

Bolton Council

Report to: Council

Date: 24th February 2016

Report of: Borough Treasurer Report No:

Contact Officer: S Johnson Tele No: Ext. 1502

Report Title: **2016/17 Budget Report**

Purpose:

This report provides:

1. The final details of the 2016/17 Revenue Budget
2. Options to inform Council Tax setting
3. An update on the 2 year savings position as agreed in last year's Budget Setting process

Recommendations:

It is recommended that Council approve:-

- (a) The Budget for 2016/17
- (b) The Council Tax for 2016/17

Background Doc(s):

Local Government Finance Report (England) 2016-17 released 8th February 2016.
Key information for local authorities: final local government finance settlement 2016 to 2017 released 8th February 2016
2015/16 and 2016/17 Budget Report to Council on 25th February 2015

1. **INTRODUCTION**

Background

At its meeting on 25th February 2015 Council approved its 2015/16 budget and a budget reduction programme for the financial years 2015/16 and 2016/17. This report sets out the updated position in respect of those budget reductions and updates Council on the Government settlement on 8th February 2016.

Cabinet 15th February 2016

At the meeting of the Cabinet on the 15th February 2016, Cabinet agreed that in respect of the Revenue Budget 2016/17 to recommend to the Council the following;

- That the Council Tax for 2016/17 be increased by 3.5%, represented by a 2% increase for Adult Social Care and a 1.5% general increase

2. **PROJECTED OUTTURN 2015/16**

The projected 2015/16 outturn expenditure (excluding Schools and Parish Precepts) is £206.99m and as a consequence of this, available General Fund balances are expected to be approximately £10.66m at the 31st March 2016. The above projected 2015/16 figures also assume spending delegated to schools will be in line with the budget. School balances, as required by legislation, are carried forward for the sole use of schools.

3. **GOVERNMENT SETTLEMENT**

On 8th February 2016 the Government announced its Revenue Support Grant (RSG) Settlement for Local Government for 2016/17. The Council was forecasting a reduction in RSG of 23.6%. The RSG figures announced were on the face of it slightly better than expected (a 21% reduction). However some grants previously identified separately have been combined into the RSG total, for example Council Tax Freeze Grant and when these are taken into consideration the overall reduction is 24.5%. As a result the previously approved savings required for 2016/17 (£18.3m) have been revised upwards to £19.4m.

Councils will be able to raise their council tax by 2% for Adult Social Care. This increase will have to be entirely for that purpose and the Borough Treasurer is required to provide a statement to government to that effect. This is on top of any proposed increase to the general council tax, meaning the council tax referendum limit for 2016/17 is 4%.

The settlement also provided the option for Councils to set a 4 year budget up to and including 2019/20. Provisional allocations have been provided as part of the settlement and Authorities have until 14th October 2016 to apply. No further details have been released at this stage, for example the "efficiency plan" that must accompany acceptance of this option. The Council intends to accept this 4 year settlement

4. **EXPENDITURE FORECAST**

Taking into consideration the latest government figures, an updated expenditure forecast for 2016/17 is shown in the table below. Principal changes include a reduction in Dedicated Schools Grant as a result of more schools taking up Academy status, increased Public Health costs from the transfer of under 5 year olds and reduced inflation estimates as a result of lower fuel inflation factors. This forecast is based on the assumption that council tax will increase by 2% for Adult Social Care plus 1.50% for the general levy.

	Original Forecast 2015/16 £000s	Original Forecast 2016/17 £000s	Latest Forecast 2016/17 £000s
Expenditure			
Previous Year's Budget	477,458	465,099	465,099
Additional Public Health Transfer	-116		3,809
Schools DSG Change	2,555		-7,486
Adult Svs New Burdens Grant Loss			1,379
Non School Services			
Inflation	4,249	4,053	3,627
WDA/PTA	1,525	1,525	1,525
Other Corporate			1,360
Pensions	804	817	819
National Insurance Changes		1,808	1,876
Adult & Children's Growth Pressures	1,000	1,000	1,000
Living Wage Supplement			120
Loss of Local Welfare Fund Grant	1,214		
Savings to be identified	-23,590	-18,330	-19,447
Budget Requirement	465,099	455,972	453,681
Resources			
Direct Schools Grant	229,036	229,036	221,550
Public Health Funding	18,790	18,790	22,599
Education Services Grant	4,250	4,000	3,890
New Homes Bonus	4,036	4,700	4,521
Use of Reserves	2,000	2,000	2,000
Retained Local Business Rate	43,541	44,401	43,050
Business Rates Top Up	19,172	19,555	19,332
Council Tax Contribution - Base Adjustment (incl Contribution from Collection Fund)	89,984	91,783	91,541
Council Tax Contribution - Adult Social Care			1,823
Council Tax Contribution - General Levy			1,367
Council Tax Freeze Grant	1,071	1,071	
Revenue Support Grant	53,219	40,636	42,008
Total	465,099	455,972	453,681
Council Tax Increase	0%	2%	3.50%

Further details of expenditure and income can be seen in Appendices A & B. Appendix C contains details of the major movements on the Financial Arrangements account which deals with the strategic transactions of the council which fall outside the remit of any one service

5. SAVINGS

In February 2015 the Council approved a two year budget, which identified the requirement to find between £38.5 million to £45.2 million of savings. Further analysis has shown that the actual amount of savings required to balance the budget was £43.720m. The table below shows how

these are being met by services as reported in the quarter 3 2015/16 aggregate monitor. Full details are shown in Appendix D. As the savings are realised the full year effect of some may only be fully recognised in 2017/18. The additional £1.1m of savings for 2016/17 outlined above due to the Settlement have been identified and incorporated in the table below.

	Saving Achieved	Savings to be achieved by	Total Delivered or Expected by	Savings in Consultation or Development		Savings Still to be Developed	Total
	15/16 & 16/17	31/03/2016	31/03/2016	2016/17	2017/18		
	£m	£m	£m	£m	£m	£m	£m
Adult Services	0.400		0.400	2.600	3.250		6.250
Children's Services	0.850		0.850	1.230	0.940		3.020
Environmental Services	2.950		2.950	2.350			5.300
Development & Regeneration	0.942		0.942	1.358			2.300
Chief Executive's	1.108		1.108	1.142			2.250
Corporate	9.808	1.400	11.208	7.960	2.000	1.400	22.568
Public Health		1.864	1.864	1.136			3.000
	16.058	3.264	19.322	17.776	6.190	1.400	44.688

6. RESERVES

Appendix E outlines the current projected position on reserves as at 31st March 2016, split by category, and provides some information of the implications of not holding these reserves.

