisional total Local Government revenue and capital funding for 2020/21. At a national level the Scottish Government has presented the 2020/21 settlement as an increase in funding for Local Government of £495 million, however the new Scottish Government commitments that have been “funded” within the settlement amount to £590 million, meaning that there has actually been a £95 million cut to core revenue budgets delivered by the settlement.

4.2.

The Scottish Government commitments that have been funded in the settlement are as follows:

Early Learning and Childcare	£201 million
Teachers’ Pay and Pensions	£253 million
Additional Support for Learning	£15 million
Living Wage	£25 million
Free Personal Care uplift	£2 million
Carers Act	£12 million
School Counselling	£4 million
Integrated Authority Ring Fenced	£57 million
Others	£21 million
Total	£590 million

4.3.

At Council level, the settlement has delivered an increase in the revenue grant that will be received of just over £2 million, as illustrated below:

Financial Year and Circular.	Total.
2019/20 (2/2019).	£75,499,000.
2020/21 (1/2020)	£77,516,000.
Estimated Revenue Grant Increase.	£2,017,000.

4.4.

An analysis of the increases in the corresponding areas at Council level indicates that a sum greater than the funding increase of £2 million has already been committed on Government priorities. The settlement is therefore significantly less than would be required to cover the Government's priorities and the cost of pay and price increases. The principal increases the Council has received in the settlement that are related to Government priorities are as follows:

Early Learning and Childcare	£839,000
Teachers' Pay	£766,000
Teachers' Pensions	£601,000
Social Care	£429,000
School Counselling	£166,000
Other Government Priorities	£111,000
Total	£2,904,000

4.5.

The Minister for Public Finance and Digital Economy also wrote to local authorities on 6 February 2020 with further information on the Local Government finance settlement. The Minister stated that the Scottish Government has taken a cautious approach in estimating the likely outcome of the UK Budget on 11 March for both revenue and capital budgets. The Minister further stated that, should the settlement from the UK Government be significantly different from the assumptions the Scottish Government has made, there may be a need to revisit the allocations contained in the letter of 6 February 2020.

4.6.

The Minister's letter confirms that local authorities will continue to have flexibility for 2020/21 to increase Council Tax by up to 3%, or 4.84% in real terms. The three-year funding settlement for local government from financial year 2020/21 onwards, that was part of the deal for 2019/20, has not materialised.

4.7.

The year on year reduction in Loan Charges support continues with a reduction of £218,000 in 2020/21. Loan charges support will reduce over future years according to the Government profile for repayment of capital debt. A review of where loan and leasing charges sit relative to the settlement floor was carried out by the Scottish

Government and the Convention of Scottish Local Authorities (COSLA) during 2018. That review concluded that loan and leasing charges should remain within the floor calculation which will afford the Council some protection in future. With the Government support for servicing debt diminishing, the importance of repaying existing debt is increasingly important.

4.8.

Local Government Finance Circular 1/2020, which provides details of the revenue and capital distributions, refers to a package of measures that make up the settlement, including:

- £100 million to be allocated to Integration Authorities that is to be additional to and not substitutional to each Council's 2019/20 recurring budgets for social care services.
- £201 million revenue and £121.1 million of capital funding to support the expansion of early learning and childcare.
- Baselineing of the £90 million added at Stage 1 of the Budget Bill for 2019/20.
- £88 million continued funding to maintain the pupil:teacher ratio nationally and secure places for probationers.
- £157 million provision for teachers' pay and £97 million for teachers' pensions.
- £5.3 million for implementation of the Barclay report (review of Non-Domestic rates) recommendations.
- £50 million for a new capital challenge fund for Heat Networks Early Adopters.

5. Council Tax

5.1.

The Council Tax is based upon the capital value of domestic properties (as at 1 April 1991) which is determined by the Assessor. Once the capital value of properties is assessed, properties are allocated to one of eight bands.

5.2.

Some councils generate relatively high levels of income from Council Tax with, at the higher end, 19% of general income raised from Council Tax. In comparison, Orkney generates less than 10% of general income from Council Tax. This is partially historical, with councils having been tied to their 2008/09 Council Tax rates by the freeze and thereafter only permitted capped increases. The mix of house property bands is a further factor with fewer high banded properties in the islands meaning the Council Tax base is a lot lower.

5.3.

The Council Tax freeze was in place between 2008/09 and 2016/17 and ended in 2017/18. The Local Government Finance settlements have thereafter included a requirement for locally determined Council Tax increases to be capped at 3% (3% real for 2019/20). The sanctions associated with the freeze and capped increases

have removed the discretion for the Council to consider increasing Council Tax to closer to the Scottish average Council Tax rate. The additional annual income that would be raised by an increase of the Orkney Islands Council rate, to approximately the Scottish average rate for 2019/20, over and above a 3% increase, is £787,332.

5.4.

The Scottish average Council Tax for 2019/20 is £1,251 and could be assumed to be around £1,311 for 2020/21 following a 3% real terms increase. The Orkney Band D Council Tax would have to increase by £158 or by 11% from the 2019/20 rate of £1,153 to get close to the Scottish average in 2020/21. An increase of 3% in real terms (4.84%) which is the maximum increase that the Government will approve would, if applied, result in the following Council Tax banding amounts:

Band	Property Value	Proportion of Band D	Council Tax 2019/20	Council Tax 2020/21
A	Up to £27,000	240/360	£768.46	£805.65
B	£27,000 - £35,000	280/360	£896.54	£939.93
C	£35,000 - £45,000	320/360	£1,024.61	£1,074.20
D	£45,000 - £58,000	360/360	£1,152.69	£1,208.48
E	£58,000 - £80,000	473/360	£1,514.51	£1,587.81
F	£80,000 - £106,000	585/360	£1,873.12	£1,963.78
G	£106,000 - £212,000	705/360	£2,257.35	£2,366.61
H	Above £212,000	882/360	£2,824.09	£2,960.78

5.5.

An increase in Council Tax of 4.84% would give a Band D rate of £1,208.48 and will raise a total of £9,844,400. The increase in the number of Band D properties will contribute additional income of £78,600. The surcharge on empty properties is estimated to contribute £135,400 towards the total in 2020/21. An increase to the Scottish average would have raised a further £824,000

5.6.

In September each year, the Council submits an annual return to the Scottish Government providing details of Council Tax Band D equivalent properties which is used by the Scottish Government in determining the level of revenue support grant for each Council. The number of Band D equivalent properties in Orkney for the September 2019 return was 8,115.

5.7.

An element of non-collection of Council Tax will inevitably occur and it is considered prudent to make a non-collection allowance of 1.0%, thereby reducing the Band D equivalent by 81 from 8,115 to 8,034. The allowance for non-collection applied when setting the 2019/20 Council Tax was also 1.0%. With a recommended 4.84%

increase in the Band D Council Tax level to £1,208.49, the total amount of income expected to be generated through the Council Tax is £9,844,400, as outlined in Annex 4.

5.8.

No specific sanctions for increasing Council Tax by more than 3% in real terms have been indicated in Finance Circular 1/2020, or correspondence from the Government. However, through COSLA, the views of the former Cabinet Secretary for Finance, Economy and Fair Work were relayed as being that, while no sanctions will be in place, he would have to revisit this in future if any Council breached the cap.

5.9.

Feedback from the Trade Unions in relation to setting the Council Tax, was to urge Elected Members to make full use of Council Tax powers to prevent vulnerable groups, particularly disabled people and the elderly, from being disproportionately affected by cuts.

6. Projected Spending Pressures

6.1.

With real terms cuts in the government grant awarded to core Local Government services as a whole, the cost of budgeting for the pressures of inflation has, in recent years, been a significant spending pressure which has had to be met by the Council. Steps have been taken over recent years to minimise the impact on the Council's budgets, with annual budget uplifts set at less than the headline rate of inflation. The inclusion of an uplift for inflation and pay awards is, however, recommended for 2020/21 to ensure budgets do not fall too far behind what is required to deliver the Council's priorities.

6.2.

This approach has, in recent years, resulted in Council services having to find additional efficiency savings within their approved budgets, in relation to the impact of cost price increases. The September 2019 headline rate of Consumer Price inflation was 1.8%, down from 2.4% in September 2018 and application of this rate would result in further budget pressure. Annex 2 provides details of recommended budgetary adjustments across the main cost and income subjective groupings. The estimated cost of applying these budgetary adjustments is £2,813,000.

6.3.

Recognising that the Council faces a very difficult task in bringing its revenue budget back into line with available resources and a sustainable draw on the Strategic Reserve Fund, services will be encouraged to find compensatory savings or undertake service redesign within their own service areas to meet any service pressure bids. No baseline service pressure bids were submitted as part of the budget process for 2020/21. This will be a significant challenge for services noting

that there have been progressive pressures arising for services over the last eight years or more of budget setting.

6.4.

The Third Sector in Orkney is a key and valued resource as evidenced by the Council's action in previously approving and implementing a three-year funding arrangement with the Sector involving year on year increases of 2.25% covering the period 2008 to 2011. When setting the budgets for 2011/12 through to 2017/18, the Council agreed that the Third Sector should receive a 1% increase each year. A freeze in the Third Sector budget was agreed for 2018/19 and 2019/20. However, a 1% increase is included in the budget uprating assumptions for 2020/21 set out in Annex 2.

7. Reserves and Balances

7.1.

Section 93 of the Local Government Finance Act 1992 requires Scottish authorities, in calculating the Council Tax, to take into account any means by which Council expenses may otherwise be met or provided for. This includes General Fund reserves and earmarked portions of the General Fund balance but not other reserves the Council is specifically allowed to hold.

7.2.

The Council currently holds various earmarked reserves within General Fund balances as part of its longer-term financial management strategy. These earmarked reserves, amounting to £8,383,400 at 1 April 2019, are held to meet specific commitments, specific purposes or for specific Council priorities, as detailed in Annex 3.

7.3.

Balancing the annual budget by drawing on general reserves may be a legitimate short-term option. However, it is not prudent for reserves to be deployed to finance recurrent expenditure. The Chartered Institute of Public Finance and Accountancy (CIPFA) has commented that local authorities should be particularly wary about using one-off reserves to deal with shortfalls in current funding. Where such action is to be taken, this should be made explicit, and an explanation given as to how such expenditure will be funded in the medium to long term.

7.4.

The Council holds a General Fund balance which, at 1 April 2019, stood at £4,787,100 (1 April 2018 £5,032,100) and gives the Council a degree of protection over the longer term from potential risk due to unforeseen significant expenditure calls where insufficient revenue or capital budget provision may exist. In the event that any use of General Fund Reserves is made in determining the 2020/21 revenue budget, this should only be done on the basis of a sustainable strategy, which

ensures that future years' revenue budgets are not dependent on the unsustainable continuing use of General Fund Reserves.

7.5.

There is no generally recommended target level of uncommitted General Fund Reserves although a number of local authorities do have a target range of between 2% to 4% of their net revenue expenditure. Based on the Net Revenue Budget for 2020/21 of £85,798,800, this would imply a level of uncommitted Reserves for this Council of between £1,715,900 and £3,431,900. It is recommended that the non-earmarked General Fund Balance should be set at a minimum target level of 4% (£3,431,900) of the Council's net budgeted expenditure for 2020/21. The projected level of the Council's non-earmarked General Fund reserve will be approximately £3,431,900 at 31 March 2020 (subject to approval of the recommendations contained in the report relating to the Reserves and Provisions Strategy, which is also being considered at this meeting).

7.6.

When the General Fund reserves position was considered in February 2015, the Council resolved to earmark an additional portion of the General Fund balance and retain the un-earmarked balance of £5,266,900 or approximately 7% of the General Fund Revenue Budget. In financial year 2016/17 there was expenditure of £479,800 in respect of items the Council had agreed could be funded from the General Fund balance when setting the 2016/17 budget, which reduced the balance as at 31 March 2017 to £4,787,100. In financial year 2017/18, the Council received £245,000 as a redetermination to be carried forward into financial year 2018/19, which increased the balance as at 31 March 2018 to £5,032,100. In financial year 2018/19 the £245,000 carry forward from 2017/18 was used in that financial year which reduced the balance back to £4,787,100 as at 31 March 2019.

7.7.

There is not presently anticipated to be any draw on the non-earmarked General Fund Reserve in financial year 2019/20.

7.8.

The Council also has available a source of funding from its Strategic Reserve Fund. In setting the revenue budget for 2019/20, a contribution of £6,050,000 of the interest that would be earned on the Strategic Reserve Fund was budgeted as a means of cushioning savings targets/requirements and to maintain and protect spending and services which might otherwise have been reduced or removed when setting the budget.

7.9.

The policy recommended for the use of interest earned on the Strategic Reserve Fund has been to establish a Floor of £175,000,000 as at 1 April 2012, which has been inflated by the Retail Price Index (RPI) annually, with sums drawn to support services restricted to what can be accommodated from the headroom above the inflated floor to maintain, as far as possible, the "real" value of the reserves.

7.10.

A review of the investment strategy was reported to the Investments Sub-committee on 28 February 2018 and recommended revisions to include:

- Diversification away from Equities as an asset class.
- Introduction of new mandates for Illiquid Debt and Secured Income.
- Divestment from UK Equities in favour of Global Equities with a 50:50 growth to value style bias.
- Corporate Bonds switching from active to a passive management approach.

7.11.

The revised income focused strategy, with an expected return of 5.6% per annum, and a 1-year volatility of +/-7.8% per annum, is anticipated to facilitate distributions of approximately £4,500,000 per annum before the value of the Strategic Reserve Fund starts to be eroded.

7.12.

The managed funds portfolio increased in value by £7,364,700 (3.4%), from £215,402,700 at 1 April 2018 to £222,767,400 at 31 March 2019. The managed funds had increased further in value to £240,359,754 at 31 December 2019. The current headroom in the Strategic Reserve Fund valuation is however sensitive to investment market fluctuations.

7.13.

To protect the Strategic Reserve Fund in real terms, the Council reduced the reliance placed on the Fund, with an annual draw of £3,930,000 between 2014/15 and 2017/18. In order to balance the 2018/19 revenue budget, a draw of £4,684,000 was recommended while, for 2019/20, a draw of £6,050,000 was recommended. The recommended draw from the Strategic Reserve Fund for 2020/21 is £6,317,200 with a maximum draw from the Strategic Reserve Fund of £22,050,000 over the three years 2020/21 to 2022/23.

7.14.

As a potential means of increasing income for the Council and securing wider economic benefit for Orkney the Council has been investing through the Strategic Reserve Fund in the development of a number of wind farm projects. This strategy, will, if it ultimately proves to be successful give the Council a significant additional income stream for a twenty-five-year period. It should be possible to scale back the draw from the strategic Reserve Fund once this income stream has been realised.

