

Summary Report: Budget Consultation Exercises Autumn 2012

Introduction

Consultation is important to the council and we have tried various methods to consult about council spending in recent years. However, the complexity of council finances and the very wide range of services provided meant that people sometimes found it difficult to understand or to make informed choices. We have therefore tried different approaches to consult about spending this year, using traditional and more innovative methods in our “your money, your services, your say” consultation, including:

- A survey available online and on paper
- An online prioritisation tool
- A more innovative method for involving people in decision making on the overall approaches available to the council for running services.

Purpose of the Report

This report draws on all the consultation activities undertaken within “your money, your services, your say” until the middle of October 2012. It will be updated, if required, in early 2013 ahead of further detailed budget setting activities.

There is a range of other consultation activity taking place that will also have relevance to budget deliberations. These are not included in this analysis but they include:

- Low Income Council Tax Discount scheme consultation
- Proposals for changes to Council Tax Discounts and Exemptions consultation
- Localising the Social Fund consultation

Summary of findings

The priority areas identified by participants were as follows:

High Priority Areas	Medium Priority Areas	Low Priority Areas
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<ul style="list-style-type: none"> • Education • Children's Social Services • Public Safety • Leisure, Parks and Open Spaces • Refuse Collection, Disposal and Recycling 	<ul style="list-style-type: none"> • Housing • Libraries • Adult Social Services • Housing Benefit • Capital Investment 	<ul style="list-style-type: none"> • Central Services • Council Tax Benefit • Planning and Economic Development • Highways and Traffic Management
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- Most want service funding to be at least maintained, if not increased.
- Service areas where more people (though not the majority) are in favour of cuts are the low priority areas, and where more people are in favour of increases are higher priority areas. Housing is the only exception to this, with it being a medium priority but an area where a relatively high proportion want an increase in funding.
- Justified increases in Council Tax would be acceptable to the majority of participants.
- Residents are very much in favour of the exploitation of fines as a source of revenue – parking charge rises would not be welcome.
- Efficiency and transparency are critical.

Methods and response rates

Paper based survey

A paper based survey was issued to a random sample of 1,000 households across the city in areas identified as being likely to have lower internet access on 10 September 2012. Reminder letters were issued two weeks later. Paper copies of the survey were also available in all publicly accessible council buildings including libraries and benefits offices.

204 people responded by this method.

Online survey

An online version of the same survey was available to anyone wishing to complete it between 10 September and 10 October 2012 on the city's Consultation Portal. Postcards advertising the online survey and budget pages of the council website were issued to a random sample of 1,000 households evenly distributed across the city. Twenty people responded to this postcard campaign by completing the survey online. Posters advertising the survey and budget pages of the council website were displayed in publicly accessible council buildings between September and October 2012.

283 people responded via this method.

Budget literacy and prioritisation tool

The budget pages of the council website, signposted from the poster referred to above, the postcards issued to residents and the flyers about the public consultation event, included a link to an interactive tool. This enabled residents to see how much money is spent on different service areas, where the money comes from and, if they wished, to indicate what priority they would give the service area if they were setting the budget.

569 people used the tool and 219 went on to indicate how they would prioritise service areas via this tool by mid October 2012.

Public event

A public event was held on the evening of 26 September 2012 at the Jubilee Library. This used a deliberative method called Crowd Wise for aiming to achieve consensus. Participants were asked to consider five different principles that the council could adopt when setting the budget and deciding spending priorities before voting on their preferences. The marketing campaign to promote the event included flyers placed in publicly accessible council buildings as well as face to face recruitment in the Jubilee library and in community libraries. One hundred and eighteen people signed up to attend the event.

30 people attended the event, and 26 people cast votes.

Note about interpreting the results

It is not possible to gauge whether respondents are representative of residents in the city (demographic information was sought but not frequently provided) therefore care should be taken when interpreting the results presented here. That said, a total of 732 responses to the various consultations about the budget have been analysed here and there are common themes which can be taken as broadly indicative of resident views.