7. SETTING THE COUNCIL TAX

The Secretary of State has announced that the Referendum limit for 2016/17 is 4%. However within this is the assumption that councils will raise up to 2% specifically for Adult Social Care with any increase beyond that to fund general service expenditure. Raising the council tax by 2% would generate £1.8m in additional income. There is no council tax freeze scheme for 2016/17 as has been offered in previous years.

8. RESOURCING OF THE SAVINGS PROGRAMME

Money has been set aside to support the development and delivery of the 2015-17 savings plan and to provide cash flow support to the budget

9. FINANCIAL RISKS

Members will be aware that the Borough Treasurer has provided advice on the recommended level of Balances to be maintained previously. The full detail including an identification of financial risks is set out in Appendix F. However, in summary this advice is as follows:

Currently it is estimated that available Balances as at the 31st March 2016 will be £10.66m. The Borough Treasurer's advice to Members is that, as a minimum, Balances of £10.0m or higher should be maintained based upon the Borough Treasurer's understanding of the risks and financial issues facing the Council over the next 3 years and the proposals around the Budget, as identified in this report. Should Members wish to agree any additional items for growth or for savings not in this report, then the Borough Treasurer will need to advise Members as to whether or not those proposals would result in an increase in the financial risk facing the Council and therefore a need for a higher level of Balances to be set as a minimum.

10. PARISH PRECEPTS

The individual parish precepts are shown below with comparative figures for last year.

	2015/16	2016/17
	£	£
Blackrod	53,858	54,608
Horwich	185,836	185,836
Westhoughton	130,750	130,750

As required by the Local Government Finance Act 1992, the Parish Precepts need to be added to Bolton's budget requirement.

11. BUSINESS RATES

The recent Government statement has provided final figures for Revenue Support Grant (£42.008m) and Business Rates Top-up (£19.332m). It should be noted that the National Non Domestic Rate next year is 48.4p in the pound for small businesses and 49.7p in the pound for larger businesses.

12. COUNCIL TAX

As stated above the Secretary of State has announced that the Referendum limit for 2016/17 is 4% of which 2% must be directly allocated to Adult Social Care. There is no freeze grant option for 2016/17. A 3.5% increase in Council Tax for Bolton Council is the equivalent to an additional 57p per week on Band A properties which are more than 40% of the properties in Bolton.

Police and Fire Authority Precepts

The Fire and Civil Defence Authority Precept and the Precept for the Police Authority have been set as follows:-

	Band A	Band D
	£	£
Police	104.87	157.30
Fire & Civil Defence	39.18	58.78

This equates to a £5.00 increase on a Band D equivalent property for Greater Manchester Police Authority and a 1.99% increase on a Band D equivalent property for Greater Manchester Fire and Civil Defence Authority.

On the basis of a total budget requirement of £199.1m (i.e. total expenditure less Dedicated Schools Grant, New Homes Bonus, Public Health funding and Use of Reserves) the balance to be raised from Council Tax is £94.7m as shown below:-

	2015/16		2016/17	
	£000s	£000s	£000s	£000s
Bolton		205,916		199,121
Parish Precepts		370		371
Budget Requirement		206,286		199,492
Less				
Collection Fund (Council tax)		400		400
		205,886		199,092
Less Income				
Revenue Support Grant	53,219		42,008	
Business Rates Top-Up	19,172		19,332	
Non Domestic Rates	43,541	115,932	43,050	104,390
Balance to be raised from Council Tax		89,954		94,702

The Council Tax base for tax setting purposes in 2016/17 is 71,396 Band D equivalent properties.

The basic amount of Council Tax for that part of the Council's area where no Parish Precepts apply but including the Police and Fire and Civil Defence precepts, is £1,024.88 for a Band A property and £1,537.32 for a Band D property.

The Council Tax bases for tax setting purposes for the Town Council areas are as follows:-

	Tax Base in Band D Equivalentents
Blackrod	1,867
Horwich	7,262
Westhoughton	8,394

The resultant additional Council Tax in each Town Council area for Band A and Band D properties are as follows:-

	Additional Council Tax Band A	Additional Council Tax Band D
	£	£
Blackrod	19.50	29.25
Horwich	17.06	25.59
Westhoughton	10.39	15.58

The above figures relate to Band A and D properties. The table below shows the total Council Tax for all Bands in the various areas (i.e. including Police and Fire precepts):-

	Parish of Blackrod	Parish of Horwich	Parish of Westhoughton	All other parts of the Council's area
	£	£	£	£
Band A	1,044.38	1,041.94	1,035.27	1,024.88
Band B	1,218.43	1,215.58	1,207.80	1,195.68

	Parish of Blackrod	Parish of Horwich	Parish of Westhoughton	All other parts of the Council's area
Band C	1,392.49	1,389.24	1,380.34	1,366.49
Band D	1,566.57	1,562.91	1,552.90	1,537.32
Band E	1,914.70	1,910.23	1,897.99	1,878.95
Band F	2,262.82	2,257.53	2,243.08	2,220.57
Band G	2,610.95	2,604.85	2,588.17	2,562.20
Band H	3,133.14	3,125.82	3,105.80	3,074.64

For information Appendix G sets out a comparison between the level of Council Tax in 2015/16 and 2016/17 (for those areas which do not include the Parish Council Precept) and the percentage of properties in each band.

Around 46% of households will receive reduced Council Tax bills through the Council Tax Support Scheme and Personal Discounts. For Council Tax the maximum support through the Council Tax Support Scheme is 100%. Some households will, therefore, not pay Council Tax. This will be highlighted on their bill. Consequently at this stage it is not possible to give an average bill.

Council Tax Billing

The Budget contained in this report assumes that the Council Tax is set at the Council Meeting on the 24th February 2016. Should the Council not be able to set the Council Tax on that day then a week's delay will put back the processing and distribution of Council Tax bills which will incur additional costs.