7.15.

Feedback from the Trade Unions in relation to the use of reserves, was to urge Elected Members to make full use of reserves to prevent vulnerable groups, particularly disabled people and the elderly, from being disproportionately affected by cuts.

7.16.

Having regard to the comments at section 4.7 above regarding the continuing reduction in grant to support repayment of capital debt, it is recommended that, in the event that an underspend on General Fund Services is realised in 2019/20, it is applied as follows:

- £179,709, secured through a successful Non-Domestic Rates appeal lodged by the Head of Finance, to the Innovation Fund to help towards the cost of undertaking transformational change projects.
- Any remaining underspends to the repayment of capital debt.

7.17.

In light of the current financial climate the importance of sustaining a sufficient reserve position is pivotal to the financial framework of the Council given the very tight budgets which have to be set for Council services and the inherent risk therein.

8. Efficiency Savings for 2020 to 2021

8.1.

Services have submitted efficiency savings proposals totalling £774,200, the full details of which are set out in Annex 10. Each of these savings proposals has been subject to challenge by the Senior Management Team and then further challenge by Elected Members.

8.2.

The full range of efficiency savings options for 2020/21 set out in Annex 10 is estimated to involve reduction in staffing numbers of approximately 5.5 full time equivalent (FTE) posts. Of these posts 1.0 FTE is vacant and 4.5 FTE are occupied.

8.3.

In a change to past practice whereby the Trade Unions have previously been informed at a high level of the budget proposals as they have been developed, the Trade Unions have received the detail of all budget proposals for 2020/21 on a private and confidential basis and have been asked to provide feedback on the savings proposals. The feedback received from the Trade Unions has been shared with Elected Members in advance of the budget report and a precis of the Trade Unions' feedback is also included as Annex 7 to this report.

8.4.

The recommendations in respect of efficiency savings for 2020/21 are as follows:

- The efficiency savings figure to be achieved be set at £774,200.
- These efficiency savings are shared across the relevant services as outlined in Annex 5.
- Those savings that have any staffing implications are detailed in Annex 6.

8.5.

It is proposed that £48,000 of the Crown Estate funding received in 2019/20 be applied to cover the cost of the following savings that would otherwise be taken in 2020/21:

Road Closures for Events and Festivals	£5,000
Winter Free 1 Hour Parking	£24,000
Development and Marine Planning	£14,000
Archaeology Workforce Planning	£5,000

8.5.1.

On 19 December 2019, the Council resolved that the undernoted projects be funded from the Orkney Crown Estate net revenue allocation for 2019 to 2020, at a total cost of £45,000:

- Bag the Bruck and Pick up 3 Pieces – £35,000.
- Public Conveniences – £10,000.

8.6.

The efficiency savings above are in addition to the low risk budget savings for 2020/21 amounting to £267,600 that were recommended for approval by the Policy and Resources Committee on 26 November 2019, as follows:

Chief Executive's Service.	£155,000.
Corporate Services.	£41,400.
Development and Infrastructure.	£30,200.
Education, Leisure and Housing.	£41,000.

9. Target Savings and Future Savings Projects

9.1.

The Senior Management Team has recognised that the current level of expenditure is significantly more than can be sustained through the ongoing support from Scottish Government and locally raised revenue from Council Tax and fees and charges and that there is a high level of risk inherent in propping the budget up through contributions from reserves. To counter this risk and seek to bring expenditure more into line with recurring resources, a series of projects, outlined below, will be developed for prioritisation with the aim of realising budget savings over the next one to two years.

- Property Portfolio Rationalisation.
- Economic Development Service Redesign.

- Fleet review.
- Marine Services – Business Investment Plan.
- Commercial Waste Service – review.
- Domestic Waste Service – review.
- St Magnus Cathedral Charging Scheme.
- Cultural Donation Schemes.
- Leisure Services Review.
- Life-long Learning Offer.
- Introducing a ‘Contributing to Your Support’ Policy.
- Transportation Service – Strategic Transportation Services.
- Third Sector Commissioning Review.

9.2.

The budget pressures being felt by NHS Orkney are also severe, with significant demand on services such that both partners in the Integration Joint Board need to realise savings in the activities commissioned by the Board. Through a series of meetings between the Council and NHS Orkney, a savings target over the three-year period 2021 to 2023 has been agreed at £4,200,000, with £2,400,000 attributable to NHS Orkney delivered services and £1,800,000 attributable to Orkney Islands Council delivered services. This will be challenging to achieve in a climate of increasing demand and rises in the cost of employing staff.

9.3.

The savings target of £1,800,000, whilst significant, is less than the budget increase of £2,718,000 awarded to Social Care between financial years 2016/17 and 2019/20. A further budget increase of £574,000 for pay and prices and £421,000 settlement adjustments will apply in 2020/21 taking the overall increase to £3,713,000 over four financial years.

10. Charging for Services

10.1.

On 9 December 2014, the Council approved a revised Corporate Charging and Concessions Policy.

10.2.

The importance of charges has increased with the reduction in grant funding and the knowledge that increasing existing charges and introducing new charges are required to maintain services or prevent certain services being removed altogether. With the September Consumer Price Index at 1.8%, it is recommended that Executive Directors should look to review and increase existing charges by a minimum of 3% from 1 April 2020, if it is possible to do so.

10.3.

There are however exceptions to this where, for commercial or other reasons, application of the charge would result in a reduction in income or where the charges collected by the Council are set by statute; a committee to which the Council has delegated responsibility, or a national body. Nationally determined charges will continue to be adjusted according to the national changes.

10.4.

The proposed exceptions where the general increase of at least 3% increase will not apply are as follows:

- Building Warrant and Planning fees – set nationally.
- Harbour Charges (annual increase considered separately).
- Ferry fares (dependent on confirmation of funding).
- Car Park charges.
- Residential Care and Home Care – based on cost of service.
- Very Sheltered Housing – based on cost of service.
- Supported Accommodation – based on cost of service.
- Licensing fees.
- Ship Sanitation Certification.
- Marriage / Civil Partnership – set nationally.
- Roads Inspection Fees – set nationally.
- Trade Waste charges.
- Homelessness rents.

10.5.

The matter of fairer ferry funding is further discussed, in detail, in section 14 below, including the proposal for ferry fares for 2020/21.

10.6.

When calculating increases for the Council charges register, for ease of collection the increased charges will be rounded in accordance with the following charging guidance:

Less than £2.00.	3% rounded to nearest 5p.
£2.00 to £49.99.	3% rounded to nearest 10p.
£50.00 to £99.99.	3% rounded to nearest 50p.
£100.00 and over.	3% rounded to nearest £1.

10.7.

For small value charges that have not increased for a few years these will be looked at in the year ahead and the increase applied if they would have increased but for the rounding preventing the increase.

11. Revenue Budget Summary

11.1.

The proposed uprating assumptions to be applied to the existing base budget are set out in Annex 2 and total £2,813,000 for 2020/21.

11.2.

All savings options have been subject to debate, review and challenge by the Senior Management Team and by Elected Members through budget seminars. That process had due regard to the following:

- How the proposals relate to the Council's priorities.
- Meeting the Council's statutory requirements.
- The risk assessment of the saving options.
- The basis of calculation.

11.3.

Annex 1 provides an analysis of the financial settlement and shows that there is a small net cash increase for 2020/21.

11.4.

A summary of the net budget movement between 2019/20 and 2020/21 is set out below.

	2020 to 2021
Overall Budget Increase	
Movement 2019/20 to 2020/21	£1,643,900.
Represented By:	
Movement in Gross Revenue Grant	£669,000.
Non-Domestic Rates	£24,000.
Council Tax.	£590,700.
Crown Estate Funding applied to savings	£93,000.
Strategic Reserve Fund increased contribution	£267,200.
	£1,643,900.

11.5.

The increase in ring fenced funding for Government priorities, together with the pay and price pressures, will require a contribution of £6,317,200 from the Strategic Reserve Fund to set a balanced budget for 2020/21.

11.6.

Taking account of the increased level of funding available, the commitments on that funding and savings proposals, it is proposed that the budget for 2020/21 be set at £85,798,800, as detailed in Annex 4, along with the calculation of the Council Tax for 2020/21. The Band D Council Tax level for financial year 2020/21 is recommended to be set at £1,208.48, being a real term increase of 3% on the Band D Council Tax level for financial year 2019/20 of £1,152.69.

12. Capital Programme 2019 to 2024

12.1.

Re-profiling of the existing five-year capital programmes for financial years 2019 to 2024, in order to reflect current timescales for completion of individual capital projects was approved by Council on 8 October 2019.

12.2.

The Council has been notified through Finance Circular No. 1/2020 that it will receive £5,061,000 of General Capital Grant in 2020/21. This is a decrease of £2,393,000 on the £7,454,000 received for 2019/20.

12.3.

The Government “re-profiled” £150,000,000 from the Local Government capital settlement for 2016/17 which was repaid in financial year 2019/20. The Council’s share of the reprofiled amount repaid was £1,198,000. With a decrease of £2,393,000 notified through Finance Circular 1/2020 this decrease equates to a cut of £1,195,000 in the recurrent General Capital Grant.

Year.	General Capital Grant.	Increase/ (Decrease).
2016 to 2017.	£5,308,000.	(£2,026,000).
2017 to 2018.	£6,962,000.	£1,654,000.
2018 to 2019.	£6,419,000.	(£543,000).
2019 to 2020.	£7,454,000.	£1,035,000.
2020 to 2021.	£5,061,000.	(£2,393,000).

12.4.

Any underspend on loan charges in the year ending 31 March 2020 as a result of capital programme slippage will be applied to repay capital debt, while the General Capital Grant of £5,061,000 in the year to 31 March 2021 will be the main funding source for expenditure on the capital programme.

13. Presumption Against New Commitments

13.1.

In setting the budget for financial year 2019/20, the Council determined that its policies of a presumption against new commitments and a moratorium on staff establishment increases should continue to remain in force for the time being. However, in order to allow for eventualities which might arise, the following conditions applied:

- Exceptions might be considered for new commitments which are 100% funded by external bodies – proposals involving the Council in partnership funding shall require compensatory savings to be identified.
- The Council should consider undertaking new statutory duties or any case where it was considered that statutory duties were not being fulfilled, however, such duties having financial implications should first be reported to the relevant Committees for approval.
- The Council should consider new commitments where compensatory savings could be identified – any Committee considering such recommendations should, in the first instance, seek to identify savings from within its revenue budget.

13.2.

It is proposed that, with the continuing constraints on the Council budget as detailed in section 3 above, the policies set out above should be maintained for financial year 2020/21 across General Fund services, but with an additional condition as follows:

- Any restructuring exercises of Council services must be cost neutral at worst, for Council General Fund services.

14. Fairer Funding for Ferry Services

14.1.

Further to some intensive lobbying activity by the Council on ferry funding in the run up to the publication of the draft Government budget for 2018/19 and support from the Rural Economy and Connectivity Committee and the Parliament, the Scottish Government reacted by including £5,500,000 of funding for Orkney in the budget for 2018/19.

14.2.

The Finance Circulars for the 2019/20 settlement included a specific grant allocation of £10,500,000 towards “Support for Ferries”, with £5,500,000 shown for Orkney Islands Council. The actual allocation made to Orkney was only £5,300,000 which was £1,500,000 short of the Council’s ask of £6,800,000 for 2019/20, including allowance for fares at Road Equivalent Tariff rates. The Council’s ask for 2020/21 was £7,000,000 including £734,000 for fares at Road Equivalent Tariff rates, but the Finance Circular has the same provisions as in 2019/20 although there is a further £1,000,000 in the Government’s budget for local government ferry services that has not yet been allocated.

14.3.

Having only received £5,300,000 in 2019/20 that is the position that is reflected in the budget assumption for 2020/21 along with a recommendation that ferry fares should increase by 3%. Should the Council’s final allocation of fair funding specific grant be at the indicated £5,500,000 level, the additional budget would be passed to Orkney Ferries and the fares could be frozen.

14.4.

The draft Orkney Ferries budget has been prepared in the knowledge that the Government has not confirmed any increase in fair funding and constraint has therefore been exercised in drafting the budget. With gross budgeted expenditure of £12,862,700, fares income of £2,715,500, a fair funding specific grant of £5,300,000 and Council subsidy of £4,559,200, the budget has a shortfall of £288,000. No provision could be made for road equivalent tariff fares that are fully funded by the Scottish Government on ferry services in other parts of Scotland.

14.5.

Alongside the extensive lobbying work on fairer funding, the Council has continued to progress the technical Business Case analysis and engagement work necessary to determine the appropriate levels of future service provision for lifeline transportation services with reference to the Scottish Ferries Plan. The present budget proposal will not address the necessary uplift to Orkney Ferry Services which is indicated to be legitimate and appropriate by this work.

15. Human Resource Implications

15.1.

The proposed efficiency savings will, if approved, result in a reduction during 2020/21 of 5.5 FTE posts of which 4.5 FTE are occupied.

15.2.

The latest quarterly joint staffing watch survey shows a total of 1,731 FTE permanent, temporary and relief staff were paid in the quarter to 31 December 2019.

15.3.

The following implications will be considered where any staff are affected by proposed efficiency savings:

- Full consideration will be given to the restructuring, redeployment, redundancy and early retirement policies.
- Consideration will also be given to redeployment to a post where another employee has expressed an interest in taking voluntary redundancy/early retirement, known as “bumping”.
- If after considering the options above, it is not possible to find suitable alternative employment within the Council, then the post holder will be subject to compulsory redundancy and notice of termination will be issued.
- Individual consultation must take place with any employee who is to be made redundant.
- Termination or non-extension of temporary contracts also requires appropriate notification to the individual.
- It should be noted that employees, including staff on temporary contracts, who have continuous service of 2 or more years, will have acquired redundancy and unfair dismissal rights.

15.4.

Other changes to posts as a result of approved efficiency savings that do not result in termination (redundancy), such as variations to duties or hours of work, would also require appropriate consultation and contract variation with the individuals affected.

15.5.

The principal condition that must be applied when deleting posts that result in reduced service capacity will be the continued provision of safe and effective services within available resources.

15.6.

The Council has put in place workforce plans for each of its Services which represent a more structured approach to planning the future workforce. The workforce plans have focussed on the issues within the medium-term due to the financial pressure councils face in the next five years and how that may affect the workforce. In future, further work will be undertaken on the longer-term position for each service, including consideration of how to positively influence the Council area’s ageing demographic and meet the workforce and service delivery challenges that presents.