Results

Paper and online survey

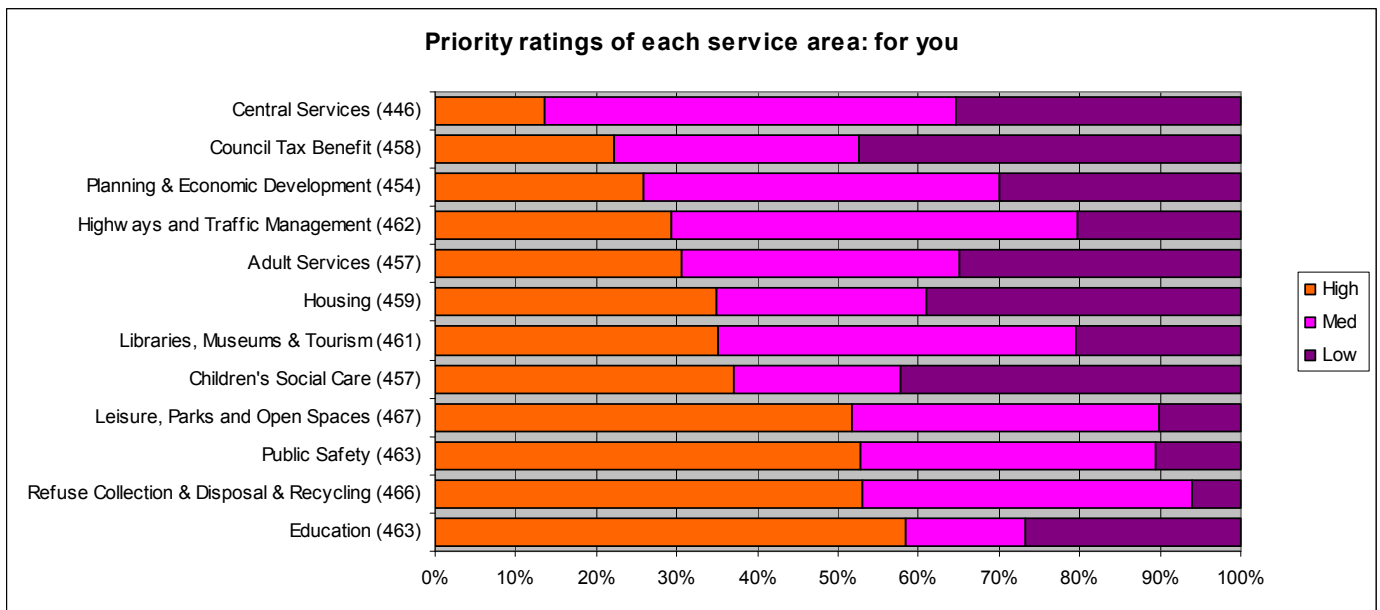
The paper based and online surveys included the same questions so the responses have been analysed together. A combined total of 487 responses were received by the deadline of 10 October 2012.

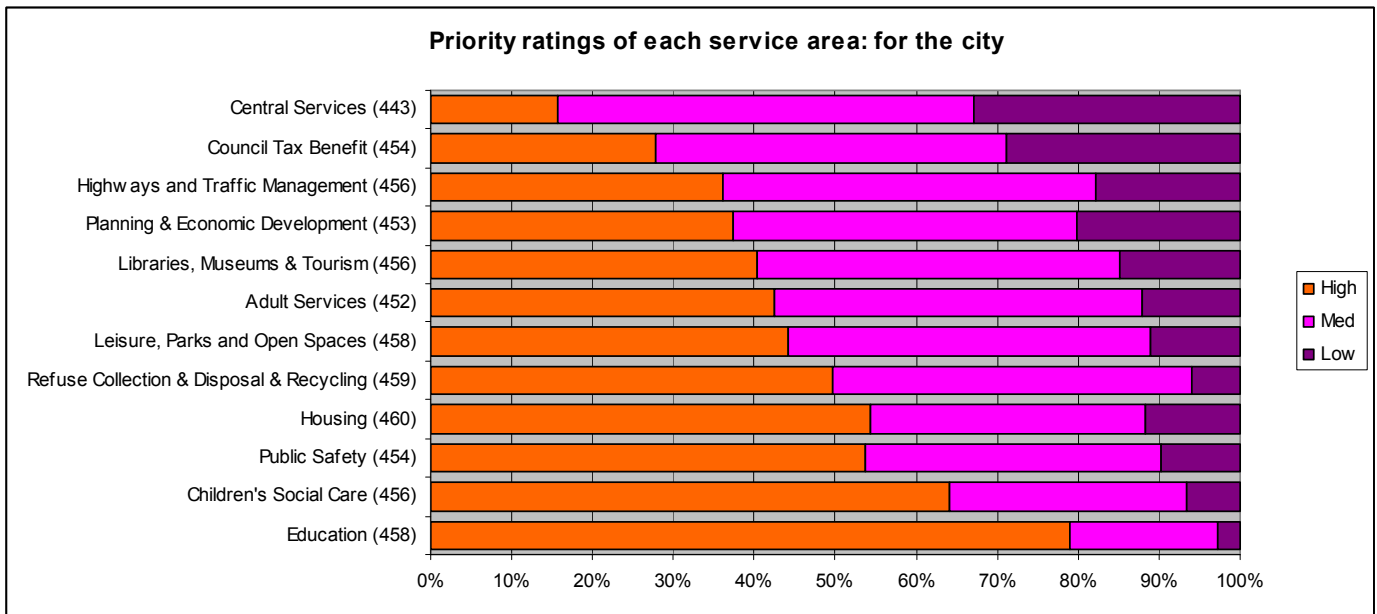
Residents were invited first to rate as high, medium or low, the priority they would give to different service areas for themselves and their family, then to do the same prioritisation exercise for the city.

Not everyone who completed the survey rated every service area so the number of people rating each service is given in brackets on the graphics below. For example, only 446 respondents rated Central Services, whereas 467 rated Leisure, Parks and Open Spaces.

A very small number of respondents only rated services for themselves and their family and did not go on to rate them for the city as well.

The results show that there are differences in how people rate the priority of service areas for themselves and for the city, unsurprisingly with more polarisation when rating services for themselves; if a family is in receipt of Council Tax Benefit we can assume that this would receive a high priority rating from that family, whereas a family not in receipt of it may be more likely to rate it low. However, when thinking about the city as a whole the prioritisation may change.