13. EQUALITY IMPACT ASSESSMENT

The strategic Equality Impact Assessment (EIA) remains, largely unchanged as the recommendation is to proceed with the proposals on which this analysis was completed as part of a two year budget for 2015/17.

The strategic analysis of the potential impact of each option on groups with protected characteristics has been produced in as much detail as possible at this stage and will be further expanded when more information is available:

- Individual EIAs on each individual budget option will be produced, including the analysis of impact on citizens and staff by protected characteristic, as part of the approval of individual options over the next two years
- Information to show how the council is complying with the general equality duty, in relation to its workforce and its services is also published in January of each year in line with our specific public sector equality duties. This includes detailed analysis of the workforce.

The Council is aware that it also has a duty to have regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity, and to foster good relations between people who share a protected characteristic and those who do not. The Council has responded to this duty by identifying the strategic priorities that will be maintained despite diminishing resources and by reaffirming the strategic commitment to the work of the Council which underpins the aims of the Bolton Community Strategy, including:

- To maximise economic prosperity in Bolton ensuring economic growth, development, regeneration and job creation. The Council has also invested in a Borough anti-poverty strategy, to help manage the impact of the economic climate on our most financially vulnerable citizens

- Narrowing the Gap in respect of key outcomes in health inequalities, children and young people, crime and disorder, the environment, housing etc
- Ensuring that the most vulnerable are impacted least by budget reductions and the associated implications, as far as possible
- At a Greater Manchester level contributing to economic growth at a City Region level to create growth and employment
- Being at the forefront of Public Service Reform within Greater Manchester, which seeks to ensure public services work effectively together to reduce demand and dependency on public services by developing models of early intervention and tackling complex dependency. This work includes the integration of health and social care and making linkages between economic growth and residents who are workless.

14. RECOMMENDATIONS

It is recommended that Council approve:-

- (a) The Budget for 2016/17
- (b) The Council Tax for 2016/17

A Draft Substantive Council Tax Resolution is set out in Appendix H.

15. APPENDICES

Appendix A	General Fund Summary
Appendix B	Subjective Analysis
Appendix C	The Financial Arrangements Account
Appendix D	Savings 2015-17
Appendix E	Review of Reserves
Appendix F	General Fund Balances/Financial Risks
Appendix G	Council Tax (Non Parish Council Areas)
Appendix H	Draft Substantive Council Tax Resolution
Appendix I	Equality Impact Assessment

GENERAL FUND SUMMARY

	2015/16 Original Estimate	2016/17 Original Estimate
	£000	£000
Children's Services	278,372	271,239
Adult Services	68,285	68,497
Public Health	18,790	22,599
Environmental Services	25,620	24,671
Development & Regeneration	10,742	10,550
Housing	2,187	1,796
Central etc	27,875	29,429
Financing and Investing	11,582	9,082
Levies	43,366	42,291
Miscellaneous	1,871	-7,026
Savings	-23,590	-19,447
Net Exp	465,099	453,681
Parishes	370	371
Sub Total	465,469	454,052
Income		
Direct Schools Grant	229,036	221,550
Retained local business rates	43,541	43,050
Collection fund transfer	400	400
Council Tax Contribution - Base Adjustment	89,584	91,141
Council Tax Contribution - Adult Social Care		1,823
Council Tax Contribution - General Levy		1,367
Council Tax contribution - Parishes	370	371
CT 'Freeze' Grant	1,071	0
New Homes Bonus	4,036	4,521
Business Rates Top-Up	19,172	19,332
Revenue Support Grant	53,219	42,008
Education Services Grant	4,250	3,890
Reserves	2,000	2,000
Public Health	18,790	22,599
Total	465,469	454,052
Council Tax Increase	0%	3.50%

SUBJECTIVE ANALYSIS

	2015/16 Original Estimate	2016/17 Original Estimate
Expenditure		
Employees	297,676	297,726
Premises	36,631	37,725
Transport	19,113	19,128
Supplies and Services	77,057	66,987
Agency / Third Party	98,277	99,753
Transfer Payments	147,598	151,341
Capital Costs	17,113	12,747
Total Expenditure	693,465	685,407
Income		
Grants & Contributions	127,037	137,576
Customer & Client Receipts	68,575	66,266
Rent	6,576	6,046
Interest & Dividends	2,588	2,391
Total Income	204,776	212,279
Savings	-23,590	-19,447
Net Expenditure *	465,099	453,681
* Before Direct Schools Grant of	229,036	221,550

THE FINANCIAL ARRANGEMENTS ACCOUNT

	2015/16 Original £'000s	2016/17 Original £'000s	Comment
Corporate Financing Costs	13,315	11,003	
Transferred Debt	1,507	1,507	
Interest and Contributions	-768	-958	
Airport Dividend	-1,000	-1,000	
Airport Rents	-414	-414	
Airport Loan Interest	-1,076	-1,076	
Debt Management	20	20	
Total Financing and Investing	11,584	9,082	
Waste disposal Levy	21,783	20,808	
Land Drainage Levy	129	131	
Transport Levy	21,452	21,352	
Total Levies	43,364	42,291	
Former Employee Pensions	852	852	
Car Parks	-350	-350	
Miscellaneous	1,369	-7,528	Includes use of cash flow reserve for the 15-17 savings options not yet achieved
Use of Budget Balancing Reserve	-2,000	-2,000	£8m set aside in February 2013 - last year is 16/17
Education Services Grant	-4,250	-3,890	
New Homes Bonus	-4,036	-4,521	
Total Miscellaneous	-8,415	-17,437	
Total	46,533	33,936	