15.7.

Elements of medium and long term workforce planning remains challenging when set in the context of significant financial uncertainty and continued single year budgeting.

16. Risk

16.1.

The increasingly stringent financial circumstances facing councils as a result of cuts in Government grant allocations, coupled with increased demand for services and heightened regulatory requirements, are placing correspondingly higher levels of risk upon councils and, for the forthcoming financial year, a tight financial settlement has increased the risk.

16.2.

While those services which have been “protected” by the Government through ring fenced funding carry high levels of risk there are also risks associated with many “non-protected” services and in relation to the corporate responsibilities and compliance duties which apply to all the Council’s activities.

16.3.

Due to diseconomies of scale it is likely that the capacity of the Council to meet such responsibilities is limited by comparison with larger councils and as a consequence the level of exposure to risk is greater in the local context.

16.4.

Despite considerable restraint having been exercised by the Senior Management Team, with no service specific pressures being presented for funding in this budget, the cost of making provision for pay awards and general price increases for 2020/21 has been calculated at an annual cost of £2,813,000.

16.5.

Through the recent Committee cycle, Elected Members have been made aware of the outcome of a tender exercise where the cost of awarding the tenders would have been significantly greater than the available budget. A post tender savings exercise is currently underway but an unavoidable service pressure may still materialise at the end of that process.

16.6.

The financial settlement per Finance Circular 1/2020 delivered an increase in revenue funding of £2,017,000. This is not enough to cover new Government commitments and the pay and prices increases noted above.

16.7.

Inclusion of the specific grant of £5,500,000 for internal ferry services at the first stage of the budget must be regarded as positive even if this is only a provisional allocation and may be reduced, as happened in 2019/20.

16.8.

The significant ring-fenced and earmarked sums within the settlement, combined with a 3% pay offer, means that there is huge pressure on the unprotected areas of the Council budget with an effective reduction in resources to deliver services for which demand has not reduced. The continuing mismatch between demand and provision however builds upon a gap from previous years and may result in service budget overspends.

16.9.

It is likely, with regard to many areas of the Council's activities, that it will be very difficult to assure Elected Members with confidence that sufficient resources, in terms of staffing, expertise and systems, are in place to meet all legal and compliance obligations let alone the many standards of good practice which apply to services. This may lead to an increased likelihood of failures or perceived failures within services and clear challenges in terms of meeting performance expectations of the Council and its many stakeholders.

16.10.

The Council's Long-Term Financial Plan for 2018 to 2030 identifies a range of cumulative funding gaps over a ten-year period from the best case at £23,600,000 to a likely case of £65,700,000 and a worst case of £145,600,000. The funding gap identified for the period 2020/21 to 2020/22 on a likely cases basis was a cumulative funding gap of £9,805,000. These projections serve to illustrate that the Council faces a significant challenge over the next ten years in matching the level of expenditure to the available resources.

16.11.

The Scottish Government has not yet reached a deal with another Party to support its budget, a process that, for 2019/20, resulted in some additional funding being made available to local government. There is also a possibility that the UK Budget, to be announced on 11 March 2020, will result in Barnett consequentials for Scotland that will allow an uplift for Local Government. It is proposed that, should any such additional funding arise, it is used for the establishment of a General Fund Contingency provision to allow the Council to meet some of the additional demand that will inevitably arise during the year or to cover some savings proposals that prove difficult to achieve in full during the year.

16.12.

As Head of the Paid Service, the Chief Executive has a statutory responsibility in terms of section 4 of the Local Government and Housing Act 1989 to report to the Council on the adequacy of the staff resources necessary to carry out the functions of the Council.

17. Equalities Impact

17.1.

Where required, Equality Impact Assessments have been completed individually on each of the savings options for 2020/21 and are attached as Annexes 9 and 10 to this report.

17.2.

An Equality Impact Assessment on the set of savings proposals contained in Annex 5 to this report, has also been carried out and is attached as Annex 8.

18. Corporate Governance

18.1.

This report relates to the Council complying with its financial processes and procedures and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

18.2.

However, when considering the budget setting issues for 2020/21, cognisance has been taken of the Council's duty to meet statutory obligations, together with the declared key priorities of the Council, and how these might be progressed within the resources currently available.

18.3.

Accordingly, the proposals outlined in this report will assist in delivering the Council's priorities by allocating resources to those areas of activity which have been highlighted as priorities.

19. Financial Implications

19.1.

The financial implications are detailed throughout the report.

19.2.

A detailed revenue budget for 2020/21, incorporating any Scottish Government changes from the estimated funding settlement and the budget adjustments agreed by the Council, will require to be prepared and thereafter distributed to budget holders to facilitate budget management and monitoring during financial year 2020/21.

20. Legal Aspects

20.1.

Section 93 of the Local Government Finance Act 1992 requires the Council to set the Council Tax and a balanced budget before 11 March each year. Failure to do so could result in the Council being declared by the Scottish Ministers to be in default and directed, by virtue of Section 211 of the Local Government (Scotland) Act 1973, to set a Council Tax and a balanced budget within such time as the Scottish Ministers direct.

20.2.

The Council is required by law to make arrangements which secure best value.

20.3.

Under Section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the meeting in respect of any discussion relating to Annexes 6, 10 and 11 of this report. Annexes 6, 10 and 11 contain exempt information as defined in paragraphs 1 and 11 of Part 1 of Schedule 7A of the Act.

21. Contact Officers

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Gareth Waterson, Head of Finance, extension 2103, Email gareth.waterson@orkney.gov.uk

22. Annexes

Annex 1: Estimated Financial Settlement 2020/21.

Annex 2: Budget Uprating Assumptions 2020/21.

Annex 3: Reserves and Balances as at 31 March 2019.

Annex 4: Council Tax Calculation 2020/21.

Annex 5: Efficiency Savings 2020/21 – List A.

Annex 6: Efficiency Savings 2020/21 – List B.

Annex 7: Trade Union Feedback.

Annex 8: Equality Impact Assessment – Overall Budget Assessment.

Annex 9: Equality Impact Assessments – List A.

Annex 10: Equality Impact Assessments – List B.

Annex 11: Savings – All Risks.

Annex 1.

Financial Settlement 2020 to 2021

Financial Settlement Details.	2019 to 2020.	2020 to 2021.
Total Estimated Expenditure.	£83,524,000.	£85,585,000.
Funded by:		
Assumed Council Tax.	£8,025,000.	£8,069,000.
Ring-fenced Grants.	£7,156,000.	£8,005,000.
Non-Domestic Rates.	£10,459,000.	£10,483,000.
General Revenue Funding.	£57,884,000.	£59,028,000.
Totals.	£83,524,000.	£85,585,000.
Government Grants:		
Ring-fenced Grants.	£7,156,000.	£8,005,000.
Non-Domestic Rates.	£10,459,000.	£10,483,000.
General Revenue Funding.	£57,884,000.	£59,028,000.
Totals.	£75,499,000.	£77,516,000.
Grant Movement.	£879,000.	£2,017,000.
Grant Movement.	1.18%.	2.67%.
Council Budget Calculation:		
Non-Domestic Rates.	£10,459,000.	£10,483,000.
Revenue Support Grant.	£57,884,000.	£59,028,000.
Assumed Funding for Teachers Pensions	£475,000.	£0.
Council Tax.	£9,253,700.	£9,844,400.
Use of Strategic Reserve Fund.	£6,083,200.	£6,443,400.
Totals.	£84,154,900.	£85,798,800.
Budget Movement.	£2,132,700.	£1,643,900.
Budget Movement.	2.6%.	1.95%.

Annex 2.

Budget Uprating Assumptions

Budget Element.	2018 to 2019.	2019 to 2020.	2020 to 2021.
Staff Costs Non-Teaching.	3.0%.	3.5%.	3.0%.
Pension Costs Non-Teaching.	(0.8)%.	(0.4)%.	(0.4)%.
Staff Costs Teaching.	4.0%.	3.5%.	6.5%.
Pension Costs Teaching.	0.0%.	4.0%.	0.6%.
Property Costs.	0.0%.	0.0%.	1.0%.
Supplies and Services	0.0%.	0.0%.	2.0%.
Transport Costs.	0.0%.	0.0%.	1.0%.
Administration Costs	0.0%.	0.0%.	1.0%.
Third Party Payments	0.0%.	0.0%.	1.0%.
Transfer Payments	0.0%.	0.0%.	1.0%.
Third Sector	0.0%.	0.0%.	1.0%.
Other Costs	0.0%.	0.0%.	1.0%.
Trading Organisations and Orkney Ferries.	3.0%.	3.1%.	2.6%.
Internal Transport	0.0%.	2.4%.	2.0%.
Sales.	4.0%.	3.0%.	3.0%.
Fees and Charges.	4.0%.	3.0%.	3.0%.
Other Income.	4.0%.	3.0%.	3.0%.
Total Uplift for Inflation.	£1,710,000.	£2,719,600.	£2,813,000.

Annex 3.

Reserves and Balances as at 31 March 2019

General Fund Balance.		£4,787,100.
Local Works and Services Contingency Fund.	£129,100.	
Training Fund.	£297,300.	
Innovation Fund.	£804,600.	
Renewable, Redevelopment and Regeneration Fund.	£2,497,900.	
Recreation and Cultural Services Project Fund.	£82,100.	
Economic Development Grants Fund.	£2,039,700.	
Sustainable Communities Fund.	£14,800.	
Office 365/Electronic Document Records Management.	£61,100.	
Outwith Orkney Placements Fund.	£1,217,200.	
Welfare Fund.	£4,100.	
Workforce Management Fund.	£1,000,000.	
Capital Projects Appraisal Fund.	£235,500.	
Total Earmarked Reserves.		£8,383,400.
Total General Fund Reserves. *		£13,170,500.

*Excludes Capital Fund, Capital Receipts Reserve and Repairs and Renewals Fund.

Annex 4.

Council Tax Calculation for 2020 to 2021

Non-Domestic Rates.	£10,483,000.
Revenue Support Grant.	£59,028,000.
Council Tax.	£9,844,400.
Use of Reserves.	£6,443,400.
Proposed Budget for 2020 to 2021.	£85,798,800.
Less Use of Reserves.	-£6,443,400.
	£79,355,400.
Less Financial Settlement.	-£69,511,000.
Less Empty Properties Income.	-£135,400.
Expenditure to be met by Council Tax.	£9,709,000.
Band D Properties Forecast.	8,115.
Assumed Collection Rate.	99%.
Number of Band D Equivalent Tax Payers.	8,034.
Band D Council Tax for 2020 to 2021.	£1,208.48.

Annex 5.

Efficiency Savings 2020 to 2021 (List A)

		FTE	£000		
Chief Executive		1.00	32.1		
Corporate Services		0.00	15.0		
Development and Infrastructure		1.00	463.2		
Education, Leisure and Housing		3.00	120.2		
Orkney Health and Care		0.50	143.7		
		5.50	774.2		
	Chief Executive	FTE	£000	Risk	EqIA
OSCE06	Twinning Surplus Budget	0.00	6.9	Low	No
OSCE08	Members Expenses Administration Costs	0.00	2.0	Low	No
OSCE03	Chief Executive Savings	1.00	23.2	Medium	Yes
		1.00	32.1		
	Corporate Services	FTE	£000	Risk	EqIA
CACS03	Building Cleaning Holiday Cover	0.00	15.0	Medium	Yes
		0.00	15.0		
	Development and Infrastructure	FTE	£000	Risk	EqIA
RDDI01A	Car Park Increase Charges by 40%	0.00	51.2	High	Yes
RDDI03	Street Lighting Repair Response Standard	0.00	25.0	Medium	Yes
RDDI04	Road Closures for Events and Festivals	0.00	5.0	Medium	Yes
RDDI05	Traffic Regulations and Speed Limit Reviews	0.00	25.0	Low	Yes
RDDI09	Remove Winter Free 1 Hour Parking	0.00	0.0	Medium	Yes
RDDI10	Closure of Cursiter Recycling Centre	0.00	6.0	Medium	Yes
RDDI11	Closure of St Margarets Hope Recycling Centre	0.00	13.0	Medium	Yes
TRDI02	Dial a Bus from Three to One Free Trip a Month	0.00	22.0	Medium	Yes
DVDI02	Development Grants Reduction 10%	0.00	20.0	High	Yes
DVDI03	Development and Infrastructure Savings	1.00	200.0	Very High	Yes
PLDI01	Development and Infrastructure Savings	0.00	14.0	High	Yes
PLDI02	Development and Infrastructure Savings	0.00	5.0	High	Yes
OEDI01	Fund Bag the Bruck from Crown Estates Funding	0.00	35.0	Medium	Yes
OEDI05	Close Stromness Garson Depot	0.00	7.0	Medium	No
OEDI06	Reduce Street and Community Cleaning	0.00	25.0	Medium	Yes
EHDI01	Part Fund Public Toilets from Crown Estates Funding	0.00	10.0	Low	Yes
		1.00	463.2		

Education, Leisure and Housing		FTE	£000	Risk	EqIA
EDELH01	Education Savings	2.00	64.0	Medium	Yes
EDELH05	Education Savings	1.00	55.0	Medium	Yes
EDELH08	Administration Post Change to Term Time Working	0.00	1.2	Low	No
		3.00	120.2		

Orkney Health and Care		FTE	£000	Risk	EqIA
SCOH01	Removal of Lunch Club Grants	0.00	36.6	Low	Yes
SCOH02	Removal of Sleep-in Payments at Care Homes	0.00	77.1	Low	No
SCOH03	Orkney Health and Care Savings	0.50	30.0	Low	Yes
		0.00	143.7		

Annex 7.

Trade Union Feedback

Trade Unions have been consulted on the budget savings proposals and have provided feedback on the individual savings proposals where they have determined that a comment was required. Those comments have been distributed to Elected Members as part of the savings briefings packs that have been issued as part of informing the Member Challenge to the budget setting process. Where a Trade Union has suggested alternative saving options these have been added to the mix of proposals.

General Observations made by Trade Unions during the consultation:

- Elected Members are urged to make full use of Council Tax raising powers and reserves to prevent vulnerable groups, particularly disabled people and the elderly, from being disproportionately affected by cuts.
- Recognition of the difficult position the Council finds itself in with cuts in funding.
- Support for use of reserves to invest in change and service redesign.
- Concern that any reductions in budgets will damage service delivery and put pressure on an already stretched workforce.
- Opposition to salami slicing of budgets.
- Concern about staff becoming over worked and suffering from stress as a result of cuts.
- Concern that cuts can have an effect on sickness and staff morale.
- Opposition to any redundancies of any form.
- Request that the Council adopt a no-compulsory redundancy policy.
- Reserves should be used to reach amicable settlements with departing staff.
- Concern flagged about whether cumulative impact of cuts would be reflected in an overall equality impact assessment.
- Understanding that long term vacant posts are a good target for cuts, but concern raised that unfilled vacancies can add to the workload of other staff and increase stress levels.