Higher priority areas:

- Education was the highest priority regardless of whether people were rating it for themselves or the city, with 79% rating it a high priority for the city and just 3% cent rating it low.
- Over 90% rated Children's Social Care, Public Safety and Refuse Collection, Disposal and Recycling as high or medium priorities for the city.
- When rating service areas for themselves rather than the city, Children's Social Care was less important but Refuse Collection, Disposal and Recycling and Public Safety both still had around 90% rating them as high or medium priorities.

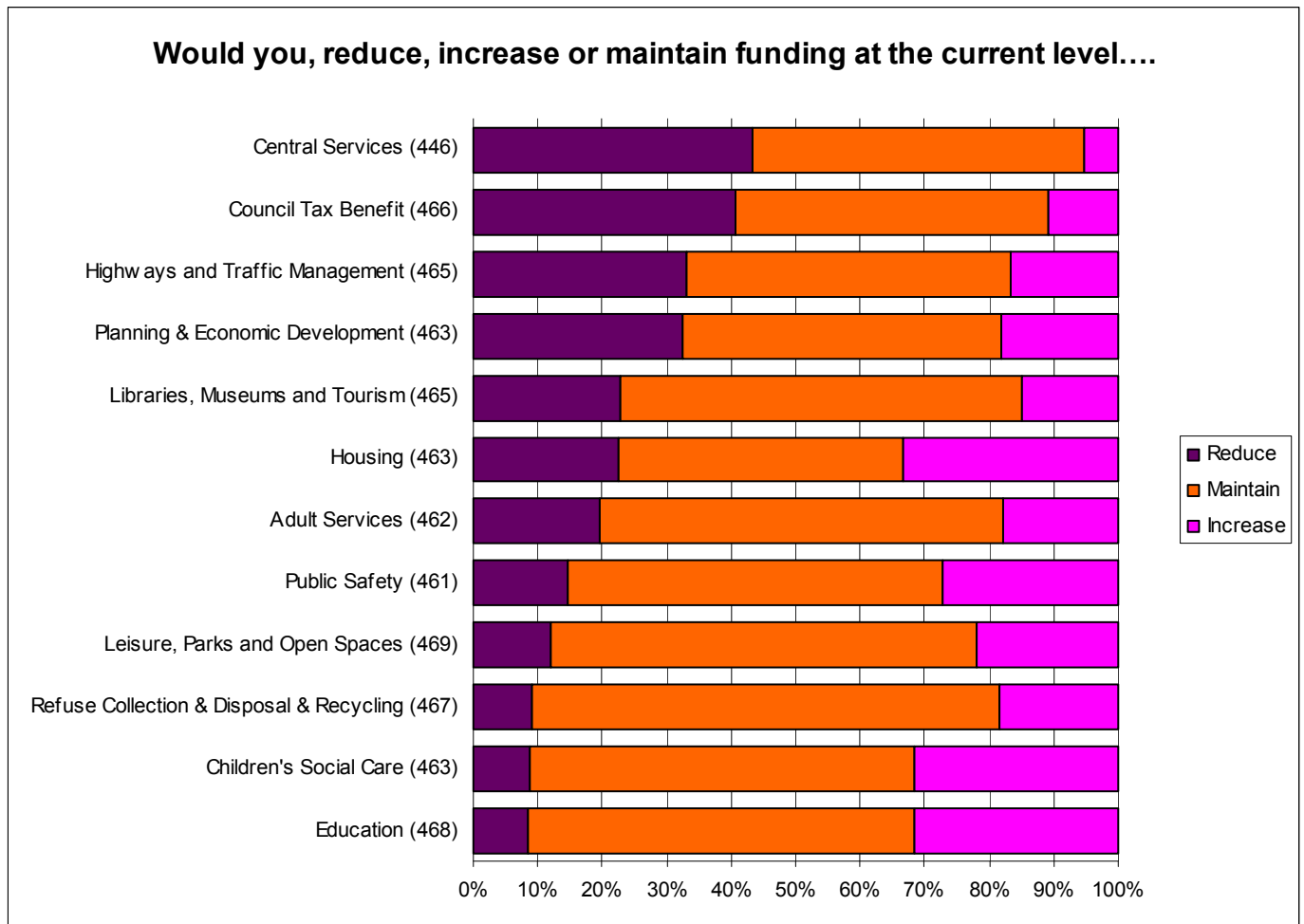
Lower priority areas:

- Central Services was the lowest rated area with around a third of respondents rating it a low priority area and only around 15% rating it as a high priority, either for themselves (14%) or the city (16%).
- For themselves and their families, respondents rated more services as of lower importance with at least a third rating the following low: Council Tax Benefit (47%), Children's Social Care (42%), Housing (39%), Adult Services (35%) and Central Services (35%). For the city, only one service area was rated a low priority by at least a third, Central Services (33%).
- Despite differences in how respondents rated services for themselves and for the city, the same four service areas were rated lowest by respondents regardless. These were Central Services, Council Tax Benefit, Highways and Traffic Management and Planning and Economic Development.

Areas with the widest spread of opinion:

- When rating services for themselves there was more variance than when rating services for the city. As mentioned before, this is likely to be as people rate services that they currently use, or are more likely to use, higher.
- The widest spread of opinions when rating services for themselves and their families were Children’s Social Care (37% high, 42% low), Housing (35% high, 39% low), Adult Services (31% high, 35% low) and Planning and Economic Development (26% high, 30% low).
- Service areas where views were divided over the priority for the city were Planning and Economic Development (37% high, 20% low), Highways and Traffic Management (36% high, 18% low) and Council Tax Benefit (28% high, 29% low).