SAVINGS 2015-17

	Saving Achieved	Savings to be achieved by	Total Delivered or Expected by	Savings in Consultation or Development		Savings Still to be Developed	Total
	15/16 & 16/17 £m	31/03/2016 £m	31/03/2016 £m	2016/17 £m	2017/18 £m	£m	£m
Adult Services							
ASDM for adults social care			0.000	1.550	2.000		3.550
General efficiencies and small scale savings (Healthwatch / Transport routing)			0.000	0.150			0.150
Review of care delivery	0.250		0.250	0.500	0.750		1.500
Review of commissioned activity within former Supporting People Grant	0.150		0.150	0.400	0.500		1.050
Total Adult Services	0.400	0.000	0.400	2.600	3.250	0.000	6.250
Chief Executive's							
Accountancy			0.000	0.184			0.184
Audit			0.000	0.086			0.086
Cash limited budgets	0.800		0.800	0.107			0.907
Democratic Services			0.000	0.148			0.148
Exchequer Services			0.000	0.196			0.196
Legal Services	0.058		0.058				0.058
PPC			0.000	0.108			0.108
Property			0.000	0.313			0.313
Review of Voluntary Sector Grants	0.250		0.250				0.250
Total Chief Executive's	1.108	0.000	1.108	1.142	0.000	0.000	2.250
Children's Services							
General Efficiencies inc Voluntary Sector (5 reviews)	0.170		0.170	0.730	0.190		1.090
Review of Children's centres			0.000	0.500	0.750		1.250
Review of Youth, Sport, Play Services (5 reviews)	0.680		0.680				0.680
Total Children's Services	0.850	0.000	0.850	1.230	0.940	0.000	3.020
Corporate							
Accommodation			0.000			1.200	1.200
Better Care Fund	5.158		5.158				5.158
Business rates	0.500		0.500				0.500
Council Tax base	1.300		1.300				1.300
Council Tax benefits			0.000		2.000		2.000
Cross Cutting - 2 reviews Admin and Digital Phase 1			0.000	1.406			1.406
Cross Cutting - 2 reviews Admin and Digital Phase 2/3			0.000	3.594			3.594
Efficiency / Procurement			0.000	0.500			0.500
Empty Property			0.000	1.300			1.300
Governance			0.000			0.200	0.200
Local Welfare Scheme	0.250		0.250				0.250
Repayment of Debt (MRP)		1.400	1.400				1.400
Transport levy	1.100		1.100				1.100
Transport levy			0.000	1.000			1.000
Waste Disposal Authority levy	1.500		1.500				1.500
Workforce Development			0.000	0.160			0.160
Total Corporate	9.808	1.400	11.208	7.960	2.000	1.400	22.568
Development & Regeneration							
Income and efficiencies within planning, contracts, skills and building control	0.231		0.231	0.058			0.289
Removal of Events Budget			0.000	0.206			0.206
Review of funding and subsidies including leisure subsidy	0.095		0.095	0.205			0.300
Review of Housing Services	0.566		0.566				0.566
Review of Housing Strategy, Economic Development and Strategic Development	0.050		0.050	0.589			0.639
Review of Libraries & Museums			0.000	0.300			0.300
Total Development & Regeneration	0.942	0.000	0.942	1.358	0.000	0.000	2.300
Environmental Services							
Joint service provision with Wigan	0.500		0.500	1.500			2.000
Reductions in highways insurance and electricity energy budget	0.600		0.600	0.200			0.800
Review of area working and neighbourhood management			0.000	0.250			0.250
Review of subsidies within Community Services	0.600		0.600	0.400			1.000
Waste Collection Service	1.250		1.250				1.250
Total Environmental Services	2.950	0.000	2.950	2.350	0.000	0.000	5.300
Public Health							
Commissioning		0.960	0.960	1.060			2.020
General Efficiencies		0.478	0.478				0.478
Vacant Posts		0.426	0.426	0.076			0.502
Vacant Posts			0.000				0.000
Total Public Health	0.000	1.864	1.864	1.136	0.000	0.000	3.000
Grand Total	16.058	3.264	19.322	17.776	6.190	1.400	44.688

RESERVES

Service	Category of Closing Balance 2015/16								
	Revised Opening 01/04/15	Activity in Year 2015/16	Closing balance 31/03/16	Legal requirements	Existing commitments	To cover key areas of future spend	To cover key areas of risk	Service general contingencies	Available for re-allocation
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Adult Services	10,689	-1,348	9,341	1,627	3,625	2,273	819	997	0
Schools and DSG	20,305	-6,075	14,230	6,052	8,178	0	0	0	0
Children Services	10,887	-1,758	9,129	3,060	581	2,238	698	2,552	0
Chief Exec - Depart'l	1,161	-234	927	125	230	81	0	491	0
Chief Exec - Corporate	15,042	-1,779	13,263	60	719	6,380	6,104	0	0
Devel & Regeneration	11,596	613	12,209	4,261	5,365	1,118	948	295	222
Environmental Services	10,781	-1,715	9,066	1,999	3,950	1,866	1,039	0	212
Corporate Accounting	19,023	0	19,023	19,023	0	0	0	0	0
Financial Services	83,131	-33,638	49,493	160	16,040	25,731	7,562	0	0
General Fund	10,660	0	10,660	10,660	0	0	0	0	0
Total	193,275	-45,934	147,341	47,027	38,688	39,687	17,170	4,335	434

Revenue Impact of not holding key Reserves

If we were not to hold these Reserves then there would be a direct impact on the Revenue Budget in the order of £6m. This would be from having to provide a Contingency Budget to meet certain risks or additional costs that the Council will be facing in the future. These are set out below:-

	£m
ICT replacements (would need an annual contribution to meet these costs)	2.0
Redundancy/redeployment (if we did not hold Reserves we would have to capitalise these costs – if Government agree)	2.0
Equal Pay (if we did not hold Reserves we would have to capitalise these costs – if Government agree)	0.5
Corporate contingencies – Energy etc. (would need a specific Contingency provision)	0.5
Service contingencies (would need a specific contingency provision)	1.0

	6.0

Report to: Cabinet

Date: 15th February 2016

Report of: Borough Treasurer

Report No:

Contact Officer: Sue Johnson

Tele No: Ext 1502

Report Title: **General Fund Balances/Financial Risks**

Non -Confidential:

This report does **not** contain information which warrants its consideration in the absence of the press or members of the public

Purpose:

To outline the Borough Treasurer's advice on the Financial Risks facing the Council and the appropriate level of Balances to be maintained

Recommendations:

That the minimum level of Balances for 2016/17 should be £10.0m or higher if possible.

1. **INTRODUCTION**

The council maintains two types of revenue reserves, earmarked reserves and general reserves (Balances). Earmarked reserves are set aside for specific purposes/ commitments whereas general Balances are maintained to support the overall Council's cash-flow and meet any unforeseen contingencies/demands.