Equality Impact Assessment

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of function / policy / plan to be assessed.	Setting the budget and Council Tax levels for 2020 to 2021.
Service / service area responsible.	Chief Executive.
Name of person carrying out the assessment and contact details.	Gareth Waterson, Head of Finance.
Date of assessment.	February 2020.
Is the function / policy / plan new or existing? (Please indicate also if the service is to be deleted, reduced or changed significantly).	New following the grant settlement from the Scottish Government and setting of the Council budget from 2020 to 2021.

2. Initial Screening	
What are the intended outcomes of the function / policy / plan?	<p>To set the budget and Council Tax levels for financial year 2020 to 2021 and consider budget uprating assumptions, unavoidable service pressures and efficiency savings.</p> <p>In this assessment, we have tried to consider the emerging cumulative impacts of the budget proposals to ensure that the decisions making process is informed by an understanding of the likely impacts on people and communities. The information used in this assessment is drawn from the individual Equality Impact Assessments carried out for each proposal. There is a recognition that due to the scope of some of the proposals, this assessment process will need to</p>

	continue to form part of any development and implementation plans of the way in which we provide our services.
Is the function / policy / plan strategically important?	Yes.
State who is, or may be affected by this function / policy / plan, and how.	Users of Council services will be affected by changes in service provision or charges and employees will be affected if implementation of savings results in a reduction in staffing numbers or if posts are reconfigured.
How have stakeholders been involved in the development of this function / policy / plan?	<p>Employees and the public were originally informed of the need for budget reductions by means of public and staff consultation exercises, including engagement roadshows and blogs, during 2010 to 2011. More focused consultations took place throughout 2011 to 2012 and 2012 to 2013. Any specific service reductions to fill the funding gap would require appropriate specific consultation, and the results considered before final decisions are made.</p> <p>Further engagement activities included the use of a budget simulator in 2016 which enabled people across the county to have a go at balancing the council's books. The aim of the budget simulator was to give people the chance to consider what the Council's spending priorities should be and to see how their choices would affect the many services the Council provides. The feedback from the exercise was used to help inform preparation for the anticipated reduction in funding the council expected from the Government.</p> <p>A consultation exercise on proposed increased or new charges from the Development and Infrastructure Service was undertaken between 7 December 2018 and 18 January 2019. The consultation, which took the form of a survey on the Council website, was accompanied by an awareness raising exercise with press releases and radio interviews.</p> <p>It remains vital to ensure that our limited resources are prioritised in ways that are fair and that any inevitable negative impacts of some of the proposals are properly assessed and mitigated as far as possible. All proposed service pressure bids have been subject to debate, review and challenge by the Senior Management Team and further challenge by elected members at a</p>

	<p>series of budget seminars held as part of the 2020 to 2021 budget setting process.</p> <p>These processes have had due regard to how these proposals relate to the Council's priorities; meeting the Council's statutory requirements; the risk assessment of the service pressure bids and the basis of calculation. Equality impact assessments were included as part of the considerations.</p>
<p>Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise.</p> <p>E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see equalities resources on OIC information portal).</p>	<p>Under the Equality Act 2010 the Council has a general equality duty to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between equality groups. Carrying out equality impact assessments allows the Council to demonstrate that it is meeting these duties.</p> <p>According to 'Making fair financial decisions: Guidance for decision makers' published by the Equality and Human Rights Commission in January 2015, the general equality duty does not prevent members from making difficult decisions, nor does it stop members from making decisions which may affect one group more than another. The duty enables the council to demonstrate that it is making financial decisions in a fair, transparent and accountable way, considering the needs and the rights of different members of the community. This is achieved through assessing the impact that changes could have on people with different protected characteristics. Financial proposals should always be subject to a thorough assessment which should be considered before a decision is made. If members are presented with a proposal that has not been assessed for its impact on equality, they should question whether this enables them to consider fully the proposed changes and their likely impacts.</p> <p>Individual equality impact assessments have been carried out where required and this overarching assessment highlights any cumulative impacts.</p> <p>Many residents in Orkney are geographically disadvantaged by their distance from a major centre of population, except for the more easily accessible parts of the region, as they do not have access to all the services that their counterparts in a town/city centre may have. Combinations of circumstances such as low income, disability, poor quality accommodation and no private transport</p>

	<p>can exacerbate access deprivation for vulnerable people, making it more difficult for them to access services. The individual Equality Impact Assessments now include review of socio-economic disadvantage and isle-proofing to cover these aspects.</p>
<p>Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise.</p> <p>E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.</p>	<p>(Please complete this section for proposals relating to strategic decisions).</p> <p>Almost any change to a council service has some socio-economic impact. This is because the nature of our responsibilities and the extent to which the more deprived communities and more vulnerable people in Orkney rely on our services. Poor social and economic circumstances affect people's health and quality of life.</p> <p>Steps such as paying the Scottish Living Wage go some way to help tackle levels of child poverty by making more money available to help families bring up their children. Generally, this benefits lower-paid workers and their families.</p> <p>The movement to more of our services being available through digital access and delivery continues, with the associated benefits of convenience and fast response for most people. However, evidence suggests that some members of groups such as older people, people with disabilities and people whose first language is not English, are less likely to be able to access digital services. Evidence also suggests that socio-economic status and household income are strong determinants of whether people have the knowledge, skills and confidence to access public services online. Availability of reliable internet connection is also an issue for many isles residents.</p> <p>Women have been identified as being disproportionately vulnerable to socio-economic impacts and elements of welfare reform are likely to have a disproportionate impact on women and lone parents.</p> <p>Reduced services for children, young people and older people can place additional burdens of care on women. Women are more likely than men to manage reduced family budgets, have primary caring responsibilities and act as the buffers, going without to protect their children from the worst effects of poverty and also continue to</p>

	<p>report higher levels of concern about their financial situation.</p> <p>A high percentage of women in Orkney work part time in the public, voluntary and community sectors. The continued reduction in the public and voluntary workforces impact disproportionately on this group.</p> <p>Inevitably, the overall effect of the combination of age, disability and deprivation means that changes to support services are likely to increasingly impact disproportionately on women and lone parent families.</p> <p>Children in out-of-work households are at greater risk of poverty although there are a significant number of children nationally who are classed as living in poverty who live in households where someone is working (in-work poverty). Children of lone parents, children with disabilities and those in large families are at greater risk of living in poverty.</p> <p>By retaining core services focused on supporting the most vulnerable children, including those with specialist needs, and families, councils can continue to address the greatest levels of disadvantage and tackle inequality.</p>
<p>Could the function / policy have a differential impact on any of the following equality areas?</p>	<p>(Please provide any evidence – positive impacts / benefits, negative impacts and reasons).</p> <p>There is also a proposal that present charges should be reviewed and increased by a minimum of 3% from April 2020 if possible to do so. These charges relate to a very wide range of services although it should be noted that there are a number of exceptions where the minimum increase will not apply as follows:</p> <ul style="list-style-type: none"> • Building Warrant and Planning fees – nationally set. • Harbour charges. • Ferry fares. • Car park charges. • Residential care and Home care – these are based on the cost of providing the service. • Very Sheltered Housing – based on the cost of the service. • Supported accommodation. • Homelessness Rents.

	<ul style="list-style-type: none"> • Alcohol licences – nationally set. • Civic licensing. • Gambling licences – nationally set. • Market operator licences – increase to benchmark. • Ship sanitation certification – nationally set. • Water testing and monitoring – nationally set. • Marriage / civil partnership – nationally set. • Roads Inspection Fees – nationally set. • Trade waste charges.
<p>1. Race: this includes ethnic or national groups, colour and nationality.</p>	<p>The majority of the population of Orkney is White Scottish (79.4%) or White Other (19.9%) which includes Other British, Irish, Polish and White Other. The remaining 0.7% of the population is non-white; 0.4% Asian, Asian Scottish or Asian British and 0.3% Other ethnic groups. Whilst these figures are low in comparison to the Scotland average, we see that the ethnic make-up of Orkney has become more diverse over the past 10 years and is likely to continue to increase in diversity.</p> <p>See also section 3 below.</p>
<p>2. Sex: a man or a woman.</p>	<p>There is a fairly even gender split for the population of Orkney comprising 49.9% Male and 50.1% female (2011 Census).</p> <p>Research shows that men are more likely to work full time than women, while women are more likely to hold part time positions than men.</p> <p>Whilst employment rates in Orkney are significantly higher than the regional and national average and the balance between full and part time working in Orkney (70% and 30% respectively) is broadly in line with the regional average, there is a higher tendency for part time working in the local authority area than nationally.</p> <p>See also section 3 below.</p>
<p>3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.</p>	<p>The size of the current LGBT community in Orkney is not known currently. The official UK Government estimate is that 6% of the population identify as gay, lesbian or bisexual. Research shows that one in six LGBT people have been discriminated against when using a public service in the last three years (Stonewall Scotland). See also section 3 below.</p>

4. Gender Reassignment: the process of transitioning from one gender to another.	There is no reliable information on the numbers of people in Scotland who have transitioned from one sex to another. See also section 3 below.
5. Pregnancy and maternity.	See section 3 below.
6. Age: people of different ages.	Orkney's demographic is changing and in line with the rest of Scotland the shift is towards an older average age with significance increases in the over 65's bracket. As people get older, they are more likely to acquire a disability or to need higher levels of support, therefore proposals impacting older people are also likely to have impacts for those with disabilities and those with caring responsibilities. Similarly, proposals impacting children and young people may also have impacts for those with caring responsibilities. Some proposals and agreed savings are potentially more likely to affect specific age groups (e.g. Older people and Children and Young people) as they are heavier users of services, rather than because the council's savings have disproportionately targeted these groups. See section 3 below.
7. Religion or beliefs or none (atheists).	See section 3 below.
8. Caring responsibilities.	In Orkney, 9.2% of individuals aged 16 and over identified themselves as an unpaid carer in the 2011 Census. The majority (62%) of carers provided between 1-9 hours of care per week, while 24% provided 50+ hours of care per week. There were more female carers (around 60%) than male in Orkney, the largest numbers were aged 50-64 years old. See also section 3 below.
9. Care experienced.	Young people can be treated differently because of their care identity - that they have experience of care. In an effort to address the disadvantages faced by people with care experience, OIC is now assessing the impact of any proposals for those with care experience as part of the equality impact assessment process. These steps aim to provide care experienced young people with protection from discrimination and harassment because of their care identity. See section 3 below.

10. Marriage and Civil Partnerships.	See section 3 below.
11. Disability: people with disabilities (whether registered or not).	<p>(Includes physical impairment, sensory impairment, cognitive impairment, mental health)</p> <p>People with a disability are more likely to experience poorer outcomes in terms of employment, income and education. They are more likely to face discrimination and negative attitudes and often experience greater difficulties in accessing housing and transport. The 2011 Census figures show that 6.5% of the population in Orkney reported a disability; around half (51%) were sensory impairments, 32.8% related to a physical disability, 2.2% to a learning disability and 3% as having a mental health condition.</p> <p>See section 3 below.</p>
12. Socio-economic disadvantage.	<p>Tackling deprivation and reducing inequalities remains a priority and as such it is recognised that fuel poverty is a significant issue across Orkney. In addition, evidence suggests that child poverty in Orkney is variable and the Isles locality has the greatest level of housing deprivation. Whilst Orkney does not have data zones within the greatest areas of deprivation across Scotland within the SIMD analysis, it is acknowledged that in remote and rural settings SIMD may be a less useful marker of deprivation.</p> <p>See section 3 below.</p>
13. Isles-proofing.	<p>Many residents in Orkney are geographically disadvantaged by their distance from a major centre of population, except for the more easily accessible parts of the region, as they do not have access to all the services that their counterparts in a town/city centre may have. Combinations of circumstances such as low income, disability, poor quality accommodation and no private transport can exacerbate access deprivation for vulnerable people, making it more difficult for them to access services.</p> <p>See section 3 below.</p>

3. Impact Assessment

Does the analysis above identify any differential impacts which need to be addressed?

This document covers the totality of the overall proposals in general terms. This assessment has identified some cumulative differential impacts in relation to Age, Disability, those with Caring responsibilities, care experienced, those facing socio-economic disadvantage and those based on the isles. At this stage, it is difficult to assess whether these differential impacts are likely to result in negative or positive impacts without further work. It is worth noting that some proposals will require further consultation prior to any implementation, and it is recognised that this process will provide more detailed information relating to impacts and mitigating actions.

Discrete equality impact assessments for individual proposals have been carried out where required for items which are at low, medium and high risk levels which have afforded an opportunity to consider differential impacts in more detail.

Impacts identified for budget reduction proposals are listed below. Proposals have also been highlighted where there will be a change noticeable to service users / employees but it is either not significant or not known at this stage if it will be negative or positive. Further information in each impact is available from the individual equality impact assessment.

OSCE03 – Differential impact to services users in terms of gender reassignment, caring responsibilities, care experienced, disability and socio-economic disadvantage. Positive impact to service users in terms of race and isles proofing.

CACS03 – Differential and negative impacts people in terms of sex (women), caring responsibilities and those experiencing socio-economic disadvantage.

RDDI01A – Potential differential impact for women, older people, people with caring responsibilities, disabilities and those from socio-economically disadvantaged groups.

RDDI03 – Potential differential impact older people and those with disabilities.