Respondents were then asked to say whether they would reduce, increase or maintain service area funding at the current level. Results are shown below.



Reduce funding:

Respondents generally didn't want funding reduced with the majority opting to either maintain or increase funding for all areas.

That said, 43% would reduce funding for Central Services, 41% would reduce funding for Council Tax Benefit, 33% would reduce funding for Highways and Traffic Management and 32% for Planning and Economic Development.

Increase funding:

At the other end of the spectrum around a third of respondents wanted to increase funding for Housing (33%), Children's Social Care and Education (both 32%).

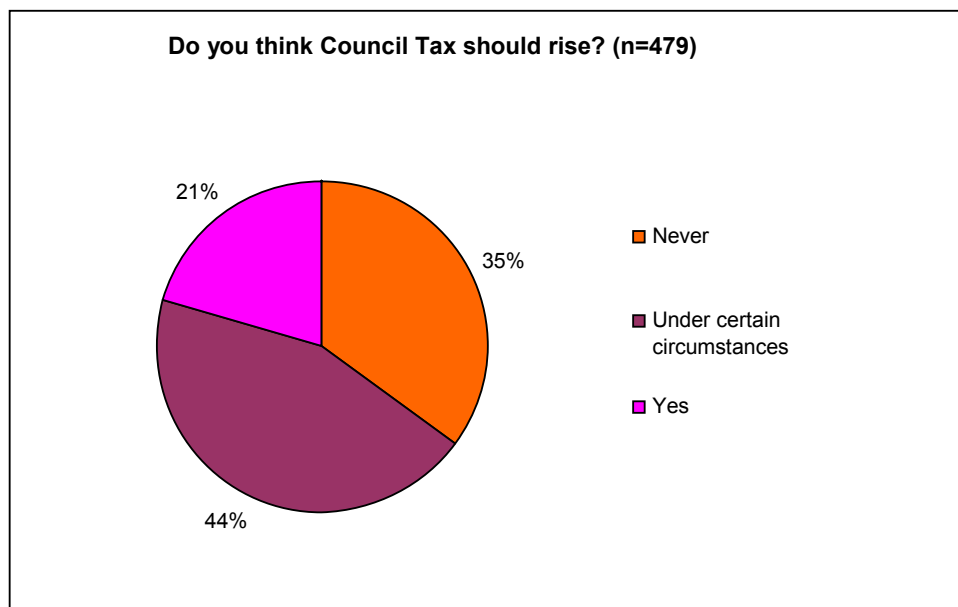
Maintain funding:

The areas where more than 60% were happy to maintain current funding levels were Refuse Collection and Disposal and Recycling (72%), Leisure, Parks and Open Spaces (66%), Adult Services (63%) and Libraries, Museums and Tourism (62%).

Widest spread of opinion on funding levels:

Housing is the area where opinion was most divided with 22% thinking funding should increase and 33% thinking it should decrease.

Respondents were then asked if they felt Council Tax should ever rise to reduce pressure on the council's finances:



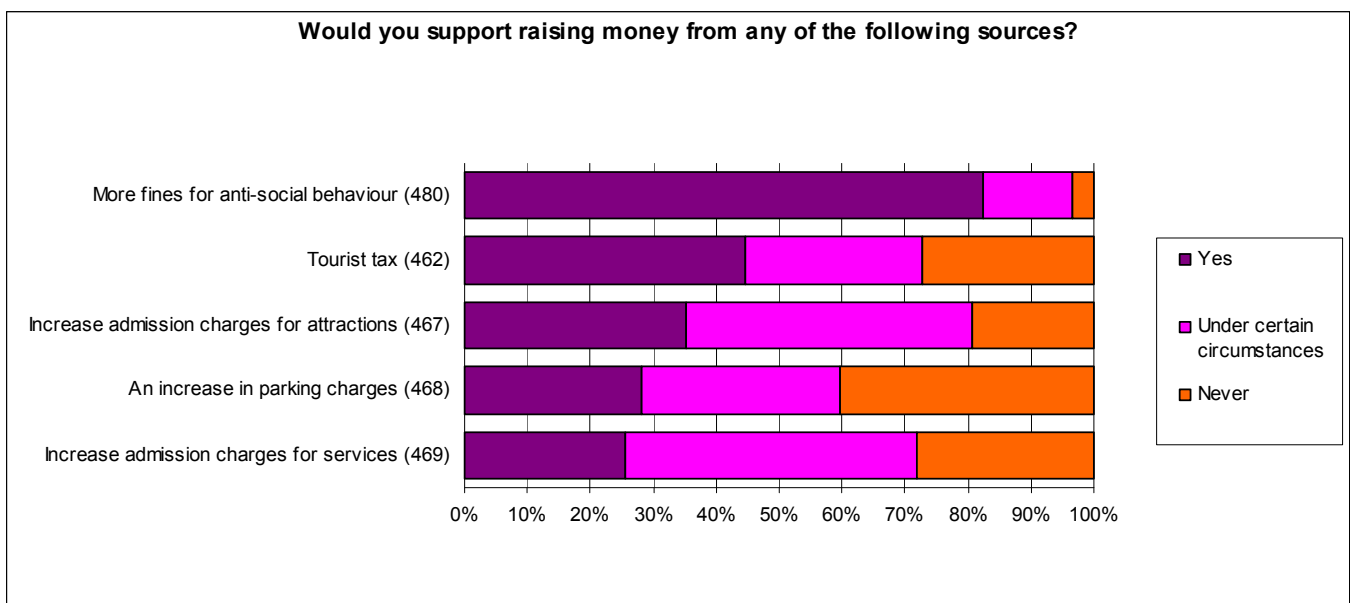
Just over a third of respondents were against any rise in Council Tax, whilst the largest proportion felt an increase could be justified in certain circumstances (44%). In principle then, 65% of respondents could be amenable to a rise in Council Tax.