This report considers the current level of general Balances, evaluates the reasons why Balances are maintained (i.e. the general financial risks facing the Council) and provides advice on the appropriate level of Balances to be maintained by the Council in the light of Guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA). Appendix C sets out the Council's current position in respect of Reserves.

2. **NEED FOR GENERAL BALANCES**

Whilst the Council's annual Budget provides resources to meet any known liabilities or expenditure requirements, Balances are amounts which are set aside to meet unexpected changes in the Budget and to finance demands for resources which cannot be predicted and are assessed on the basis of the general financial risks facing the Council.

The requirement for Balances is acknowledged in statute with Section 32 of the 1992 Local Government Finance Act requiring Authorities to have regard to the level of Balances needed to meet estimated future liabilities when calculating their Budget requirement. The Chief Finance Officer has the responsibility to ensure that the Council maintains a balanced Budget with powers under Section 114 of the 1998 Local Government Finance Act to report to the Council should its liabilities be in danger of exceeding its resources. Equally, the External Auditor has a responsibility to review and report on the Council's financial standing. Further requirements within the 2003 Local Government Finance Act reinforce the above with additional monitoring and reporting responsibilities.

In drawing together the Council's capital and revenue budgets and four year financial strategy, the level of general Balances and Financial Risks are always carefully considered. The provision of an appropriate level of Balances is therefore a fundamental part of prudent financial management.

3. **MINIMUM LEVEL OF RESERVES**

Authorities should maintain Balances equivalent to 3% of their Budget, for 2016/17 this would amount to approximately £15m. However, whilst this is recommended guidance, the decision on the appropriate level of Balances is one for the Council, with advice from its Borough Treasurer, to determine. There are several factors/financial risks that need to be taken into account in considering what is a prudent level of Balances:

i) **Revenue Contingencies**

The Council does not maintain a general contingency within its revenue budget but relies on in year savings and Balances to meet any unexpected demands. For example, a pay increase of 0.5% more than that allowed for in the Budget would cost £650,000, excluding Teachers. A price variation of 0.5% would cost £1.25m.

ii) **Interest**

In recent years the Council has been successful in managing the interest that it pays out/receives and savings in this area have generally added to Balances. However, fluctuations in interest rates cannot be totally forecast and given the Council's overall debt of approximately £79m an unexpected increase in interest rates would increase the Council's costs.

iii) Capital

The Council now has a capital programme in the order of £45m per annum. Within the capital programme there are no contingencies and whilst the programme is actively monitored and managed, there is the potential for a demand on Balances from any capital overspend. In addition because of the economic climate there may be difficulties in generating the level of Capital Receipts assumed in the capital programme. For 2016/17 this has been included at £2m.

iv) Economic Climate

The downturn in the general economic climate continues to create pressures for the Council in several ways. Demand for services, particularly those to support business, support those who are unemployed and to process benefits is increasing. In addition, several of the income/revenue streams may be affected by reduced demand/take up. Both the above items have been reflected in the budget but the change in demand cannot be absolutely forecast and therefore there may be changes in cost/income levels during the year.

v) Council Tax Support Scheme

From 1st April 2013 the Council introduced a Local Council Tax Support Scheme. The full risk of increasing numbers of claimants and greater individual claimant eligibility remains within the Council. This is a major risk to the Council's resources, particularly in the early years of the new schemes.

vi) Local Business Rates

From 1st April 2013 Business Rates were changed from a National to a Local scheme. This means that the Council faces 49% of the risk of non-collection due to businesses failure to pay or going into administration. In the current economic climate this risk is significant. The Business Rates assumptions provide a £0.5m provision against such losses and the Government provides an overall safety net. However, this safety net is based upon losses amounting to 7.5% of the total Business Rates or approximately £4.5m. Overall therefore the Council faces having to meet any losses between £0.5m and £8.5m from General Balances.

vii) Un-predictable Demand Led Expenditure

Major parts of the Council's Budget, particularly in Social Care Services and Education are "demand led" and as we have seen in previous years, can create significant demands for increased expenditure during the year. Services maintain modest Reserves of their own, currently £2.7m to meet minor Budget variations.

viii) Emergencies

The Council is required to maintain provision to meet the cost of emergencies that cannot be met from main Budgets or by Insurance. Significant costs on emergencies are met by Central Government under the "Bellwin Scheme" but these are only triggered once the Council's expenditure has exceeded a pre-determined limit (0.1% of the revenue budget which is currently £440,301). Costs above this limit are covered by Central Government but only up to 85%.

ix) Unexpected Demands

Balances also need to provide sufficient resources to meet unexpected demands, particularly those that result from a legal decision, a change in Government legislation or

a determination of Government legislation. In the past the Council has had to fund several major issues of this nature.

x) Service Deficits

Balances are also required to offset any Budget deficits carried forward or generated during the year by services as allowed under Financial Regulations.

xi) General Risks

It is also important to weigh up the general risks facing the Council and evaluate what any potential financial impact may result from these risks. The Borough Treasurer and the Head of Internal Audit and Risk have undertaken a review of these risks. The areas with a potentially significant financial impact are as follows:

Economic Climate
Changes in Government Funding
Potential Legal Claims
External Suppliers going into Administration

These have been taken into account in the overall evaluation of the minimum level of Balances to maintain.

4. REVIEW OF 2016/17 RESERVES POSITION

The last quarterly report estimated available Balances at 31st March 2016 at £10.7m. The review of the last 12 months does not suggest that there are any additional factors to take into account in 2016/17, other than those referred to in this note, although it is difficult to predict whether the economic climate will add further to the demands on the Council's services or reduce the income we receive. On this basis I am recommending that the current minimum level of Balances remain at £10.0m in 2016/17.

5. BOROUGH TREASURER ADVICE ON THE MINIMUM LEVEL OF BALANCES

Section 25 of the Local Government Act 2003 requires the Section 151 Officer (Borough Treasurer) to report to the Council when it is setting its Budget/Council Tax on the "robustness of the estimates" and the "adequacy of the reserves".

Equally the Council should not hold usable Balances at too high a level as this would not be making the most effective use of the Council's overall resources when faced with significant demands for increased levels of service. Even allowing for a recommended level of Balances of £15m above, Balances at up to £18m would not be regarded as inappropriate.