RDDI04 – Potential differential negative impact for men and women, older and younger people, those who are care experienced, have caring

	<p>responsibilities, disabilities or who are experiencing socio-economic disadvantage.</p> <p>RDDI05 – Potential differential impact relating to age (younger people), care experienced people and people with a disability.</p> <p>RDDI09 – Potential differential impact for women, older people, carers, those with a disability and those experiencing socio-economic disadvantage.</p> <p>RDDI10 – Potential differential and negative impact relating to age, disabilities and socio-economic disadvantage.</p> <p>RDDI11 - Potential differential and negative impact relating to age, disabilities and socio-economic disadvantage.</p> <p>TRDI02 - Differential and negative impacts Sex (women), Pregnancy and Maternity, Age (older people), those with disabilities and those experiencing socio-economic disadvantage.</p> <p>DVDI02 – Differential and negative impact relating to age (working age people), those experiencing socio-economic disadvantage and isles communities.</p> <p>DVDI03 – Differential and negative impact relating to age (working age people), those experiencing socio-economic disadvantage and isles communities.</p> <p>PLDI01 – Differential impact for Age (older people).</p> <p>PLDI02 – Differential impact for Age (older people).</p> <p>OEDI01 – Differential and possible negative impact for isles communities.</p> <p>OEDI06 – Differential and negative impact relating to age and disability.</p> <p>EHDI01 – Differential and negative impacts Sex (women), Pregnancy and Maternity, Age (older people), those with disabilities and those experiencing socio-economic disadvantage.</p> <p>EDEHL01 – Differential impact Age (younger people) and potential knock-on impact for gender pay gap.</p> <p>EDELH05 – Differential impact Age (younger people), care experienced, those with a disability and those experiencing socio-economic disadvantage. Potential knock-on impact for gender pay gap.</p>
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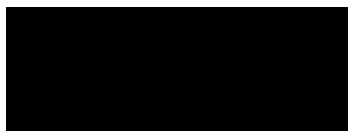
	<p>SCOHC01 – Differential impact for Age (older people) carers, those with a disability, those experiencing socio-economic disadvantage and those on the outer-isles.</p> <p>SCOHC03 – Potential differential impact relating to Sex (women) and potential knock-on impact for gender pay gap, older people and those with caring responsibilities.</p> <p>The proposed budget reductions will inevitably have an impact on staffing in some cases. Some directorates and associated roles have a high percentage of female staff and therefore reviews are likely to have a disproportionate impact on women. However, the overall gender balance of the workforce is weighted towards female and therefore there is unlikely to have a negative impact on the workforce profile. There may, however, be an impact on the Gender Pay Gap although at this stage, there is not enough detail to assess this fully. As part of our commitment to tackling inequalities and providing services that are fit for purpose, we continue to analyse the composition of our workforce by protected characteristic. Work is also identified as part of the Equality Outcomes to support gender balance within the workforce.</p> <p>The reality is that in times of financial constraints public authorities have to make difficult decisions regarding service provision and the Council has a legal duty to continue to provide its core statutory services.</p>
<p>How could you minimise or remove any potential negative impacts?</p>	<p>Individual equality impact assessments have been carried out for savings options and service pressure bids where:</p> <ul style="list-style-type: none"> • The proposal would result in a change to service. • The proposal could result in a change noticeable to service users. • The proposal could affect employees. <p>Some proposals and agreed savings are potentially more likely to affect specific protected groups as they are heavier users of services, rather than because the council's savings have disproportionately targeted these groups. Indeed, this is the case in most of the equality analysis undertaken as part of this report.</p> <p>As stated above, differential and negative impacts have been identified for budget reduction</p>

	<p>proposals for Age (older people, young people and children), People with Caring Responsibilities, Disability, Care Experienced, Socio-economic disadvantage and isles residents.</p> <p>Where negative impacts have been identified the individual assessments will detail any mitigation that can be taken, and members will consider these when making a decision.</p> <p>Potential negative impacts will have to be considered by elected members as well as taking cognisance of any cumulative effects on any of the protected characteristics resulting from a range of proposals.</p> <p>It is also important to consider wider socio-economic issues affecting Orkney when making informed decisions.</p>
Do you have enough information to make a judgement? If no, what information do you require?	Yes.

4. Conclusions and Planned Action

Is further work required?	No although this is dependent on elected members decisions relating to all budget proposals.
What action is to be taken?	N/A
Who will undertake it?	N/A
When will it be done?	N/A
How will it be monitored? (e.g. through service plans).	N/A

Signature:



Date: 17 February 2020

Name: Gareth Waterson

Please sign and date this form, keep one copy and send a copy to HR and Performance. A Word version should also be emailed to HR and Performance at hrrsupport@orkney.gov.uk



Equality Impact Assessment

Budget Setting

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	CACS03 - Staff costs - remove holiday cover for buildings with more than one employee - Building Cleaning.
Service / service area responsible.	IT and Facilities.
Name of person carrying out the assessment and contact details.	Hayley Green, Head of IT and Facilities. Extension 2309. hayley.green@orkney.gov.uk .
Date of assessment.	15 August 2019.
What kind of spending decision is this? For example savings option or service pressures option.	Savings.

2. Initial Screening	
What are the intended outcomes of the proposal?	Remaining staff to work extra to cover holidays.
Is the function / policy / plan strategically important?	No.

State who is, or may be affected by this proposal and how.	Lower standard of cleaning, emergency cleaning only in affected buildings.
How have stakeholders been involved in the development of this proposal?	No involvement at this stage. Discussions have been at Corporate Services Management Team level only.
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).	There is no relevant data regarding equalities issues in this policy area.
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.	No.
Could the proposal have a differential impact on any of the following equality strands?	(Please provide any evidence – positive impacts / benefits, negative impacts and reasons).
1. Race: this includes ethnic or national groups, colour and nationality.	No.
2. Sex: a man or a woman.	No. Potential differential / negative impact for women due to the possible reduction in shift availability for permanent, temporary and relief employees.
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.	No.

4. Gender Reassignment: the process of transitioning from one gender to another.	No.
5. Pregnancy and maternity.	No.
6. Age: people of different ages.	No.
7. Religion or beliefs or none (atheists).	No.
8. Caring responsibilities.	No. Potential differential / negative impact for those with caring responsibilities due to the possible reduction in shift availability particularly for temporary and relief employees who utilise these types of flexible contracts to fit their requirements.
9. Care experienced.	No.
10. Marriage and Civil Partnerships.	No.
11. Disability: people with disabilities (whether registered or not).	No.
12. Socio-economic disadvantage.	No. Potential differential / negative impact for those experiencing socio-economic disadvantage due to the possible reduction in shift availability for permanent, temporary and relief employees.
13. Isles-Proofing	

3. Impact Assessment

Does the analysis above identify any differential impacts which need to be addressed?	No. Yes, potential differential / negative impacts identified for women, those with caring responsibilities and those experiencing socio-economic disadvantage due to possible reduction in additional shift availability for permanent, temporary and relief employees.
How could you minimise or remove any potential negative impacts?	No. I'm not sure there is much that can be done to mitigate other than promote our vacancies internally for those employee groups concerned?
Do you have enough information to make a judgement? If no, what information do you require?	Yes.

*Risk is rated as	Low. Medium
<p>*Definition of risk ratings:</p> <p>Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.</p> <p>Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.</p> <p>High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.</p>	

4. Conclusions and Planned Action	
Is further work required?	No.
What action is to be taken in order to mitigate the impact identified?	
Who will undertake it?	
When will it be done? (please provide specific dates).	
How will it be monitored? (e.g. through service plans).	

Signature: 

Date: 15 August 2019

Name: HAYLEY GREEN

(BLOCK CAPITALS).

Equality Impact Assessment

Budget Setting

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	RDDI01A – Car Parking - Increase Charges by 40%.
Service / service area responsible.	Infrastructure and Strategic Projects.
Name of person carrying out the assessment and contact details.	Darren Richardson, Head of Strategic Projects and Infrastructure. Extension 2310. Darren.richardson@orkney.gov.uk
Date of assessment.	30 January 2020.
What kind of spending decision is this? For example savings option or service pressures option.	Car parking charging policy is an existing plan, it is reviewed as part of annual fees and charges discussions. This proposal would seek consideration for increasing car park charges on existing metered spaces.
2. Initial Screening	
What are the intended outcomes of the proposal?	To increase income. Actual income would not arise until the cost of additional/amended signage, orders and installation of pay and display meters had been recovered.
Is the function / policy / plan strategically important?	Yes – linked to the need to increase income.

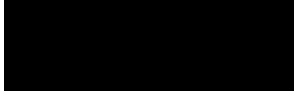
<p>State who is, or may be affected by this proposal and how.</p>	<p>All users needing to park, who may previously have used an OIC car park at previous rates or at no charge at all. Resident if this causes displacement to free streets adjacent paid for parking.</p>
<p>How have stakeholders been involved in the development of this proposal?</p>	<p>No direct consultation has taken place.</p>
<p>Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).</p>	<p>The recent increase in charges has not led to a substantial increase in complaints or demand for residents parking. Nevertheless, there is a risk of reaching the tipping point and seeing displacement to areas not suited to parking.</p> <p>This may see displacement to unrestricted areas, possibly residential and therefore calls for residents parking schemes. However, this is a key opportunity to increase income and capitalise further on the drive-based tourism in Orkney. The positive side of this, linked to robust enforcement, would be a healthier turnover of spaces in the heart of the town centres that our local businesses seek and keep the centres accessible for short term trip needs.</p> <p>As part of the service impact analysis the potential additional increase in cash is within the capacity limits of the machines and the collection activities our parking attendants undertake.</p>
<p>Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.</p>	<p>No evidence.</p>
<p>Could the proposal have a differential impact on any of the following equality strands?</p>	<p>Yes, noting the possible mitigation below.</p>
<p>1. Race: this includes ethnic or national groups, colour and nationality.</p>	<p>No.</p>

2. Sex: a man or a woman.	Yes, potential differential impact for women as primary care-givers and part-time workers in terms of likely higher usage and possible lower disposable income.
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.	No.
4. Gender Reassignment: the process of transitioning from one gender to another.	No.
5. Pregnancy and maternity.	No.
6. Age: people of different ages.	Yes, potential differential impact for older people due to likely higher use (town visits) and possible lower disposable income.
7. Religion or beliefs or none (atheists).	No.
8. Caring responsibilities.	Yes, potential differential impact for carers/client budgets due to likely higher usage for town centre based clients.
9. Care experienced.	No.
10. Marriage and Civil Partnerships.	No.
11. Disability: people with disabilities (whether registered or not).	Yes - Noting if charges are introduced or increased on any currently free car park this would require signing, signage and creation of specific designation bays including disabled bays. This may not necessarily be at the same levels of current use (e.g. currently they are unrestricted) but would typically be approx. 4% of total bays available). Potential differential impact if charges apply to blue badge holders and other users with a disability due to possible lower disposable income.
12. Socio-economic disadvantage.	Yes, potential differential impact for those experiencing socio-economic disadvantage due to lower disposable income.
13. Isles-Proofing	There are no current plans to introduce charges on outer isles as part of this proposal.

3. Impact Assessment	
Does the analysis above identify any differential impacts which need to be addressed?	Yes
How could you minimise or remove any potential negative impacts?	<p>Ensure that is increase or new charges are taken up that there is clear signage, lines and meters to administer and that there is realistic levels of enforcement to ensure correct use. In doing so that surrounding areas are monitored for congestion/disruption caused by any displaced parking that may feed into evaluating requests for further restrictions beyond the inner area car parks.</p> <p>Increase the sign-posting to information relating to free parking online / local publications.</p>
Do you have enough information to make a judgement? If no, what information do you require?	Yes
*Risk is rated as	Medium, noting the risk of displacement to other “free” parking areas.
<p>*Definition of risk ratings:</p> <p>Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.</p> <p>Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.</p> <p>High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.</p>	
4. Conclusions and Planned Action	
Is further work required?	Yes
What action is to be taken in order to mitigate the impact identified?	Additional or new signage in the P&D locations, thereby meters and road markings. This will formalise use and ease enforcement through the accompanying TRO's. potential displacement in streets to be monitored to assist in evaluating any

	subsequent requests for further restrictions outside the car park area.
Who will undertake it?	Service staff. Noting some aspects are currently unresourced (i.e. monitoring).
When will it be done? (please provide specific dates).	Post agreed implementation.
How will it be monitored? (e.g. through service plans).	Through performance reports to periodic committee meetings in terms of income etc.

Signature:



Date: 30 January 2020
(BLOCK CAPITALS).

Name: D. A. RICHARDSON

Equality Impact Assessment

Budget Setting

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	RDDI03 – Street lighting – reduction in repair response standard
Service / service area responsible.	Infrastructure and Strategic Projects
Name of person carrying out the assessment and contact details.	Darren Richardson, Head of Strategic Projects and Infrastructure. Extension 2310. Darren.richardson@orkney.gov.uk
Date of assessment.	29 October 2019
What kind of spending decision is this? For example savings option or service pressures option.	This is a service pressure saving as proposes to reduce the cost of providing the service to assist with the delivery of other revenue pressures. This proposal is directly linked to the LED lighting replacement work. As the network is replaced the maintenance life is extended to typically 15 years plus, meaning less requirement for lamp replacement visits.
2. Initial Screening	
What are the intended outcomes of the proposal?	To reduce the cost of providing the service to release resources for other service pressure areas.

Is the function / policy / plan strategically important?	Street lighting is an essential part of the community infrastructure for general health, safety and well being but also in seeking to reduce risk of anti-social behaviour and crime.
State who is, or may be affected by this proposal and how.	This is an operational change to the maintenance regime, as the lights will stay on for longer users should not experience any reduction in service.
How have stakeholders been involved in the development of this proposal?	this has been subject of an innovation bid approval and periodic committee reporting, it follows a national initiative to replace older lighting sources with LED.
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).	None from an equalities perspective.
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.	No evidence.
Could the proposal have a differential impact on any of the following equality strands?	No.
1. Race: this includes ethnic or national groups, colour and nationality.	No.
2. Sex: a man or a woman.	No.
3. Sexual Orientation: whether a person's sexual attraction is	No.

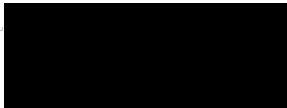
towards their own sex, the opposite sex or to both sexes.	
4. Gender Reassignment: the process of transitioning from one gender to another.	No.
5. Pregnancy and maternity.	No.
6. Age: people of different ages.	Yes, potential differential impact for older people experiencing mobility difficulties if there is a delay in repairs (i.e. getting out at night).
7. Religion or beliefs or none (atheists).	No.
8. Caring responsibilities.	No.
9. Care experienced.	No.
10. Marriage and Civil Partnerships.	No.
11. Disability: people with disabilities (whether registered or not).	Yes, potential differential impact for those experiencing mobility or sensory impairment related disabilities if there is a delay in repairs (i.e. getting around at night).
12. Socio-economic disadvantage.	No.
13. Isles-Proofing	No.

3. Impact Assessment

Does the analysis above identify any differential impacts which need to be addressed?	Yes, differential impacts for older people and those with disabilities.
How could you minimise or remove any potential negative impacts?	Monitor number of repairs required, and time taken to repair. Monitor complaints relating to street lighting provision and repair.
Do you have enough information to make a judgement? If no, what information do you require?	Yes.
*Risk is rated as	Medium, noting that the cost of electricity is not stable and these savings can mitigate future years increased costs, taking the saving removes that

	flexibility, therefore a higher risk or lighting being affected at a future date.
<p>*Definition of risk ratings:</p> <p>Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.</p> <p>Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.</p> <p>High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.</p>	

4. Conclusions and Planned Action	
Is further work required?	Yes in terms of understanding the impact of energy increases on capacity to maintain in future years.
What action is to be taken in order to mitigate the impact identified?	Monitor number of repairs required and time taken to repair, Monitor complaints relating to street lighting provision and repair.
Who will undertake it?	Service staff.
When will it be done? (please provide specific dates).	1st April.
How will it be monitored? (e.g. through service plans).	Periodic performance reporting through committee process.