Analysis of the comments around circumstances in which people would be accepting of an increase has yet to be completed but early

indications suggest that any increase would need to be clearly justified; the most vulnerable members of society would need to be protected, both in terms of affordability and in terms of what the increase was used to fund; and, ideally, noticeable improvements would be made. Means testing, either on income or property value, was another frequently mentioned situation in which people may tolerate an increase in Council Tax.

Many comments related to an appreciation of the need for Council Tax to at least rise in line with inflation to maintain the current levels of service provision.

Respondents were then asked if they would support raising money from any of five different sources.



With 83% of people in favour, fines for antisocial behaviour such as litter, dog fouling and noise were well supported as ways of increasing council revenue.

There was mixed support for the other options respondents were presented with but the least popular suggestion was increasing parking charges, which 40% of respondents opposed.

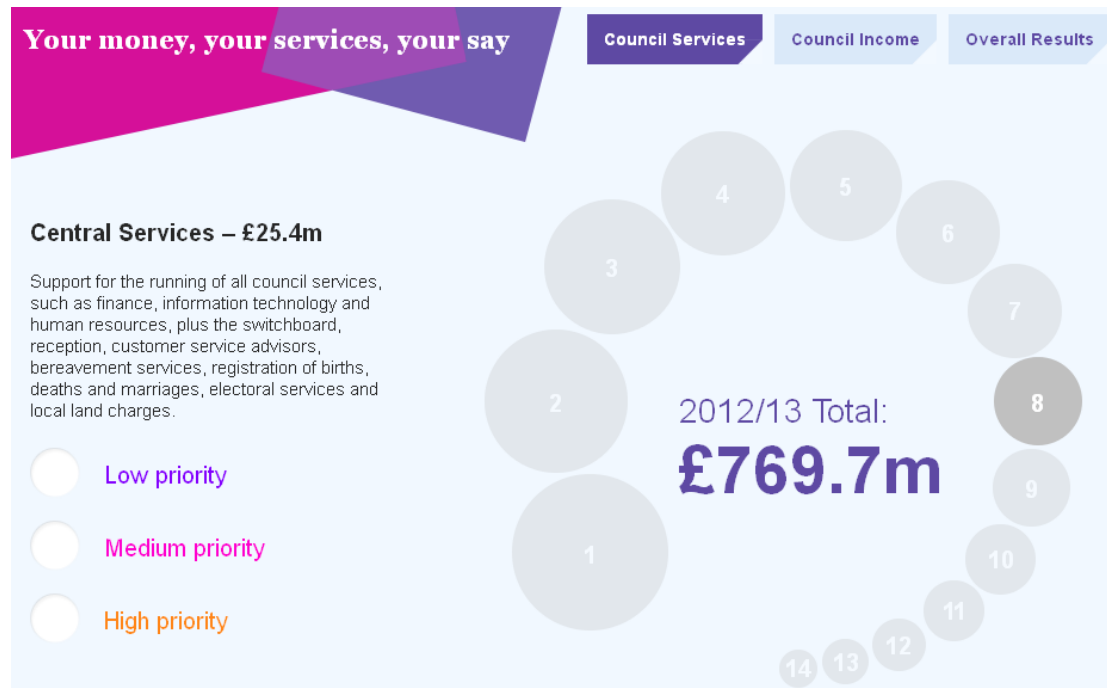
Analysis of respondents' other suggestions for increasing income to support the budget is currently being undertaken and is included in the full report "Budget Survey 2012 'your money, your services, your say'".

Online budget literacy and prioritisation tool

As of mid-October, 569 people have looked at the online interactive budget tool which shows how much money is spent on different service areas. On the first screen, when a user clicks on a particular service