At this point in time, bearing in mind the above and the size of the Council's Budget at approximately £500m, I would recommend that a minimum level of Balances for the Council to maintain would be £10m (but if possible should be at a higher level).

Use of Balances

Any future use of Balances above the recommended level is best used to support "one off" initiatives/investment. Any significant use of Balances to meet the on-going costs of services should only be considered on the basis of providing a Revenue contribution for the period of the Medium Term Financial Strategy.

6. SUMMARY

The report has set out the various factors that influence the level of Balances which must be maintained to meet any unexpected increases in expenditure or shortfall in income during the

year. The Borough Treasurer's advice is that as a minimum Balances should be maintained at £10m but if possible should be at a higher level.

COUNCIL TAX (NON PARISH AREAS INCLUDING POLICE & FIRE)

	Properties	2015/16	2016/17	Increase
	%	£	£	
Band A	41.40	990.99	1,024.88	3.42%
Band B	19.40	1,156.17	1,195.68	3.42%
Band C	17.80	1,321.33	1,366.49	3.42%
Band D	11.20	1,486.50	1,537.32	3.42%
Band E	6.00	1,816.82	1,878.95	3.42%
Band F	2.30	2,147.16	2,220.57	3.42%
Band G	1.70	2,477.49	2,562.20	3.42%
Band H	0.20	2,973.00	3,074.64	3.42%

The Police and Fire increases in percentage terms are 3.28% and 1.99% respectively resulting in an overall increase of 3.42%

DRAFT SUBSTANTIVE COUNCIL TAX RESOLUTION

- (i) That the following recommendations of the Cabinet on 15th February 2016 be approved:-
- (a) The Council be recommended to approve the Budget for 2016/17.
 - (b) That the Council Tax be increased by 3.5% in 2016/17 of which 2% be specifically for Adult Social Care and 1.5% for the general levy.
 - (c) That in respect of previous decisions taken by Members the following are recommended / re-affirmed to Council;
 - £2.5m is invested in Highway maintenance schemes including residential roads and pavements (allocated as part of 2015/17 programme);
 - £1m is invested in Aids and Adaptations in people's homes to improve their quality of life and enable them to live independently longer (approved at Cabinet 18th January 2016) in addition to the £1m investment allocated as part of the 2015/17 programme.
 - (d) That the Cabinet recommends to the Council the following in respect of the £5.5m unallocated Capital Programme Resources for 2016/17;
 - To provide an additional £1m for improved street lighting within the Borough;
 - An additional £0.5m for the Community Empowerment Fund for the voluntary and community sector;
 - £1m for improvements / additional facilities at Bolton One;
 - £1m to repair / provide additional flashing road speed warnings;
 - £1.5m for new 3G pitches in the Borough plus the potential for £1m match funding with Sports England;
 - £0.5m to develop Free Breakfast clubs in Primary Schools.
 - (e) The Council be recommended to approve the Capital Programme for 2016/17
 - (f) The Council be recommended to approve the Investment and Prudential Indicators and Treasury Strategies 2016/17 to 2018/19
- (ii) It be noted that on 9th November 2015 the Cabinet calculated
- (a) the Council Tax Base 2016/17 for the whole Council area as 71,396 (item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")); and
 - (b) for dwellings in those parts of its area to which a Parish precept relates as:

Parish Councils

The Parish of Blackrod	1,867	Band D equivalent
The Parish of Horwich	7,262	Band D equivalent
The Parish of Westhoughton	8,394	Band D Equivalent

being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as the amounts of its Council Tax base for the year 2016/17 for dwellings in those parts of its area to which one or more special items relate.

- (iii) Calculate that the Council Tax requirement for the Council's own purposes for 2016/17 (excluding Parish precepts) is £94,331,251
- (iv) That the following amounts be calculated for the year 2016/17 in accordance with Sections 31 to 36 of the Act.

(a) £199,092,445 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.

(b) £104,390,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

(c) £94,702,445 being the amount by which the aggregate at (iv)(a) above exceeds the aggregate at (iv)(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).

(d) £1,326.44 being the amount at (iv)(c) above (Item R), all divided by Item T ((ii)(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).

(e) £371,194.00 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act, each individual parish precept being:

Blackrod £ 54,608
 Horwich £185,836
 Westhoughton £130,750

(f) £1,321.24 being the amount at (iv)(d) above less the result given by dividing the amount at (iv)(e) above by Item T (ii)(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

(g) Part of the Council's Area

Parish of Blackrod	£1,350.49
Parish of Horwich	£1,346.83
Parish of Westhoughton	£1,336.82

being the amounts given by adding to the amount at (f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned at (e) above divided in each case by the amount at (ii) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

(i) Part of the Council's Area

Valuation bands	Parish of Blackrod	Parish of Horwich	Parish of Westhoughton	All other parts of the Council's area
A	£900.33	£897.89	£891.22	£880.83
B	£1,050.38	£1,047.53	£1,039.75	£1,027.63
C	£1,200.43	£1,197.18	£1,188.28	£1,174.43

Valuation bands	Parish of Blackrod	Parish of Horwich	Parish of Westhoughton	All other parts of the Council's area
D	£1,350.49	£1,346.83	£1,336.82	£1,321.24
E	£1,650.60	£1,646.13	£1,633.89	£1,614.85
F	£1,950.71	£1,945.42	£1,930.97	£1,908.46
G	£2,250.82	£2,244.72	£2,228.04	£2,202.07
H	£2,700.98	£2,693.66	£2,673.64	£2,642.48

being the amounts given by multiplying the amounts at (f) and (g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands

- (v) That it be noted that for the year 2016/17 the Greater Manchester Fire and Civil Defence Authority and the Greater Manchester Police Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

Precepting Authority

Valuation Bands	Greater Manchester Fire & Civil Defence Authority	Greater Manchester Police Authority
A	£39.18	£104.87
B	£45.71	£122.34
C	£52.24	£139.82
D	£58.78	£157.30
E	£71.84	£192.26
F	£84.90	£227.21
G	£97.96	£262.17
H	£117.56	£314.60

- (vi) That, having calculated the aggregate in each case of the amounts at (iv)(f)(i) and (v), the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2016/17 for each of the categories of dwellings shown below:-