Signature: 

Date: 29 October 2019

Name: D. A. RICHARDSON

(BLOCK CAPITALS).

Equality Impact Assessment

Budget Setting

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	RDDI04 – Removal of concessionary support for costs of road closures etc for events and festivals.
Service / service area responsible.	Infrastructure and Strategic Projects
Name of person carrying out the assessment and contact details.	Darren Richardson, Head of Strategic Projects and Infrastructure. Extension 2310. Darren.richardson@orkney.gov.uk
Date of assessment.	29 October 2019
What kind of spending decision is this? For example savings option or service pressures option.	This proposal will address the under recovery of costs, it is not a saving in budget terms.

2. Initial Screening	
What are the intended outcomes of the proposal?	To off-set the annual loss of providing event support.
Is the function / policy / plan strategically important?	From a statutory compliance perspective and an event management perspective, road closures must be properly administered.

<p>State who is, or may be affected by this proposal and how.</p>	<p>Those bodies providing an event that occupies part of the road network (i.e. can be Community based or local events organisers such as paid for events or free attendance events).</p>
<p>How have stakeholders been involved in the development of this proposal?</p>	<p>Revised charges have formed part of previous consultations and committee reports as part of the budget process.</p>
<p>Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).</p>	<p>There is detailed analysis of the potential impacts of any proposed changes based on current costs and income as noted below;</p> <p>There are limited events that are "cost recovery" such as the cruise related ones. The remainder are concession based, with discounts applying from 10% discount to 100% (previously agreed by committee as part of MOWG discussion and eventual fees and charges report).</p> <p>The overall income is circa £11k, the 2018/19 cost was circa £20,400, therefore a loss of approximately £9k p.a.</p> <p>This proposal would abandon the concessions scheme and see the full costs of closures being charged to all groups, as an example the cost of supporting the County Show is £810 but the actual charge is discounted to £162.</p> <p>The risk is that many of these (not for profit) events advise they struggle to meet the discounted charges as they do not directly receive income through significant ticket sales (i.e. the County show/ Dounby show do).</p> <p>Application of full charges may impact on the viability of such events.</p>
<p>Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.</p>	<p>No direct evidence noting the anecdotal views that any increase in charges may make these charitable events less viable if they wish to occupy the road network for them.</p>

Could the proposal have a differential impact on any of the following equality strands?	No.
1. Race: this includes ethnic or national groups, colour and nationality.	No.
2. Sex: a man or a woman.	Potential knock-on impact for community groups who are supported by not for profit groups who rely on events for fundraising to provide services.
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.	No.
4. Gender Reassignment: the process of transitioning from one gender to another.	No.
5. Pregnancy and maternity.	No.
6. Age: people of different ages.	Potential knock-on impact for community groups who are supported by not for profit groups who rely on events for fundraising to provide services.
7. Religion or beliefs or none (atheists).	No.
8. Caring responsibilities.	Potential knock-on impact for community groups who are supported by not for profit groups who rely on events for fundraising to provide services.
9. Care experienced.	Potential knock-on impact for community groups who are supported by not for profit groups who rely on events for fundraising to provide services.
10. Marriage and Civil Partnerships.	No.
11. Disability: people with disabilities (whether registered or not).	Potential knock-on impact for community groups who are supported by not for profit groups who rely on events for fundraising to provide services.
12. Socio-economic disadvantage.	Potential knock-on impact for community groups who are supported by not for profit groups who rely on events for fundraising to provide services.
13. Isles-Proofing	No.

3. Impact Assessment	
Does the analysis above identify any differential impacts which need to be addressed?	Yes, potential knock-on impact for community groups who are supported by not for profit groups who rely on events for fundraising to provide services.
How could you minimise or remove any potential negative impacts?	Yes, if events are not held on the road network or in areas where there is a need to manage access and egress via road closures. Alternatively, where there are trained and competent (qualified) contractors certified to work on the road network who may choose to do the work at no or less cost.
Do you have enough information to make a judgement? If no, what information do you require?	Yes.
*Risk is rated as	Medium, noting this is about civic events and the positive contribution they make to society, history and tourism, which may be viewed as a corporate support issue and thereby funded rather than through service budgets.
<p>*Definition of risk ratings:</p> <p>Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.</p> <p>Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.</p> <p>High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.</p>	
4. Conclusions and Planned Action	
Is further work required?	Yes.
What action is to be taken in order to mitigate the impact identified?	For organiser to consider alternate sites not requiring road closures or to consider and alternate cost support model as a corporate civic event fund.

Who will undertake it?	Service staff.
When will it be done? (please provide specific dates).	1/4/20 post budget agreement.
How will it be monitored? (e.g. through service plans).	Periodic reporting on cost and income and the committee process on directorate outturn.

Signature:



Date: 29 October 2019

Name: D. A. RICHARDSON



Equality Impact Assessment

Budget Setting

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	RDDI05 – Reduce activity on traffic regulations/speed limit reviews etc
Service / service area responsible.	Infrastructure and Strategic Projects
Name of person carrying out the assessment and contact details.	Darren Richardson, Head of Strategic Projects and Infrastructure. Extension 2310. Darren.richardson@orkney.gov.uk
Date of assessment.	18 November 2019
What kind of spending decision is this? For example savings option or service pressures option.	Service pressure. A specific line in the roads budget is for "traffic management" this covers several aspects including the annual demands for speed limit changes, lines and other general restrictions and road safety improvements. This not to say there are not local concerns, however the volume of work is predominately perception based as there is often a limited technical basis for change. a reduction in the TRO work would impact on this specific heading. This is the revenue spend, this includes external support we need in terms of consultants as there is not adequate technical capacity to address wider needs such as speed limit reviews/car parking policy work or strategic work such as progress on determining the

	possible business case for Decriminalised Parking which would not be possible following this saving.
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2. Initial Screening	
What are the intended outcomes of the proposal?	To reduce revenue expenditure across several "roads" client spend areas
Is the function / policy / plan strategically important?	Yes, in terms of addressing mainly perceived road safety and parking issues
State who is, or may be affected by this proposal and how.	All drivers affected by changing restrictions (T.R.O's), pedestrians seeking road crossing improvements, not potentially addressed. The lower capacity would also prevent progress on Decrimilised parking which has been highlighted as a matter of local interest, particularly in Kirkwall.
How have stakeholders been involved in the development of this proposal?	None at present time, noting the road safety forum consider the policy approach, currently focused on an "evidenced based" prioritisation method. These proposals do not change this approach, they reduce the capacity to deliver.
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).	None available in specific equality terms as this work benefits all areas of society and is not excluding to any group in anyway. Noting that in the TRO process this may be a council committee decision if implemented that includes the EqIA evaluation.
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See <u>The Fairer Scotland Duty Interim</u>	No evidence.

<u>Guidance for Public Bodies</u> for further information.	
Could the proposal have a differential impact on any of the following equality strands?	Yes.
1. Race: this includes ethnic or national groups, colour and nationality.	No.
2. Sex: a man or a woman.	No.
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.	No.
4. Gender Reassignment: the process of transitioning from one gender to another.	No.
5. Pregnancy and maternity.	No.
6. Age: people of different ages.	Yes, some road safety work is associated with crossings and other infrastructure provision near/adjacent schools, therefore reduced activity may impact on children (pupils) if there is a real intervention need.
7. Religion or beliefs or none (atheists).	No.
8. Caring responsibilities.	No.
9. Care experienced.	Yes, potential differential impact for young care experienced people as some safety work is associated with crossings and infrastructure near schools.
10. Marriage and Civil Partnerships.	No.
11. Disability: people with disabilities (whether registered or not).	Yes, potential differential impact for people with disabilities in terms of safely using roads.
12. Socio-economic disadvantage.	No.
13. Isles-Proofing	No additional Isles-proofing requirement as road safety TROs are currently criteria and evidence led, meaning they are implemented on a worst/ first basis.

3. Impact Assessment	
Does the analysis above identify any differential impacts which need to be addressed?	Any reduction in roads safety or similar works spend increases the perceptual that such issues are not being addressed, this can lead to a negative reputational and political issue.
How could you minimise or remove any potential negative impacts?	Consider some works as potential “capital” spend rather than revenue where creating a new asset (value is a constraint). Continue to ensure specific user groups remain engaged and are part of any consultation exercises relating to road safety.
Do you have enough information to make a judgement? If no, what information do you require?	Yes.
*Risk is rated as	High (medium if mitigation addressed)
<p>*Definition of risk ratings:</p> <p>Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.</p> <p>Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.</p> <p>High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.</p>	

4. Conclusions and Planned Action	
Is further work required?	Yes.
What action is to be taken in order to mitigate the impact identified?	Consider if planned revenue works could be funded as capital.
Who will undertake it?	Roads Support Manager.
When will it be done? (please provide specific dates).	Pre-budget process finalisation

How will it be monitored? (e.g. through service plans).

Periodic capital and revenue reports on planned spend and actual costs (Asset sub and Policy and Resources Committee).

Signature:



Date: 18 November 2019

Name: D. A. RICHARDSON

(BLOCK CAPITALS).



Equality Impact Assessment

Budget Setting

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1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	RDDI09 – Remove winter free car parking for Kirkwall.
Service / service area responsible.	Infrastructure and Strategic Projects.
Name of person carrying out the assessment and contact details.	Darren Richardson, Head of Strategic Projects and Infrastructure. Extension 2310. Darren.richardson@orkney.gov.uk
Date of assessment.	29 October 2019.
What kind of spending decision is this? For example savings option or service pressures option.	This would address service pressures, noting that there is no current budget allocation for this,). This would see the removal of the 1 free hour winter period parking.

2. Initial Screening	
What are the intended outcomes of the proposal?	To reduce the loss of income through the provision of the 1 hour free offer.
Is the function / policy / plan strategically important?	The car parking service is an essential strategic requirement to manage controlled access and egress into our town centre areas.

State who is, or may be affected by this proposal and how.	All users needing to park, who may previously have used an OIC car park in the winter at no charge.
How have stakeholders been involved in the development of this proposal?	The original proposal to introduce the free period was consulted in detail with the BID and local members through the D&I committee process, its removal has not been tested or consulted in anyway.
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).	No. The consequence of removing the free hour may be less folk take advantage of it in terms of visiting the city centre and other pay and display areas, further if they do they may seek out other areas where there is no charge, such as other streets or car parks further away. The key concern will be local business who see the benefit in terms of short visits to their stores for quick transactions.
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.	No evidence.
Could the proposal have a differential impact on any of the following equality strands?	
1. Race: this includes ethnic or national groups, colour and nationality.	No.
2. Sex: a man or a woman.	Yes, potential differential impact for women as primary care givers client budgets or part-time private city centre workers in terms of utilising public car parks during charging periods.
3. Sexual Orientation: whether a person's sexual attraction is	No.

towards their own sex, the opposite sex or to both sexes.	
4. Gender Reassignment: the process of transitioning from one gender to another.	No.
5. Pregnancy and maternity.	No.
6. Age: people of different ages.	Yes, potential differential impact for older people (town centre visits) as greater percentage are not working. Thereby if on limited disposable incomes may impact in using the car parks with winter charges.
7. Religion or beliefs or none (atheists).	No.
8. Caring responsibilities.	Yes, potential differential impact for carers if using city centre public car parks with winter charges.
9. Care experienced.	No.
10. Marriage and Civil Partnerships.	No.
11. Disability: people with disabilities (whether registered or not).	Whilst there is no charge for blue badge holders using these facilities there may be a differential impact based on limited access to disposable income.
12. Socio-economic disadvantage.	Yes, potential differential impact for those experiencing socio-economic disadvantage as greater percentage are not working or have limited disposable incomes and may use public car parks in winter with charges.
13. Isles-Proofing	No.

3. Impact Assessment

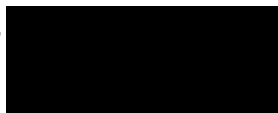
Does the analysis above identify any differential impacts which need to be addressed?	Yes, differential impacts likely for women, older people, carers, those with disabilities and those who experience socio-economic disadvantage.
How could you minimise or remove any potential negative impacts?	N/A.
Do you have enough information to make a judgement? If no, what information do you require?	Yes.

*Risk is rated as	Medium, only in reputational terms of folk being used to it and its removal will result in some negative press most likely.
<p>*Definition of risk ratings:</p> <p>Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.</p> <p>Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.</p> <p>High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.</p>	

4. Conclusions and Planned Action

Is further work required?	Yes, in terms of there will be some parking places order changes and accompanying signage.
What action is to be taken in order to mitigate the impact identified?	promote the availability of alternative free locations further away.
Who will undertake it?	Service.
When will it be done? (please provide specific dates).	1st April subject to a lead in time for any order changes needed and signage changes.
How will it be monitored? (e.g. through service plans).	through performance reports on the cost and spend associated with car parks reported periodically through the committee process.

Signature:



Date: 29 October 2019

Name: D. A. RICHARDSON

(BLOCK CAPITALS).

Equality Impact Assessment

Budget Setting

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	RDDI10 - Closure of Cursiter Recycling Centre.
Service / service area responsible.	Infrastructure and Strategic Projects.
Name of person carrying out the assessment and contact details.	Darren Richardson, Head of Strategic Projects and Infrastructure. Extension 2310. Darren.richardson@orkney.gov.uk
Date of assessment.	
What kind of spending decision is this? For example savings option or service pressures option.	This is the closure of 1 unmanned recycling centre. Other recycling centres in Mainland Orkney will remain open. All households also have the option of kerbside collection for both recycling and residual waste. However, this will mean a further distance to travel to deposit non kerbside collected recyclates for people who live in this area. The nearest recycling centre will be in Kirkwall.

2. Initial Screening	
What are the intended outcomes of the proposal?	To reduce costs associated with operating the centres.

Is the function / policy / plan strategically important?	Yes – linked to the need to reduce cost of operating the services
State who is, or may be affected by this proposal and how.	As noted above, alternative facilities will continue. However, this could mean a longer distance to travel for those notes above.
How have stakeholders been involved in the development of this proposal?	There has been no consultation on this proposal.
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).	Not that we are aware of.
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.	No evidence.
Could the proposal have a differential impact on any of the following equality strands?	Yes.
1. Race: this includes ethnic or national groups, colour and nationality.	No.
2. Sex: a man or a woman.	No.
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.	No.

