

COUNTY COUNCIL BUDGET CONSULTATION 2015/16 WITH DEVON'S BUSINESS COMMUNITY, REPRESENTATIVES OF OLDER PEOPLE AND THE VOLUNTARY SECTOR AND TRADE UNIONS, INCORPORATING RESULTS OF THE 'TOUGH CHOICES' ONLINE CONSULTATION AND TOWN/PARISH COUNCIL MEETINGS

1.0 Recommendation: that the contents of the report and the representations of the consultees be noted.

2.0 Introduction

2.1 The Leader of the Council, Shadow Leader of the Council, Group Leaders and other Members and officers met with the representatives of the Business Community, organisations which champion the cause of older people and the voluntary sector and Trade Unions. This was to discuss the County Council's budget for 2015/16 in line with statutory requirements and previous good practice.

2.2 The latest Tough Choices' engagement and budget consultation programme was launched in November following the previous 5 years' of community consultation. The aim was to continue the widespread dialogue over future local spending decisions, ensure continued local visibility, and help stimulate and promote the local conversation on community priorities for action and local resilience.

2.3 The consultation consisted of 10 town and parish council meetings backed up by the Tough Choices website (www.toughchoices.co.uk).

2.4 Due to the year on year decrease in attendance at the public meetings the scope of these were scaled back and meetings with parish clusters / stakeholders were held instead. These included meetings with the Association of Local Councils, town / parish forums / network meetings, Devon Senior Voice and parish super link meetings.

2.4 The website contained a budget priorities survey but was also being used to help co-ordinate a broad range of community conversations relating to major service reviews and options being considered and would be promoted throughout the next few years as each new and separate review was launched.

2.5 Results so far show that over 9,500 people viewed the web site between November 2014 and January 2015 and 335 people completed the online budget priorities survey. Approximately 350 stakeholders attended the community consultation events.

3.0 Budget Presentation

3.1 The Deputy County Treasurer (Strategy & Compliance) gave a presentation on the 2015/16 budget at each of the three consultative meetings.

The presentation covered the services provided by the Council, the revenue budget and how this was provisionally allocated across service streams and sources of finance, the Council's Net Revenue Budget (2014/15) including PFI funding charges and capital financing, impact of the Government's Comprehensive Spending Review (2011 – 2015) and expectation of ongoing reductions, the financial settlement for 2015/16 and factors affecting this and effect on services, the budget timetable and process and continued expectations of Government in terms of further efficiencies and budget reductions.

It also noted the actions that had already been taken by the Council in preparation, such as service prioritisation, scrutiny of inflation provision and commitments, savings from vacancy management, a leaner structure and approach to budget setting.

It was further noted that the provisional settlement had been in line with expectations and that there was no information relating to settlements beyond 2016/17 but that the expectation was that cuts would continue, at least, at the same or even at an accelerated rate.

3.2 The position for 2015/2016 was that necessary reductions/savings amounted to £45.936 m with a target budget of £437.691m (-5.7%).

4.0 Representatives of the Business Community: 12 January 2014

4.1 Businesses and organisations represented at this meeting included Susan Wilkinson (FSB), Robert Maynard (Unison Retired Members), Roberto Franceschini (Unison retired Members), Tim Jones (SW LEP Board Member), Derek Phillips (Exeter/SW Chamber of Commerce), John Davey (Careers SW) and Ben Rhodes (Devon and Cornwall Business Council).

4.2 Issues and questions raised by the group and discussed with County Council representatives included:

- current and on-going demand cost pressures within the People's Services relating primarily to an ageing population, increasing number of vulnerable adults, complex needs of children in care, and work in relation to 'troubled' families;
- multi-agency working (and with neighbouring authorities across the peninsula) in developing strategies to mitigate demand within front-line services;
- the complexity of joint working with health with various Clinical Commissioning Groups and provider Health Trusts across the region;
- current and developing joint services provision with other local authorities to gain economies of scale for example pension services, trading standards, highways maintenance, and procurement;
- considerable savings to 'back office' support had already been made and the scale of required savings would (and already had) inevitably impact on services, for example youth services, libraries, residential and day care and discretionary bus subsidies;
- no additional borrowing for the capital programme which was being supported via capital receipts only;
- the limited scope for revenue generation via the property estate as a large proportion was under the direct control of schools and that a significant proportion of revenue was also 'passported' directly to schools;
- the opportunities that could be available through greater devolution of powers from Government to local government, working collectively with other agencies and sectors for example through the Local Enterprise Partnerships (LEPs) already operating effectively;
- the success of the County Council in gaining additional funding (against a national bidding programme) for road maintenance based on the Council's robust asset management process;
- cost savings (and environmental benefits) from part night street lighting;
- the significant costs of statutory school transport provision (£21m per year);
- the challenge initiative involving schools and the business community in helping develop the right skills for industry;
- the excellent and continuing progress in developing 'super-fast' broadband in the two counties through the Connecting Devon and Somerset Programme Board and the scope for additional resources in reaching target take-up rates of 30% (the current rate was some 12 % in this initial first stage of three phases);
- continued County Council discussions with broadband providers to enable 'super-fast' connectivity to key industrial estates and zones in the County;