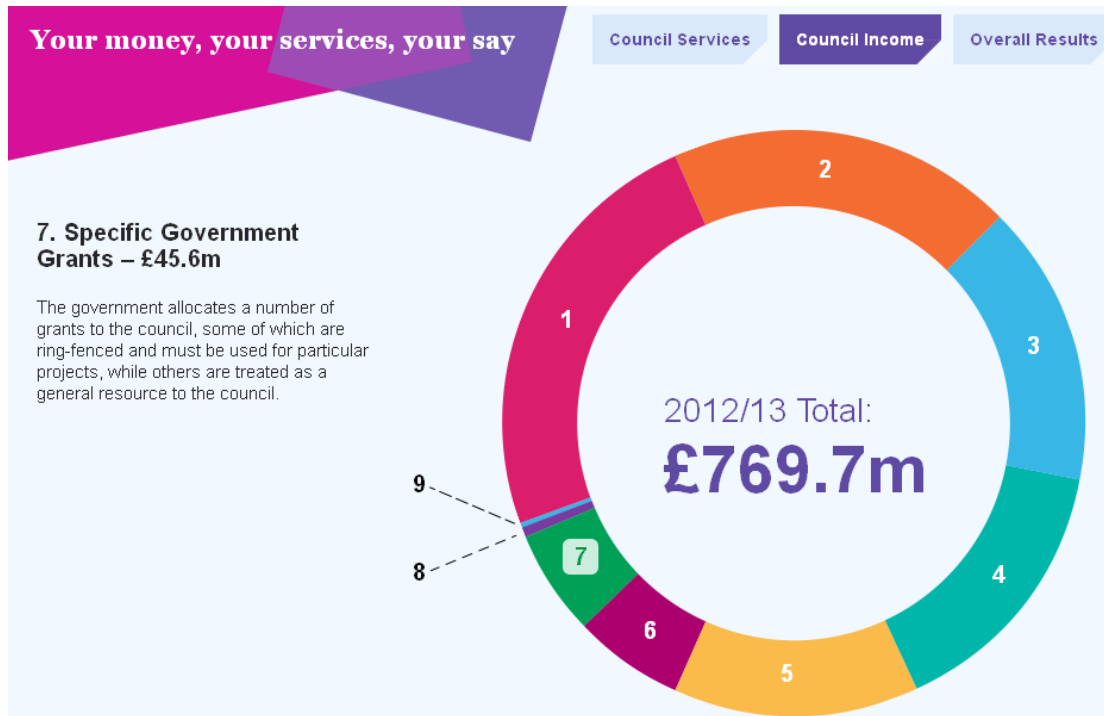
area, details of what each area includes appear, as well as how much the service area cost in 2012/13.

The screenshot below shows the tool when the user has clicked on central services.



Users of the tool have the opportunity to rate the 14 different service areas with a priority rating of high, medium or low. Not all users choose to do this, and the tool is as much about budget literacy as it is about gathering feedback. By mid-October, whilst 569 people looked at the tool (these are individuals looking at the tool rather than the number of visits to the tool website which was 879) 219 have gone on to prioritise service areas.

On the second screen users can find out where council income comes from. In the screenshot below the user has clicked on the circle numbered 7 in the chart, the seventh largest source of income for the council which is made up of specific government grants.

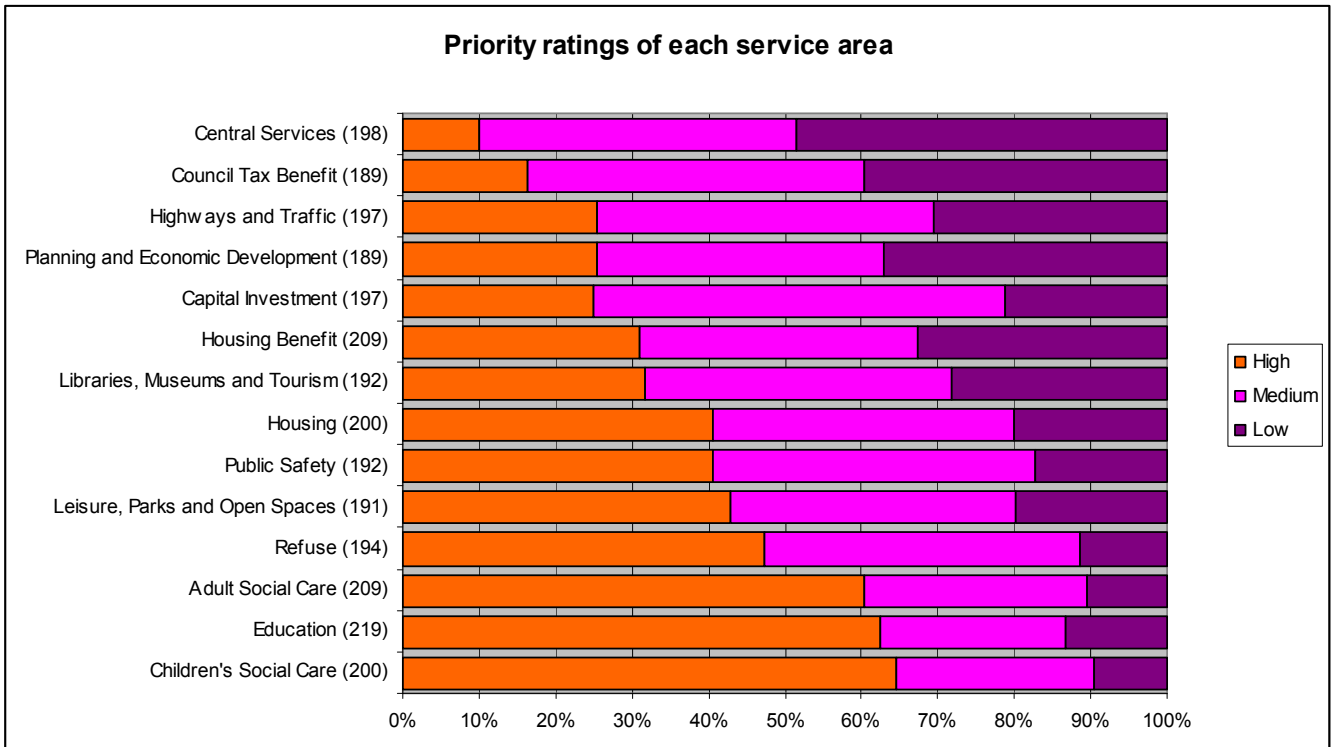


On the final screen of the tool users can see the average results of how users of the tool up to that point have prioritised services.