- (i) Part of the Council's Area

Valuation bands	Parish of Blackrod	Parish of Horwich	Parish of Westhoughton	All other parts of the Council's area
A	£1,044.38	£1,041.94	£1,035.27	£1,024.88
B	£1,218.43	£1,215.58	£1,207.80	£1,195.68
C	£1,392.49	£1,389.24	£1,380.34	£1,366.49
D	£1,566.57	£1,562.91	£1,552.90	£1,537.32
E	£1,914.70	£1,910.23	£1,897.99	£1,878.95
F	£2,262.82	£2,257.53	£2,243.08	£2,220.57
G	£2,610.95	£2,604.85	£2,588.17	£2,562.20
H	£3,133.14	£3,125.82	£3,105.80	£3,074.64

- (vii) That the Council's basic amount of Council Tax for 2016/17 at an increase of 3.5% is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

- (viii) That the Borough Treasurer be delegated authority to collect revenues and disburse monies from the relevant accounts.
- (ix) That it be noted that the Government have set a National Non-Domestic Rate of 48.4p in the pound for small businesses and 49.7p in the pound for larger businesses for the financial year 2016/17.
- (x) That the Council's current policy in respect of discretionary relief for charitable organisations, as approved by the Cabinet on the 15th February 2016, be reaffirmed and that the Borough Treasurer be delegated authority to determine applications for such relief.
- (xi) That War Disablement Pensions and War Widows' Pensions be disregarded for the purposes of the Council Tax Support Scheme.
- (xii) That Council approves the following definition for the 'minimum occupancy period' for Council Tax Discount Class C properties, to apply to back-dated claims covering the period up to 31st March 2016:
"For the purposes of Discount Class C, in considering whether a dwelling has been vacant for any period, any one period, not exceeding six weeks, during which it was not vacant shall be disregarded".
- (xiii) That the minutes of the proceedings of the undermentioned Scrutiny Committee regarding their consideration of the budget be noted:-

Corporate and External Issues 17th February 2016

Equality Impact Assessment

1. Describe in summary the aims, objectives and purpose of the proposal, including desired outcomes

At its meeting on 25 February 2015 Council approved its 2015/16 budget and a budget reduction programme for the financial years 2015/16 and 2-16/17. This report sets out the updated position in respect of those budget reductions and updates Cabinet on the Government settlement on 17 December 2015.

The initial assessment of impact for 2015/17 budget savings was set out in the Strategic EIA in February 2015. The strategic EIA set out here reflects on this initial assessment and further analyses the potential impact that the savings could have on customers and other stakeholders.

This EIA has been carried out on the overall budget strategy and not the detail within individual proposals. The individual proposals will be subject to their own separate EIA, consultation and assessment procedures at the relevant time.

2. Who are the main stakeholders in relation to the proposal?

As set out in previous strategic EIAs, the very nature of the services which the council provides and the scale of the savings required mean that a range of stakeholders are likely to be affected by changes to council activity in some way over the coming years. In particular:

- **Service users/their carers** – both now and in the future, may find that some aspects of service provision change. Some services may change fundamentally and be delivered in a very different way; some services may reduce or stop; and some customers' eligibility to access services may change.
- **Members of the general public** – will be affected by further reductions in universal services and changes in council tax and full implementation of the benefit scheme
- **Benefit Claimants** who will be affected by a minimum charge for council tax and reduced access to the Council's discretionary fund and Local Welfare scheme
- **Organisations working with or supported by the council** – the reducing level of resources available will continue to have an effect on the extent to which the council can provide financial support for the work of partner organisations. Equally, whilst difficult to quantify, the reduction in services provided by the council may also have an effect on the demands for the services provided by these partners.
- **Staff** – given the ongoing scale of the savings required, there will continue to be an impact on staff, whether through loss of employment or associated restructuring and change.

3. In summary, what are the anticipated (positive or negative) impacts of the proposal?

The philosophy set out by the council to deliver its budget is very clear about the priorities in relation to protecting the most vulnerable and enabling economic growth. Budget proposals have been put forward in the context of these strategic priorities, however the extent to which this can be achieved will be limited by a much reduced controllable budget.

The positive impacts of this proposal are that all eligible needs for statutory services will continue to be met and children's social care and green space services will all be protected from reductions as far as possible.

The potentially negative impacts are reduced universal services for children and young people; a reduction in grants to the voluntary sector; an increase in council tax and reduction in local welfare provision; and a further reduction of council jobs.

The potentially negative impacts will be mitigated through careful targeting to protect the most disadvantaged in the borough; ongoing investment in and review of the Borough anti-poverty strategy to ensure that resources are appropriately targeted, and a workforce strategy to see to mitigate the impact of the reductions on staff as far as possible.

Council tax

The Secretary of State has announced that the Referendum limit for 2016/17 is 4%. However within this is the assumption that councils will raise up to 2% specifically for Adult Social Care with any increase beyond that to fund general service expenditure. Raising the council tax by 2% would generate £1.8m in additional income. There is no council tax freeze scheme for 2016/17 as has been offered in previous years.

This would increase income to the council and therefore reduce the amount of savings which may otherwise need to be achieved by cutting or reducing service provision for customers, including those who may be from vulnerable groups. An increase in council tax values will, however, have a financial impact for the majority of households in Bolton, which may be particularly difficult for those who are already under financial pressure.

The 2% increase specifically for Adult Social Care would help protect the most vulnerable customers and residents in the borough and reduce the savings burden for services they receive.

4. **Is there any potential for (positive or negative) differential impact or adverse impact with regard to the identified stakeholders and the diversity groups (race, religion, disability, gender, gender reassignment, age, sexuality, caring status, pregnancy and maternity, marriage and civil partnership, socio-economic)? Can this be justified/what mitigating actions will be taken?**

The impact on stakeholders and diversity groups together with appropriate mitigation actions is set out below.

Council stakeholders

Service users (Including parents and carers)

The council is committed to continuing to protect children's social care services as far as possible. Reviews are, however, proposed in services for children and young people including changes and reductions to play and youth services and children's centres. Limiting the impact on the most vulnerable children and young people is a priority, however and care has been taken to ensure that the potential impacts of proposals are mitigated as far as possible through targeting and engaging partners to deliver diminished council services.