- the potential cost implications of the 'living wage' should it be introduced; and that it would apply to a relatively small proportion of staff (not including schools);
- the tri-annual valuation of the pension fund which had taken place this year;
- the role of the Council's Economy portfolio in promoting cycling and walking routes and the Council's work with business and generally in influencing and lobbying partners, in promoting £200m of growth through, for example, the LEP, the Peninsula Rail Task Force, other successes relating to proposals in respect of A303 duelling, improvements to the A30, the North Devon Link Road, and access road to Exeter Airport, improvements to business parks at Newton Abbot and Barnstaple and development of the Exeter Science and Sky Parks; and rollout of superfast Broadband with an additional £130m of joint funding.

5.0 Representatives of Older People and the Voluntary Sector: 14th January 2014

5.1 Representatives at this meeting included; Roberto Franceschini (Unison Retired Members), Robert Maynard (Unison Retired Members), Diana Crump (Living Options), Barbara Starkiss (Blackdown Support Group), Paul Allan (Voluntary Youth Services Devon), David Incoll (Chair of Devon CAB), Sheila Curzon (National Pensioners Convention - Devon), Ken Crawford (Devon Senior Voice), C Crawford (Devon Senior Voice) Moira MacDonald (Fawcett Devon), Linda Regan (Fawcett Devon), David Smith (NPC Devon), Ian McClements (Devon Senior Voice), Gregg Davies (Devon Communities Together), Brain Willis (Devon Unison retired Members) and Brenda Laker (Hikmat Devon Co-operative).

5.2 Issues and questions raised by the group and discussed with County Council representatives included:

- questions from the Fawcett group relating to past and current Equality Impact Assessments of the budget proposals, and how the County Council was reducing inequality/promoting equality considerations and measuring performance - the Council has a duty to publish objectives and performance information to demonstrate work towards achieving the aims and provisions of the Equality Act 2010 and information on the assessments was published at <https://new.devon.gov.uk/impact/published/> - and the Council's Equality Reference Group advises and supports the County Council's work on equality and diversity, providing ideas and scrutiny;
- the current level of earmarked and non-earmarked reserves (which did not include reserves held by Schools) which were close to or at minimum levels when compared to other authorities and recommendations of the external auditor;
- the Council's use of its properties through the Asset Management processes and rationalisation including co-location, potential for community use where there were 'expressions of interest', and disposal/termination of leases as appropriate when surplus to requirements;
- vulnerable children and young people remained a priority group for the County Council; and
- the support available in terms of the Youth Service Offer working with the voluntary sector;
- in terms of procurement processes the practical difficulties sometimes encountered for the voluntary sector in making timely bids for grants and in communicating with key officers, and in accessing documentation and information (on which further guidance would be circulated);
- the cost implications and funding issues relating to the Care Act 2014 and Better Care Fund on which further guidance from Government was awaited;
- implications to changes in welfare support by Government;
- the Council's new Strategic Plan and new Operating Model which included working closely with the community and voluntary sector to achieve improved outcomes and new initiatives with the voluntary sector and health in Exeter, the Integrated Care Project, Exeter for example;
- the review of the discretionary public bus service contracts throughout the county and cost implications of the statutory bus concessionary scheme;

- the Department of Transport funding for pilot projects (for which the County Council was likely to bid) to enable new and better ways of delivering joined-up local transport in rural and isolated areas;
- the need to promote better and safe cycle routes;
- the impact of highway maintenance programmes and other street works;
- the difficulties caused by parking on pavements obstructing pedestrian access on which new legislation was expected;
- whether any decisions had been made on Council Tax figures.

6.0 Representatives of Trade Unions: 13th January 2014

6.1 Trade Union Representatives at this meeting included; Lisa Rutter (Unite), Sara Parkin (Unite), Andy Bowman (Unison), Steve Ryles (Unison), Pauline Roberts (Unison) and Andy Turner (GMB).