Not all users who prioritised any services as high, medium or low, prioritised all services – they missed out rating some. So, for example, 219 users have given education a priority status but only 198 users have given Central Services a priority status.

The chart below shows the percentages of all users of the tool (staff and non-staff) rating each service as high, medium or low. The number of people who actually rated the service is given in brackets for each service.

Note that there are two additional service areas to the ones asked about in the survey outlined above, Housing Benefit and Capital Investment. Also the term “Adult Social Services” is used on the tool where “Adult Services” was used in the survey, “Refuse” is used as shorthand for “Refuse Collection, Disposal and Recycling” and “Highways and Traffic” is used instead of “Highways and Traffic Management”.



Higher priority areas:

- The areas that were rated as the highest priority were Children's Social Care, Education and Adult Social Care, each with over 60% of respondents rating them high (65%, 63%, 60%). In each case, over 80% rated them as high or medium priorities.
- Refuse was also rated a relatively high priority with just under half (47%) giving it a high ranking. 89% rated it as either high or medium.
- Public Safety, Leisure, Parks and Open Spaces and Housing were all rated similarly, with at least 80% rating them as high or medium priorities (83%, 80% and 80% respectively).

Lower priority areas:

- There were four areas rated as being a low priority by at least a third of users of the tool: Central Services (48%), Council Tax Benefit (40%), Planning and Economic Development (37%), and Housing Benefit (33%).
- Central Services was the lowest rated area with just 10% of users of the tool rating it a high priority area.

Areas with the widest spread of opinion:

- Libraries, Museums and Tourism was rated high by 32%, medium by 40% and low by 28% revealing little agreement about its status.

- Housing Benefit was rated as being high, medium or low by roughly the same percentage of people, again showing little agreement over the priority status that this area should be afforded. The other benefit users were asked to rate, Council Tax Benefit, was rated as a low priority by 40% and a high priority by just 16%.
- Highways and Traffic was rated high by 25% and low by 30% with the remaining 44% rating it medium.¹
- Capital Investment and Planning and Economic Development were both rated as a high priority by 25% of users. However a larger proportion, 37%, felt that Planning and Economic Development was a low priority than thought it was high.

Differences by BHCC staff users and non-staff users of the tool

The number of BHCC staff users of the tool is relatively low (a maximum of 83 staff prioritised services) which limits the ability to draw meaningful conclusions by comparing staff results to non-staff results. However, analysis of the ratings of council staff against non-staff reveals only minor differences in priority ratings with a couple of notable exceptions, as follows.

- Housing Benefit was rated a higher priority by staff than non-staff with 41% of staff rating it high compared to 25% of non-staff.
- Central Services was rated higher by staff than non-staff, with 17% of staff rating it high compared to six% of non-staff, and 35% of staff rating it low compared to 58% of non-staff.
- Finally, Highways and Traffic was rated a higher priority by non-staff than by staff, with 23% of non-staff thinking it was low compared to 42% of staff.

Public event using Crowd Wise methodology

Following an encouraging engagement process with 118 people fully signed up for the event, the final number attending was 30 which may have been due in part to the very inclement weather at the time of the event.

At the event participants were presented with five guiding principles, or philosophies, that the council could adopt when deciding spending priorities and setting the budget as follows:

A 'Just the basics'

Aside from some services that it must undertake, the council could provide only basic services (like social care, refuse collection, council housing) and charge for everything else as and when you want it.

B 'Prevention rather than Cure'

¹ Totals sum to 99% due to rounding

The council focuses spending on services which tackle problems like anti-social behaviour and alcohol and drug misuse that lead to higher costs for the council in the future.

C 'Keeping services not cutting them'

The council delivers all services on the basis of need without any extra charges. This means people paying for services they may not use but which are vital to others.

D 'Partnership Council'

Services are still provided to businesses and residents but not necessarily delivered directly by the council.

E 'Go for Growth'

The council re-directs more funding, for example on the transport system, to help build the local economy.

Participants were invited to add guiding principles if they wanted. In fact two new guiding principles were created and one, D, was effectively replaced.

The new guiding principles were:

F 'Community Cooperative Coproduction'

Services are still provided to businesses and residents but are not necessarily delivered directly by the council, but rather by co-operatives, with an emphasis on user involvement and empowerment. Services would be run on a not-for-profit basis, with any surplus being reinvested. This could reduce the cost of those services to the council and council taxpayers.