The way in which adult social care is provided will change, but throughout this process the council has worked hard to ensure that customers and their families continue to receive appropriate, accessible and safe care services. Service users and their families and/or carers will, however, see specific changes as a result of the budget savings through a general review of care practice and delivery and within the Extra Care service

Members of the general public

The council has a clear strategy to make savings by moving from universal to targeted services in order to offer a degree of protection for services for the borough's most vulnerable people. The strategy continues to be pursued through these proposals which include, for example, a review of the waste collection service and library and museum network.

If council tax rises are approved there would be a further, specific financial impact on those who pay council tax in Bolton, as they would be asked to pay an increased level of council tax. By raising council tax, however, the council is able to increase its income and therefore reduce the amount of savings which may otherwise need to be achieved by cutting or reducing service provision for customers, including those who may be from vulnerable groups. This is particularly so for the 2% Adult Social Care new Burdens grant.

In coming to a decision about possible council tax increases the council has sought to strike a balance between the impact on the general public of a council tax increase and the impact on the public in terms of service reductions.

Benefit claimants

The changes in local welfare provision and council tax benefit scheme would have an economic impact on benefit claimants. The council will monitor this impact and continue to direct one off resources towards mitigating the impact through the Borough anti-poverty strategy.

Organisations working with or supported by the council

As in previous years, the council must look at making savings from across the range of services which it provides, including commissioned and grant funded services. This means that partners who receive funding from the council may see a change or reduction in their funding, which may in turn have an effect on their service delivery. This may affect partners from the voluntary, community and faith sector; as well as private or charitable organisations which deliver services in partnership with or on behalf of the council.

Clearly, it will be essential to make sure that the council continues its good working relationships with partners from across the private, voluntary, and charitable sectors to understand and, where possible, manage the impact of possible funding changes. In addition, it will be necessary for individual reviews to consider any potential impact on partner service delivery e.g. where shared building space or complementary services are being reviewed.

Staff

Given the ongoing scale of the savings required, there will continue to be an impact on staff, whether through loss of employment or associated restructuring and change. The council's workforce has already reduced by over 1,350 posts, entirely through voluntary means, since 2009 by, for example, freezing external recruitment, deleting vacancies, offering voluntary early retirement / severance and a comprehensive redeployment scheme. The proposals set out in the report have been developed alongside a continuing commitment to a set of values as an employer which seek to protect the council's workforce from the worst aspects of the budget reductions and remain a best practice employer. The proposal as a basis for consultation is that the council will aim to deliver the following:

- Retention of existing policies and terms in respect of redundancy, redeployment, protection, VER / VS to minimise risk of compulsory redundancy
- No reductions in pay and terms and conditions for staff who remain with the council

- To establish alternative models in such a way that staff who TUPE into the new entity should not see and reduction in their terms and conditions for economic reasons

Diversity Groups

Throughout this process, the council will need to consider the impact of its proposals on its duties under national equalities legislation, which require it to have due regard to the outcomes below, while also ensuring that the council can set a legal, balanced budget:

- Eliminating unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act
- Advancing equality of opportunity between people who share a protected characteristic and people who do not share it
- Fostering good relations between people who share a protected characteristic and people who do not share it

Analysis on those defined groups with protected characteristics is as follows

Race, religion, disability, gender, gender reassignment, age, sexuality, caring status, pregnancy and maternity, marriage and civil partnership,

The headline analysis reported in the previous strategic EIA indicated potential impacts around age, disability, caring status, and socio-economic deprivation.

The further detail included in this strategic report indicates that equality issues must be examined around customer access, as the Council intends to move towards a greater use of technology as the primary access route. This must be supported by a digital inclusion strategy for our community.

Specific impact around race, religion, gender, gender reassignment, sexuality, pregnancy and maternity, and marriage and civil partnership has not been identified at this early stage, but will be analysed as part of detailed EIAs for individual reviews.

Socio-economic deprivation

The council and its partners have a long-standing commitment to achieving economic prosperity and narrowing the gap in Bolton, which sits at the heart of the council's aim to protect the most vulnerable in the borough. Many of these people live in Bolton's most deprived areas, and Bolton's strategy continues to be to target resources to support people in these areas – although resources are much more limited than in previous years.

However, as resources continue to reduce, there is potential for the savings options to have an effect for people who are experiencing socio-economic deprivation. Reviews of housing services; strategic development (which seeks to grow economic investment and therefore improve prosperity in Bolton) council tax support schemes and council tax levels will all have an impact on those who are worst off financially.

Within reviews, significant consideration has therefore been given as to how to limit the potential impacts for those on the lowest incomes. In addition, one-off funding will continue to be made available over four years to support priority work which includes stimulating the economy and a borough anti-poverty strategy. The Council is also taking forward other national initiatives and pilots including the "Troubled Families" programme (as part of a wider initiative to tackle complex dependency) and the Working Well pilot, both of which are seeking to ensure that as many families as possible have support to access employment and improve prosperity.

5. **Are there any gaps in your evidence or conclusions which make it difficult to quantify the potential adverse impact? If so, please explain how you will explore the proposal in greater depth.**

Yes, this strategic EIA provides a high level response to the council's standard EIA questions. It will, however, be necessary to bring forward detailed proposals for each of the savings options, including detailed analysis of equality impact, and this will take place on a phased basis over the next two years. It will also be necessary to consult with Trades Unions and appropriate stakeholders on each of the individual reviews as they come forward. The consultation processes will help to inform a full assessment of equality impact.

In conclusion, the council continues to make every effort to protect the most vulnerable as far as possible, and to respond appropriately to its duties under the Equality Act. However, this strategic EIA recognises the significant challenge which the financial position presents for Bolton, and the likelihood that many of the strategic budget options – whilst seeking to deliver the “least worst” outcome for Bolton – may well have an impact on a range of stakeholders as the council seeks to set a legal budget for the coming two years.

Please confirm the outcome of this EIA:

No major impact identified, therefore no major changes required – proceed	<input type="checkbox"/>
Adjustments to remove barriers / promote equality (mitigate impact) have been identified – proceed	<input type="checkbox"/>
Continue despite having identified potential for adverse impact/missed opportunities for promoting equality – this requires a strong justification	X
Stop and rethink - the EIA identifies actual or potential unlawful discrimination	<input type="checkbox"/>