

# **Budget Consultation**

## **Briefing Note for Cabinet Members**

17<sup>th</sup> January 2012

There has been extensive and increased consultation as part of this year's budget process, and this note provides Cabinet members with an overview of some of the key issues raised through the different consultation streams.

The decision to undertake consultation with a wide range of stakeholders has resulted in issues and priorities being identified that are specific and relevant to key groups across the community. The narrative within the Budget Report to Cabinet in February will explain the process undertaken, and clearly identify where the outcome of the consultation has influenced any budget recommendation. A summary of the Council's response to the Fairness Commission Report will also form part of the Budget Report to Cabinet, and a report containing the Council's full response to the Commission will be on the same Cabinet agenda.

### **Feedback from Consultation Streams**

There various streams of consultation undertaken as part of this budget process have been specifically targeted to ensure that views are collected from as many different stakeholder groups as possible. This section considers how each consultation stream was organised and highlights the key points identified at these sessions where appropriate;

## **Voluntary Sector – 2 meetings at Priory Street , December and January**

Both these sessions were extremely well attended and encouraged active debate and discussion around issues specific to key players across the Voluntary Sector. The sessions were introduced by Cllr Gunnell and were structured around a presentation on the Council's financial context, followed by detailed presentations by AD's analysing the financial issues facing each directorate. A Q & A session was then introduced where delegates could question or comment to Members and Officers on issues relating to the Councils budget. The following list highlights some of the key themes that came out of the two sessions;

### **Community**

- Ward committees –Delegates wanted to highlight concerns about the impact of reductions in Ward Committee Budgets, , particularly where voluntary support groups are supported through ward committee budgets.

### **Health**

- Issue raised around health reducing funding to voluntary bodies and the critical impact that additional local authority funding reductions would have.
- Delegates asked for Clarification on personalised budgets and the EPH restructure
- Concerns were expressed to officers about the content of letters that have been sent out about the personalisation agenda

- Delegates sought clarification on the impact of the transfer of public health responsibilities, specifically related to alcohol support funding

### **Benefits & benefits advice**

- Issues and concerns raised about the impact of proposed benefit reform on vulnerable people
- Concerns were raised about the impact of savings on benefits advice provided through the voluntary sector support?

### **Fees & Charges**

- Concern was expressed about the impact of raising fees , particularly on the youth sector (double impact of cutting grants and raising premises hire fees)

### **General**

- Adult education – delegates advised that opportunities should be considered for the voluntary sector to provide some form of support?
- The group welcomed the Consultation process and were encouraged that impact assessments were taking place on budget proposals.
- The groups wanted the Council to introduce a quick and straightforward process for discussions about the transfer of additional responsibilities to the Voluntary sector.
- The groups wanted clarification on the criteria that would be used by the Council to determine the levels of reductions to be made to the Voluntary sector
- Delegates wanted Officers and members to be clearly aware of the scale of preventative work undertaken across

the Voluntary sector, and the longer term costs that may result from short term decisions to reduce funding in these areas.

- Improving efficiency – questions were asked about the Council's process for ensuring value for money?
- Delegates wanted to make clear that the Voluntary Sector have to be considered as part of any service delivery solution
- Questions were asked about the ultimate responsibility for allocation of financial resources from the Council to the Public Sector.
- Concerns were expressed about the timing of announcements around funding reductions and the impact this would have on groups setting their own budgets for the next financial year.
- Questions were asked about the use of council buildings to maximise efficiency
- Discussion took place about the impact of the Council Tax Freeze grant. Delegates could see the difficulties that taking the one year grant could have on the Councils financial resources over the medium term.
- Delegates wanted the Council to be more explicit about what Fees and Charges do/don't cover.
- Clarification was sought on council tax charges on second homes
- Delegates asked if there were any reserves available to be used as funding.
- Delegates sought reassurance that current service level Agreements with the Council would be honoured.

## **Business Leaders – York St Johns, January**

This session was also extremely well attended, and commenced with an introduction by the Leader followed by a financial presentation on budget issues, with an emphasis on the impending changes to the Business Rates regime. Following the presentations, a Q & A session took place at which the following issues were raised :-

- What proportion of rates will we retain when the new business rates system is in place?
- What is the value of the Council's asset base?
- Does the Council use interest on capital receipts?
- Delegates asked about the Asset Management Board looking at assets across public sector organisations in the city and how we ensure that these are used more effectively/efficiently, and how we engage the private sector more in this process.
- What will happen with receipts from Monks Cross if this development goes ahead?
- Questions were asked about how the Council is planning financially to deal with resource instabilities resulting from ongoing changes to the Local Government finance regime
- A discussion took place about the role of the Council in supporting/marshalling resources for start ups/enterprise and kick-starting the use of empty commercial premises.
- Potential for investment in energy programme? What kind of investment can we encourage/support into energy infrastructure in a strategic way?