4. Gender Reassignment: the process of transitioning from one gender to another.	No.
5. Pregnancy and maternity.	No.
6. Age: people of different ages.	Yes, potential differential and negative impact for older people who have to travel further to remaining centres, if they cannot take advantage of kerbside recycling and/or special collection services.
7. Religion or beliefs or none (atheists).	No.
8. Caring responsibilities.	No.
9. Care experienced.	No.
10. Marriage and Civil Partnerships.	No.
11. Disability: people with disabilities (whether registered or not).	Yes, potential differential and negative impact for disabled people who have to travel further to remaining centres, if they cannot take advantage of kerbside recycling and/or special collection services.
12. Socio-economic disadvantage.	Yes, potential differential and negative impact for people who experience socio-economic disadvantage who have to travel further if not able to take advantage of kerbside recycling and/or paid for special collections.
13. Isles-Proofing	No.

3. Impact Assessment

Does the analysis above identify any differential impacts which need to be addressed?	Yes, older people, those with a disability and those experiencing socio-economic disadvantage.
How could you minimise or remove any potential negative impacts?	Initially, ensure any consultation relating to this proposal engages specific user groups identified in the EqlA. Pre-closure.
Do you have enough information to make a judgement? If no, what information do you require?	Yes.

*Risk is rated as	Low.
<p>*Definition of risk ratings:</p> <p>Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.</p> <p>Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.</p> <p>High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.</p>	

4. Conclusions and Planned Action	
Is further work required?	Yes.
What action is to be taken in order to mitigate the impact identified?	Planned consultation.
Who will undertake it?	
When will it be done? (please provide specific dates).	
How will it be monitored? (e.g. through service plans).	

Signature:



Date: 28 January 2020

Name: D A RICHARDSON

(BLOCK CAPITALS).

Equality Impact Assessment

Budget Setting

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	RDDI11 - Closure of St Margaret's Hope Recycling Centre
Service / service area responsible.	Infrastructure and Strategic Projects
Name of person carrying out the assessment and contact details.	Darren Richardson, Head of Strategic Projects and Infrastructure. Extension 2310. Darren.richardson@orkney.gov.uk
Date of assessment.	
What kind of spending decision is this? For example savings option or service pressures option.	This is the closure of one unmanned recycling centre. Other recycling centres in Mainland Orkney will remain open. All households also have the option of kerbside collection for both recycling and residual waste. However, this will mean a further distance to travel to deposit non kerbside collected recyclates for people who live in this area. The nearest recycling centre will be in Kirkwall

2. Initial Screening	
What are the intended outcomes of the proposal?	To reduce costs associated with operating the centres.

Is the function / policy / plan strategically important?	Yes – linked to the need to reduce cost of operating the services
State who is, or may be affected by this proposal and how.	As noted above, alternative facilities will continue. However, this could mean a longer distance to travel for those notes above.
How have stakeholders been involved in the development of this proposal?	There has been no consultation on this proposal.
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).	Not that we are aware of.
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.	No evidence.
Could the proposal have a differential impact on any of the following equality strands?	No
1. Race: this includes ethnic or national groups, colour and nationality.	No
2. Sex: a man or a woman.	No
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.	No

4. Gender Reassignment: the process of transitioning from one gender to another.	No
5. Pregnancy and maternity.	No
6. Age: people of different ages.	No
7. Religion or beliefs or none (atheists).	No
8. Caring responsibilities.	No
9. Care experienced.	No
10. Marriage and Civil Partnerships.	No
11. Disability: people with disabilities (whether registered or not).	No
12. Socio-economic disadvantage.	No
13. Isles-Proofing	No

3. Impact Assessment

Does the analysis above identify any differential impacts which need to be addressed?	No
How could you minimise or remove any potential negative impacts?	
Do you have enough information to make a judgement? If no, what information do you require?	Yes
*Risk is rated as	Low
<p>*Definition of risk ratings:</p> <p>Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.</p> <p>Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.</p>	

High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.

4. Conclusions and Planned Action	
Is further work required?	No
What action is to be taken in order to mitigate the impact identified?	
Who will undertake it?	
When will it be done? (please provide specific dates).	
How will it be monitored? (e.g. through service plans).	

Signature: 

Date: 28 January 2020

Name: D A RICHARDSON

(BLOCK CAPITALS).

Equality Impact Assessment

Budget Setting

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	TRDI02 - Reduce free trips on Dial a Bus services to one trip a month.
Service / service area responsible.	Development and Infrastructure - Transportation
Name of person carrying out the assessment and contact details.	Brian Archibald, Head of Marine Services, Engineering and Transportation. Extension 2703. Brian.archibald@orkney.gov.uk
Date of assessment.	29 October 2019
What kind of spending decision is this? For example savings option or service pressures option.	Savings

2. Initial Screening	
What are the intended outcomes of the proposal?	The reduction in discretionary free trips available to qualifying residents from current 3 trips to 1 trip a month. The 2018/19 budget setting process ultimately led in a reduction in the number of trips which eligible residents could qualify from 4 trips to three trips. This proposal would introduce a further reduction with the result being that eligible people would only receive 1 free trip a month (so a net loss of a

	further 2 trips for 2020/21 onwards). This proposal was rejected for 2019/20.
Is the function / policy / plan strategically important?	<p>The provision of community transport and the additional funding for discretionary travel is not statutory.</p> <p>However, the funding of concessionary travel on Dial a Bus is an attempt to redress the unfairness between the 'Bus Pass' scheme and the lack of concessionary travel on community transport. The function is therefore consistent with the Priority Themes of 'Connected Communities' and 'Caring Communities'. It is also associated with 'Quality of Life' and the Community Plan key value of 'fairness'.</p> <p>This proposal would establish parity for Mainland customers where those on the Isles receive 1 free air/ferry trip per month.</p>
State who is, or may be affected by this proposal and how.	All those entitled to concessionary travel who may have the need/wish to travel by Dial a Bus, and have made use of the free trips. They will now only receive 1 free trip per month.
How have stakeholders been involved in the development of this proposal?	They have not. Though there was a high level of awareness of this issue as part of the 2018/19 budget setting process.
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).	<p>Eligibility generally for concessionary travel by bus is set by Scottish Government for the Concessionary Travel Card (Bus Pass). This is used to set the eligibility for the discretionary concessionary travel offered by OIC for non-bus travel. For Dial a Bus, the eligibility is also determined by the fact that they have to be Dial a Bus members.</p> <p>In essence, eligible people (and dial a Bus users) are the elderly, the infirm/restricted in mobility and without access to accessible public bus services.</p>
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim	There is no locally specific evidence but there is general evidence that community transport of this nature is focussed on the elderly, the disabled and those on lower incomes (unable to own a car and less able to afford taxis). The measure is therefore much more likely to impact on the less well-off and those who suffer disadvantage.

<u>Guidance for Public Bodies</u> for further information.	
Could the proposal have a differential impact on any of the following equality strands?	Yes
1. Race: this includes ethnic or national groups, colour and nationality.	No
2. Sex: a man or a woman.	Not directly – although it is understood that more women tend to use dial a bus than men hence but the measure affects men and women as individuals to the same level.
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.	No
4. Gender Reassignment: the process of transitioning from one gender to another.	No
5. Pregnancy and maternity.	Possibly – if they are also eligible for concessionary travel.
6. Age: people of different ages.	Yes – one of the criteria for concessionary travel is age – this savings measure therefore hits only those entitled to concessionary travel.
7. Religion or beliefs or none (atheists).	No
8. Caring responsibilities.	Yes – carers are entitled to concessionary travel if the person they are caring for are also entitled. This saving would therefore affect them.
9. Care experienced.	No
10. Marriage and Civil Partnerships.	Not directly – although there is a higher proportion of users who are on their own (single; bereaved), the measure affects those on their own or in partnership in the same way as individuals.
11. Disability: people with disabilities (whether registered or not).	Yes – this savings measure will affect those with a disability who are entitled to concessionary travel.
12. Socio-economic disadvantage.	Yes – it is understood that Dial a Bus is more likely to be used by those who are less well-off hence the removal of free travel will have a proportionately greater effect on them.

13. Isles Proofing	This savings level would establish a level of parity for Mainland customers to Isles customers who receive 1 free air/ferry trip per month.
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3. Impact Assessment

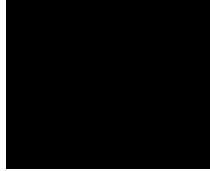
Does the analysis above identify any differential impacts which need to be addressed?	Measure affects only those entitled to concessionary travel. Concessionary travel is by its nature differential in that it only benefits those eligible and who need the service.
How could you minimise or remove any potential negative impacts?	Only way of minimising the impact would be to cancel the measure. Alternatively, Scot Govt could be lobbied to pay in the same way that they do for bus passes or allow bus pass use on non-registered routes and/or Dial a Bus could consider changing its way of operating in order to become eligible for the national scheme.
Do you have enough information to make a judgement? If no, what information do you require?	Yes – this measure has equalities impacts
*Risk is rated as	Medium
<p>*Definition of risk ratings:</p> <p>Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.</p> <p>Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.</p> <p>High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.</p>	

4. Conclusions and Planned Action

Is further work required?	Yes
What action is to be taken in order to mitigate the impact identified?	Engagement with Dial-a-Bus once there is clarity on the acceptability of this proposal.
Who will undertake it?	Transport Manager

When will it be done? (please provide specific dates).	Early 2020
How will it be monitored? (e.g. through service plans).	N/A

Signature:



Date: 29 October 2019

Name: BRIAN ARCHIBALD

(BLOCK CAPITALS).

Equality Impact Assessment

Budget Setting

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	DVDI02 – Economic Development further reduction in grant availability and service output (10%)
Service / service area responsible.	Development and Infrastructure
Name of person carrying out the assessment and contact details.	Roddy Mackay, Head of Planning, Development and Regulatory Services. Extension 2530. Roddy.mackay@orkney.gov.uk
Date of assessment.	29 October 2019
What kind of spending decision is this? For example savings option or service pressures option.	10% reduction in grant budget reducing outputs and activity (£60k saving from grant budget)

2. Initial Screening	
What are the intended outcomes of the proposal?	To contribute to the Council's saving targets.
Is the function / policy / plan strategically important?	Yes, the Economic Development Service and the grants schemes it delivers support and contribute to the Orkney Community Plan local strategic priority of "A Vibrant Economy". The Service also supports and contributes to the Council Plan strategic priorities "Enterprising Communities" – a vibrant carbon neutral economy which supports local businesses and

	stimulates investment in all our communities; and “Quality of Life” – Orkney has a flourishing population, with people of all ages choosing to stay, return or relocate here for a better quality of life.
State who is, or may be affected by this proposal and how.	New and existing businesses in Orkney who are looking to develop and expand will have less opportunity to seek financial support from the Council. As a consequence, there will be an impact on ability to create new job opportunities, support business development and access to new markets, and lever other public/private investment opportunities.
How have stakeholders been involved in the development of this proposal?	Managers within the Economic Development functions have been consulted. General public have provided views on level of cuts to Council services as part of the Budget Simulator exercise undertaken in October/November 2016. Seminar on the Economic Development grants budget were held with elected members in November 2016 and October 2018.
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).	No
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise.	No
Could the proposal have a differential impact on any of the following equality strands?	(Please provide any evidence – positive impacts / benefits, negative impacts and reasons).
1. Race: this includes ethnic or national groups, colour and nationality.	No
2. Sex: a man or a woman.	No
3. Sexual Orientation: whether a person's sexual attraction is	No

towards their own sex, the opposite sex or to both sexes.	
4. Gender Reassignment: the process of transitioning from one gender to another.	No
5. Pregnancy and maternity.	No
6. Age: people of different ages.	Potentially – a diverse and vibrant economy is essential to retaining a balanced population and providing employment opportunities for the working age population. Providing financial support plays a vital role in attracting new industries and growing existing businesses and providing a strong economic base that ensures that the younger age groups do not have to leave Orkney for economic reasons.
7. Religion or beliefs or none (atheists).	No
8. Caring responsibilities.	No
9. Care experienced.	
10. Marriage and Civil Partnerships.	No
11. Disability: people with disabilities (whether registered or not).	No
12. Socio-economic disadvantage.	Potentially - Economic Development seeks to bring about economic benefits to the population through supporting job creation, providing opportunities for new investment in local businesses, attracting and retaining talent and providing access to new markets. The reduction of the service and associated grant schemes is likely to increase the likelihood of socio-economic disadvantage.
13. Isles Proofing	Potentially – one of the grants schemes – the Islands Hauliers Vehicle Replacement Scheme is specifically aimed at securing lifeline services in the North and South Isles. Grant assistance is also provided to rural shops for a range of improvements with Isles shops which provide the only such service on an island, receiving a higher % of project costs than shops on the Mainland.

3. Impact Assessment	
Does the analysis above identify any differential impacts which need to be addressed?	Yes
How could you minimise or remove any potential negative impacts?	Protect sources of funding aimed specifically at the North and South Isles.
Do you have enough information to make a judgement? If no, what information do you require?	Yes
*Risk is rated as	Medium
<p>*Definition of risk ratings:</p> <p>Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.</p> <p>Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.</p> <p>High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.</p>	

4. Conclusions and Planned Action	
Is further work required?	Yes.
What action is to be taken in order to mitigate the impact identified?	Consider whether the Islands Hauliers Vehicle Replacement Scheme and the grant support for shops on the Isles should be protected from the 10% budget cuts.
Who will undertake it?	Head of Planning, Development & Regulatory Services/Relevant Service Manager
When will it be done? (please provide specific dates).	2020
How will it be monitored? (e.g. through service plans).	Future budget setting process

Signature:



Name: RODDY MACKAY

Date: 29 October 2019

(BLOCK CAPITALS).

Equality Impact Assessment

Budget Setting

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	OEDI01 - Remove Bag the Bruck and Pick up 3 Pieces/general beach clearance support
Service / service area responsible.	Infrastructure and Strategic Projects
Name of person carrying out the assessment and contact details.	Darren Richardson, Head of Strategic Projects and Infrastructure. Extension 2310. Darren.richardson@orkney.gov.uk
Date of assessment.	29 October 2019
What kind of spending decision is this? For example savings option or service pressures option.	This is a pre-existing but discretionary policy. It is proposed to remove support for these community led initiatives given the unfunded collection and disposal costs.