6.2 Issues and questions raised by the group and discussed with County Council representatives included;

- the Government's business rates retention scheme and whether it was likely to decrease the percentage it retained in future;
- the ongoing nature of service prioritisation exercises in place to meet budget reductions;
- the lack of information provided to the Trade Unions relating to the impact of service prioritisation including the staffing dashboard;
- the income raised in 2014/15 and projected income for 2015/16 as a result of the Council's estates strategy;
- the timetable for further expected decrease in staff numbers, including the potential transfer of some adult social care staff to a joint service with the NHS, and this being dependent on the Council being satisfied with the financial resilience of the NEW Devon CCG;
- the Council's new responsibilities under the Care Act from April 2015, the expectation of an increase in staff numbers as a result and the uncertainty around the financial implications of this;
- plans in children's social care to improve performance in line with the outcome of the Ofsted review in 2013, alongside making financial savings by reducing the Council's reliance on agency social workers by investing in newly qualified social workers, and in the longer term, reducing the need for expensive, out of county childcare placements, through early intervention and prevention strategies;
- the current status of 'reserves', which were close to or at minimum levels when compared to other authorities and recommendations of the external auditor.

7.0 On-Line Consultation

7.1 The interactive website for the Tough Choices consultation provided people with information about what had happened during the last budget cycle, including a 'Changes so far' section. It gave an opportunity for people to complete the 2015/2016 budget priorities survey and provided people with the opportunity to tell the Council what their community priorities were.

7.2 As stated earlier, over 9,500 people viewed the site and during the period of consultation 335 people completed the online budget priorities survey.

7.3 The website was also being used to ensure that all major reviews and service changes were properly co-ordinated to members of the public.

7.4 Reviews either current or recently communicated include -

- Day services
- Meals service

- Residential care
- Youth services
- Children's Centre services
- Waste
- Highways
- Libraries
- Mobile libraries
- Public transport and concessionary bus travel

7.5 The latest statistics show that since September 2013, over 353,000 people had viewed the major review and service changes, over 13,800 people had completed questionnaires and 1,355 people had commented on them.

8.0 Key Findings

8.1 So far 335 people had expressed their views on budget priorities online or via paper copies (the survey was available to print off or in Easy Read format).

People were asked from the main services provided by Devon County Council what they thought were the **priorities** for their community.

The top three community priorities were –

- Appropriate community support and care for the older people (83% selected as Essential or High Priority)
- Support for vulnerable individuals and families to prevent neglect and harm (82% selected as Essential or High Priority)
- Maintaining major road networks (74% selected as Essential or High Priority)

The lowest community priorities were –

- Supporting home to school transport (31% selected as Essential or High Priority)
- Supporting Devon's cultural heritage (24% selected as Essential or High Priority)
- Supporting healthy lifestyles (23% selected as Essential or High Priority)

8.2 People were asked about the main services provided by Devon County Council and whether they thought spending should be protected or reduced.

8.3 When asked which of the services listed they would like the Council to **protect** the most the top priorities were –

- Community care services for older people and those with physical disabilities (79% Protect service as much as possible)
- Safeguarding vulnerable children (79% Protect service as much as possible)
- Residential and nursing care for older people and those with physical disabilities (76% Protect service as much as possible)

8.4 When asked if any services listed should particularly have investment **reduced** those services that were lowest priority were –

- Economic development (22% Protect service as much as possible)
- Trading Standards (19% Protect service as much as possible)

- Countryside, heritage and arts
(21% Protect service as much as possible)
- Streetlights
(13% Protect service as much as possible)

When asked about their **community**, respondents indicated that they felt that they fairly strongly belonged to their local community, with almost 60% thinking communities could play a bigger role in the running of local services. Suggestions that Devon County Council could help communities with seed funding, buildings, training, and signposting were selected by around half of the respondents. 45% indicated they would like to get involved, or more involved, in their local community. Approximately 20% said no or don't know when asked whether they would be prepared to be more involved in helping their local community. 87% said they currently or would consider helping family or neighbours who are ill or disabled, 76% to help improve safety and security in their neighbourhood, and 66% volunteer to help run local services.

8.5 When asked whether they would pay more **council tax** to protect services, 76% of respondents selected 'yes', whilst 55% said they were satisfied in the way Devon County Council has managed the tough choices faced.

9.0 Conclusion

9.1 The consultations carried out provided a positive opportunity for the people of Devon and groups of people in Devon to specify their priorities in future service delivery, particularly in times of austerity where difficult choices have had to be made. The data collected and feedback received provides a valuable snapshot of current opinion on where resources should and should not be allocated in future.

Jan Shadbolt, County Solicitor

ELECTORAL DIVISIONS: ALL

Local Government Act 1972: List of Background Papers

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<u>Background Paper</u>	<u>Date</u>	<u>File Reference</u>
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Nil

Cabinet Member, John Hart (Policy and Corporate)