## Youth Council – January

The Youth Council were asked to review eight main service areas and decide if the budget for each could be decreased, should stay the same or be increased. The services were based on those detailed in the YouChoose online survey including:

- Children's Services and Education
- Adult Social Care
- Housing and Homelessness
- Culture and Leisure
- Environment and Waste
- Community Safety
- Roads, Planning and Economy
- Council Support and Public Engagement

The main services were broken down into the different specific services they contain to assist the decision making on the budget for the service as a whole. This enabled Youth Councillors to decide if there were more specific services in which the budget should be saved or protected.

All members of the Youth Council were placed into one of four groups and each group focused on two main services, with their decisions fed back to the whole group. Therefore budget decisions are more concentrated on individual services and not necessarily made alongside consideration of other council services.

### **Overall findings**

Of the eight services, the groups decided to reduce the budget for five services, for one to remain the same and two to be increased:

- Children's Services and Education, +10%
- Adult Social Care, -17%
- Housing and Homelessness, 0%
- Culture and Leisure, -3%
- Environment and Waste, +3%
- Community Safety, -1%
- Roads, Planning and Economy, -25%
- Council Support and Public Engagement, -4%

Under each of the main services, the groups looked at the budgets for more specific services, with the following results:

**Children's Services and Education:**

Increase – Services for Young People

Support for Children in Schools

Decrease – Support for Children with Special Educational Needs

No change – Children's Social Care Services

**Adult Social Care:**

Decrease – Services for Adults with a Learning Disability

Services for Older People (aged 65 or over)

Services for Adults with Physical or Sensory Disabilities

No change – Services for Adults with Mental Health Needs

**Culture and Leisure:**

Decrease – Libraries, Cultural Services and Community Learning

Parks and Open Spaces

Tourism

Sports and Leisure Facilities

**Environment and Waste:**

Decrease – Refuse and recycling  
Protecting the Environment  
Street Cleaning and Enforcement

**Community Safety:**

Decrease – Public Health and Safety  
No change – Community Safety

**Roads, Planning and Economy:**

Decrease – Planning and Building Control

**Roads, Pavements and Other Transport Services**

Increase – Economic and Community Development

**Council Support and Public Engagement:**

Decrease – Customer Services, Communication and Public  
Engagement  
Finance, HR, ICT and Strategic Services  
Legal and Constitutional Services  
Land and Buildings

NB: Housing and Homelessness did not include specific services.

**Generating income:**

Whilst considering the budget for their given services, the groups were also asked to think of ways of generating income for that particular service. Ideas included:

Culture and Leisure: Introduce a tourism tax on hotels in the city that would be a considered amount which is beneficial, whilst not deterring tourists.



Environment and Waste: Consider charging residents who do not sort their waste correctly, ie recyclables from landfill, to improve collection times and reduce landfill waste.

Charge for the use secure city centre parking for bicycles – a new provision.

Community Safety: Introduce charging for Health and Safety inspections.

Roads, Planning and Economy: Charge companies (such as gas, cable TV, etc) for digging up roads to undertake their work.

**Other comments / ideas:**

Work with local businesses to reduce their waste and therefore the amount going to landfill.

Need to provide careers advice and bereavement services for children and young people. Mentoring scheme needs to be co-ordinated.

Schools photocopy too much and photocopying could maybe be done on both sides. Council could work with schools to reduce waste.

Increasing charges for sport and leisure facilities was discussed by the relevant group, however the group struggled to come to a decision as it was seen to contradict commitments to improving the health of residents.

## **You Choose**

The YouChoose online budget simulator was available to residents during November and December 2011, as part of a wider public consultation for the 2012/13 budget setting. A total of 157 surveys were completed.

The YouChoose survey is an online budget simulator which allows respondents to set hypothetical budgets for services, whilst showing them the direct impact of their choices. YouChoose was designed by the Local Government Group and YouGov and was made freely available in 2010 to all Local Government Association member councils in England and Wales.

All results are reported as percentages, however due to the overall sample size of 157 figures should be treated with caution, and as more indicative than robust findings. Data-processing and report writing were carried out by the Business Intelligence Team in the Office of the Chief Executive.

The full analysis of the YouChoose survey is included at Appendix A.

## **Fairness Commission Report**

The Council's response to the Fairness Commission report will be presented to Cabinet on the Agenda as the actual budget report and will identify how the Council's budget strategy is proposing to deal with recommendations contained in the fairness commission report.

The budget report itself will also contain a section which will specifically outline how Fairness Commission recommendations have been dealt with.

### **CMT/EAG – December**

A meeting was held at Priory Street, where Cllr Crisp introduced a joint session between Directors and members of EAG to discuss potential issues that may arise as a result of budget decisions. Following a presentation from each Directorate, EAG Members were invited to sit down with Directorate Management Teams and discuss specific areas of concern. Directors went away from this session with a clear view of issues that needed to be considered from an EG perspective.

Equalities Advisory Group have a meeting planned for 21st February to consider the findings of the Budget EIA. Officers are considering how any feedback from that meeting (if any) can be brought to the attention of Members before they consider the Budget at Council on the 23rd.

### **Public ‘Conversation’ – Mansion House, December**

For the first time, an open session was held at the mansion House where members of the public were invited to discuss with individual Cabinet Members any specific areas of concern they had relating to budget issues.

Individual members will be aware of any issues raised in respect of their own portfolio.