2. Initial Screening	
What are the intended outcomes of the proposal?	Reduced service costs (i.e. collection, provision of PPE and bags and disposal costs).
Is the function / policy / plan strategically important?	Not from an Environmental Services perspective, it is a discretionary service. From a Council (Corporate) tourism and image perspective it is

	important our beaches and open spaces are free from litter and detritus.
State who is, or may be affected by this proposal and how.	Voluntary groups, but also in terms of the potential visual impact all users of our beaches and areas where debris is washed up.
How have stakeholders been involved in the development of this proposal?	There has been no direct stakeholder or customer consultation on this proposal.
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).	No
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.	No
Could the proposal have a differential impact on any of the following equality strands?	No. Although no specific group is affected in EqIA strand terms there is potentially a significant impact on the visual amenity of our beaches and therefore tourism in terms of general reputation and standards of Orkney's beaches. There would also be an impact on community morale as this is a well-established activity which generates substantial community and volunteer effort. It is noted that there are several community groups and initiatives across Orkney. This is not a domestic waste collection service, it is effectively commercial in nature, albeit to the benefit of Orkney as a whole. Nevertheless it is for

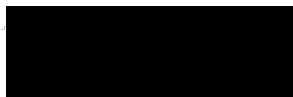
	the collection and disposal (incineration in Shetland as polluted) for circa 20 tonnes per annum. Further community empowerment work may support this need as an alternative in future years.
1. Race: this includes ethnic or national groups, colour and nationality.	No
2. Sex: a man or a woman.	No
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.	No
4. Gender Reassignment: the process of transitioning from one gender to another.	No
5. Pregnancy and maternity.	No
6. Age: people of different ages.	No
7. Religion or beliefs or none (atheists).	No
8. Caring responsibilities.	No
9. Care experienced.	No
10. Marriage and Civil Partnerships.	No
11. Disability: people with disabilities (whether registered or not).	No
12. Socio-economic disadvantage.	No
13. Isles Proofing	No, noting that if undertaken in the isles the collection and disposal costs are higher unless the groups collect and dispose themselves via Chinglebraes (travel to mainland with the waste).
3. Impact Assessment	
Does the analysis above identify any differential impacts which need to be addressed?	Yes in terms of islands proofing for the outer isles group efforts that would be less able to collect and dispose at no/little cost.

How could you minimise or remove any potential negative impacts?	Increase support through community empowerment.
Do you have enough information to make a judgement? If no, what information do you require?	Yes
*Risk is rated as	Medium, only from a reputational perspective, there is no requirement to do this from a service perspective.
<p>*Definition of risk ratings:</p> <p>Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.</p> <p>Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.</p> <p>High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.</p>	

4. Conclusions and Planned Action

Is further work required?	No
What action is to be taken in order to mitigate the impact identified?	Work with the community empowerment team.
Who will undertake it?	N/A
When will it be done? (please provide specific dates).	N/A
How will it be monitored? (e.g. through service plans).	N/A

Signature:



Date: 29 October 2019

Name: D. A. RICHARDSON

(BLOCK CAPITALS).



Equality Impact Assessment

Budget Setting

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1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	OEDI06 – Street and Community Cleaning – reduction in service levels.
Service / service area responsible.	Infrastructure and Strategic Projects.
Name of person carrying out the assessment and contact details.	Darren Richardson, Head of Strategic Projects and Infrastructure. Extension 2310. Darren.richardson@orkney.gov.uk
Date of assessment.	18 November 2019.
What kind of spending decision is this? For example savings option or service pressures option.	This saving would result in the reduction levels/frequency of road sweeping and street cleaning in towns and villages. The proposal focuses on the removal of weekend sweeping and any other sweeping out of normal hours. This would cease and revert to scheduled Mon-Friday operation thus removing overtime costs, fuel and some limited maintenance costs. One off requests would be recharged such as volume tourism busy days etc.

2. Initial Screening	
What are the intended outcomes of the proposal?	Reduced service costs.
Is the function / policy / plan strategically important?	Yes. There is a duty under the Environmental Protection Act 1990 to keep areas free from litter and debris, how that is discharged is a matter of judgement. Removal of any level of this service would create more reputation damage than a high risk of enforcement action under the Environmental Protection Act 1990.
State who is, or may be affected by this proposal and how.	Community and local events organisers, general public and tourism sector.
How have stakeholders been involved in the development of this proposal?	There has been no direct stakeholder or customer consultation on this proposal.
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).	No.
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.	No. Towns and villages would potentially become more untidy between sweeping periods, with a noticeable potential increase in litter or other revely visible on the streets between sweeps, unless paid for separately or community organisations get involved. This is expected to be highly unpopular. Whilst the reduction in street cleaning standards might be considered marginal risk from a service impact perspective, the loss of activity to achieve this level reduction would have potentially significant reputational impacts. a reduction in out of hours activity, be that weekends or times within the week outside normal working hours will impact on the workforce but should not see a reduction in FTE's (noting other

	linked savings have now been removed from these proposals).
Could the proposal have a differential impact on any of the following equality strands?	No.
1. Race: this includes ethnic or national groups, colour and nationality.	No.
2. Sex: a man or a woman.	Yes, differential impact for male employees as the predominate workforce base providing this service if there is a loss in overtime.
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.	No.
4. Gender Reassignment: the process of transitioning from one gender to another.	No.
5. Pregnancy and maternity.	No.
6. Age: people of different ages.	Yes, differential impact for male employees as the predominate workforce base providing this service if there is a loss in overtime. Potential differential and negative impact for pedestrians who are less mobile due to age with pavements and roads being more slippery.
7. Religion or beliefs or none (atheists).	No.
8. Caring responsibilities.	No.
9. Care experienced.	No.
10. Marriage and Civil Partnerships.	No.
11. Disability: people with disabilities (whether registered or not).	Yes, potential differential and negative impact for pedestrians who are less mobile due to disabilities with pavements and roads being more slippery.
12. Socio-economic disadvantage.	No.
13. Isles Proofing	No. There is no additional provision to address Isles sweeping on the basis that this function predominantly services urban and higher population centres which are not typically found in the outer Isles.

3. Impact Assessment	
Does the analysis above identify any differential impacts which need to be addressed?	Yes
How could you minimise or remove any potential negative impacts?	N/A
Do you have enough information to make a judgement? If no, what information do you require?	Yes
*Risk is rated as	Medium
<p>*Definition of risk ratings:</p> <p>Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.</p> <p>Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.</p> <p>High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.</p>	

4. Conclusions and Planned Action	
Is further work required?	No, just a change to internal process
What action is to be taken in order to mitigate the impact identified?	None
Who will undertake it?	Environmental Services
When will it be done? (please provide specific dates).	By 01 April 2020
How will it be monitored? (e.g. through service plans).	More so through the Service Plan rather than as a Performance Indicator (i.e. keep Scotland beautiful reports via LEAMS/soon to be replaced by COPLAR).

Signature



Name: D. A. RICHARDSON

Date: 18 November 2019

(BLOCK CAPITALS).

Equality Impact Assessment

Budget Setting

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1. Identification of Function, Policy or Plan	
Name of proposal to be assessed.	EHD101 – Public toilet introduce charges.
Service / service area responsible.	Infrastructure and Strategic Projects.
Name of person carrying out the assessment and contact details.	Darren Richardson, Head of Strategic Projects and Infrastructure. Extension 2310. Darren.richardson@orkney.gov.uk
Date of assessment.	29 October 2019.
What kind of spending decision is this? For example savings option or service pressures option.	This would address cost pressures in the service.
2. Initial Screening	
What are the intended outcomes of the proposal?	Reduced service costs.
Is the function / policy / plan strategically important?	This is a corporate choice to provide public ally managed toilets, noting that there is a significant seasonal tourism demand (predominately cruise related, but noting several are also provided at tourism sites used by all categories of visitor).

State who is, or may be affected by this proposal and how.	General public and tourism sector.
How have stakeholders been involved in the development of this proposal?	Not directly, noting that there is a tourism working group looking at this and related aspects that will lead to a consultation with stakeholders.
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see engagement and consultation resources on OIC information portal).	Not directly from an equalities perspective, much of the data is statistical in terms of the cost of use. There is data available on charging and where this has been put in place. Charges for toilets across comparable Council areas is now not uncommon (50p in Golspie, 30p in Girvan). When St Magnus Lane Toilets were fee based (20p fee) income of between £1 and £2k per year was achieved. This ceased in 2010 prior to the marked increase in summer tourism which could indicate that this toilet, if fee based could realistically generate up to £5k a year at 30p fee. If all PC were to be converted to fee-based services, it is reasonable to assume double that income over the 11 PC facilities in total).
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.	No.
Could the proposal have a differential impact on any of the following equality strands?	No.
1. Race: this includes ethnic or national groups, colour and nationality.	No.
2. Sex: a man or a woman.	Yes, potential differential impact for women as greater users (primary carers, part-time workers and life expectancy).
3. Sexual Orientation: whether a person's sexual attraction is	No.

towards their own sex, the opposite sex or to both sexes.	
4. Gender Reassignment: the process of transitioning from one gender to another.	No.
5. Pregnancy and maternity.	Yes, differential and negative impact due to usage and possible limited disposable income.
6. Age: people of different ages.	Yes, differential and negative impact for some older people due to the increased importance of availability of public toilets and potential limited disposable income.
7. Religion or beliefs or none (atheists).	No.
8. Caring responsibilities.	No.
9. Care experienced.	No.
10. Marriage and Civil Partnerships.	No.
11. Disability: people with disabilities (whether registered or not).	Yes, differential and negative impact due to the increased importance of public toilets and potential restricted disposable income.
12. Socio-economic disadvantage.	Yes, differential and negative impact due to limited disposable income.
13. Isles Proofing	No.
3. Impact Assessment	
Does the analysis above identify any differential impacts which need to be addressed?	No
How could you minimise or remove any potential negative impacts?	Good information on the location of toilets and signage to direct users, picking this up in tourism information about charges and the tariff/coinage used.
Do you have enough information to make a judgement? If no, what information do you require?	Yes
*Risk is rated as	Medium, noting that this has been raised several times in budget processes and the alternate approach to re-open closed facilities is noted, therefore this proposal may come with higher reputational risks if closures or charging to recover cost was implemented.

*Definition of risk ratings:

Low: No mitigation required. The assessment demonstrates that there is no / low disproportionate impact on any of the protected characteristics. Primarily this is where savings proposals are focused on systems and process rather than people related services.

Medium: Mitigation identified. The assessment has identified a differential or negative impact on one or more of the protected characteristics but can be mitigated by some other action. The assessment includes specific mitigating actions which will reduce the impact.

High: No mitigation. The assessment has identified an impact on one or more of the protected characteristics and no mitigating action has been identified to reduce this. Or the information has not provided a sufficiently robust understanding of the impact of the proposal.

4. Conclusions and Planned Action

Is further work required?	Yes, in terms of the infrastructure needed should the proposal be approved and the subsequent funding in capital terms for equipment.
What action is to be taken in order to mitigate the impact identified?	Awareness raising of the location of retained but charged for facilities.
Who will undertake it?	Service supported by comms team.
When will it be done? (please provide specific dates).	1st April noting a period of time to effect possible closure works (stripping out, disconnection, possible demolition as well as charging infrastructure) likely to be within 2020/21 but not until Q4.
How will it be monitored? (e.g. through service plans).	Through periodic reporting of cost and spend via the committee process.

Signature:



Date: 29 October 2019

Name: D. A. RICHARDSON

(BLOCK CAPITALS).

Equality Impact Assessment

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of function / policy / plan to be assessed.	SCOHC01 - Removal of Grants payable to Lunch Clubs
Service / service area responsible.	Orkney Health and Care
Name of person carrying out the assessment and contact details.	Lynda Bradford, Acting Head of Health and Community Care. Extension 2605. Lynda.bradford@orkney.gov.uk
Date of assessment.	22/11/19
Is the function / policy / plan new or existing? (Please indicate also if the service is to be deleted, reduced or changed significantly).	The proposal is to remove the annual grant payable to each lunch club in order to reduce expenditure

2. Initial Screening	
What are the intended outcomes of the function / policy / plan?	The proposal is to remove the annual grant payable to each lunch club in order to reduce expenditure
Is the function / policy / plan strategically important?	Yes, if approved it will reduce expenditure
State who is, or may be affected by this function / policy / plan, and how.	Everyone who attends the current lunch clubs which are Orkney wide

How have stakeholders been involved in the development of this function / policy / plan?	Not involved at this point.
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see equalities resources on OIC information portal).	There is national evidence to show that preventative measures introduced early on can reduce the need for the provision of social and health care services.
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.	N/A
Could the function / policy have a differential impact on any of the following equality areas?	(Please provide any evidence – positive impacts / benefits, negative impacts and reasons).
1. Race: this includes ethnic or national groups, colour and nationality.	No
2. Sex: a man or a woman.	No
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.	No
4. Gender Reassignment: the process of transitioning from one gender to another.	No
5. Pregnancy and maternity.	No
6. Age: people of different ages.	Yes, those attending lunch clubs are generally older people.

7. Religion or beliefs or none (atheists).	No
8. Caring responsibilities.	Yes, it is possible that informal respite will be reduced if lunch clubs are unable to continue to function.
9. Care experienced.	No
10. Marriage and Civil Partnerships.	No
11. Disability: people with disabilities (whether registered or not).	Yes, it is likely that some people who currently attend lunch clubs will have a disability.
12. Socio-economic disadvantage.	Yes, it is likely that some people who currently attend lunch clubs will be economically disadvantaged.
13. Isles-proofing.	Yes, there are lunch clubs on both the mainland and isles although they are predominantly on the Isles.

3. Impact Assessment

Does the analysis above identify any differential impacts which need to be addressed?	Yes, it will be predominantly older people and their carers living on the Isles who will be directly affected. If approved these differential impacts cannot be entirely addressed. Potential reduction in variety and choice of support in different parts of the community.
How could you minimise or remove any potential negative impacts?	We would ensure information was provided about other social opportunities available in the locality. The loss of the lunch club attendance may lead to particular individuals requiring to have care needs assessed with signposting to alternative service providers however there could be an increased demand on statutory Social Care services which would be more expensive.
Do you have enough information to make a judgement? If no, what information do you require?	No – the funding provided

4. Conclusions and Planned Action	
Is further work required?	Yes
What action is to be taken?	Public consultation exercise. If approval to cease grant given notice period to Lunch Clubs will be required.
Who will undertake it?	OHAC and Procurement Officers
When will it be done?	To follow budget setting process
How will it be monitored? (e.g. through service plans).	Results from public consultation would require to be considered by the OHAC Committee

Signature:

Date: 9 December 2019



Name: LYNDA BRADFORD

(BLOCK CAPITALS).