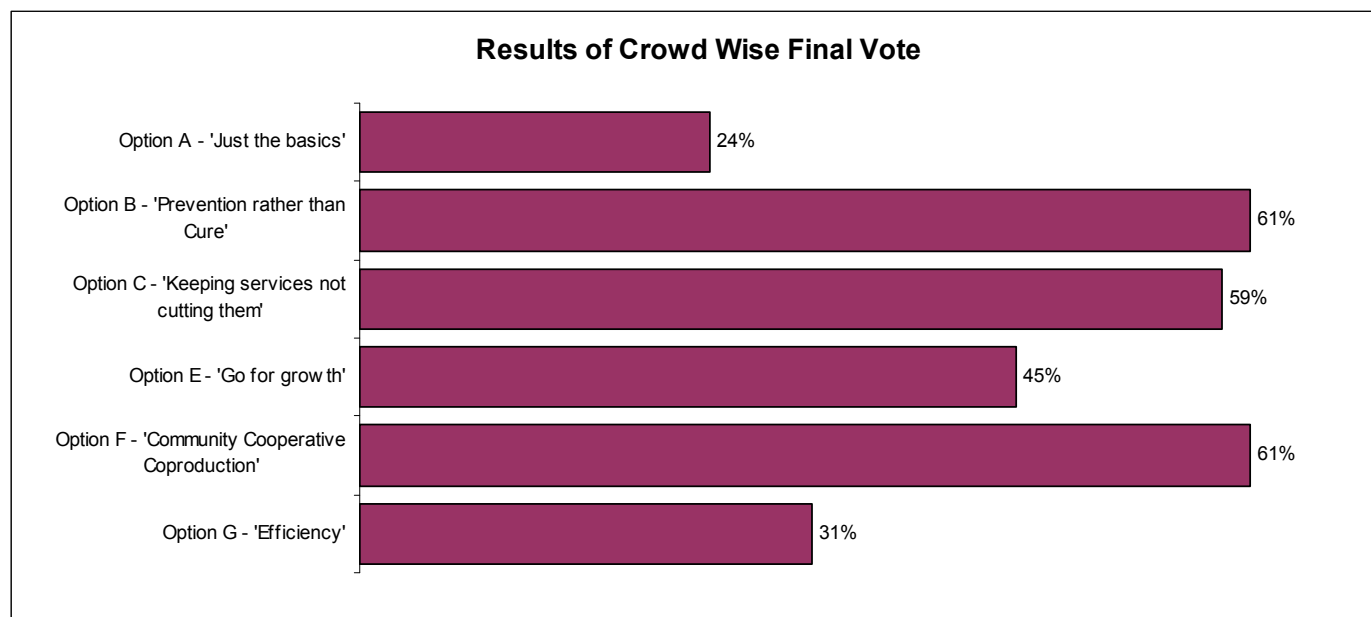
The council would play a supportive role in making sure that services were delivered in a way that best suits local communities and the city.

G 'Focus on Efficiency'

The council is transparent about its spending and seeks to make efficiency savings wherever it can. Examples of where costs could be reduced include: lowering wages to staff, reducing council pensions through staff purchasing their own, reducing spend on items such as stationery and raising revenue through hiring out council venues.

At the end of the event, after lively discussions about the relative merits of the different approaches, participants were asked to put the principles in order of preference. The results of the voting are expressed as percentages. The percentage score for each principle represents the extent to which participants agreed that principle was a preferable one for the council to adopt.

Note that principle D was replaced by F so was not included in the final vote. The results are presented below.



The results suggest that the favoured principles the council should adopt when deciding on spending priorities and setting the budget are a mix of focusing on prevention rather than cure, working with communities and users to co-produce services whilst aiming to keep services rather than cut them.

The discussions on the night built on these principles. The overall guiding principles suggested from the event are therefore:

1. Keep services at roughly their current level, but seek to do them more efficiently.
2. Provide services in an enabling way, both through partnership with users and the voluntary sector, and through emphasising prevention.
3. Provide services on the basis of need, with the prevention of future problems part of that need.

Participants were not opposed to increases in council tax in order to keep services at the level they are currently, and participants realised that focusing on prevention rather than cure might lead to increases in council costs in the short-medium term. There was an appetite for the council to exploit other sources of revenue, aside from council tax.

Common themes

Drawing on all the budget consultation and engagement activities discussed in this paper the common themes emerging are:

- Education and Children's Social Care are rated as top priorities and areas with most support for increasing funding.
- Refuse Collection, Recycling and Disposal, Public Safety and Leisure, Parks and Open Spaces are also relatively high priorities.
- Central Services, Council Tax Benefit, Planning and Economic Development and Highways and Traffic Management are consistently rated as residents' lowest priority areas.
- The majority of people don't think funding for any service areas should be reduced, although efficiency savings should be sought.
- An increase in Council Tax would be acceptable to the majority of participants, as long as reasons are clear and warranted. This could mean that the increase is necessary to maintain services at the current level, to provide services for the most vulnerable, to make a noticeable improvement or as an "invest to save" strategy.
- Residents are broadly in favour of the exploitation of other sources of council revenue, especially fines, but not parking charges.
- A focus on prevention rather than cure is desirable, even if this costs in the short term to save in the longer term. The value of education to most respondents can be construed as part of this focus on prevention.
- Services should be provided on the basis of need, with a focus on vulnerable people, such as older people and those who are out of work – especially in light of changes to the welfare system. The relatively high priority of social services (children's and adults) supports this.
- The council could act as more of an enabler, working with service users and community and neighbourhood groups to enable them to deliver what is needed, adopting a co-production model.
- Efficiency and transparency are critical.

This report will be updated prior to the next meeting of the Policy and Resources Committee in February 2013.

