

COUNTY COUNCIL BUDGET CONSULTATION 2021/22 WITH DEVON'S REPRESENTATIVES OF OLDER PEOPLE AND THE VOLUNTARY SECTOR, TRADE UNIONS AND BUSINESS COMMUNITY

- 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, 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 2021/2022 in line with statutory requirements and previous good practice.
- 3.0 Budget Consultation with Parish and Town Councils**
- 3.1 The Leader of the Council attended 8 meetings during November and December 2020 as part of the budget consultation process. Due to social distancing guidelines, all meetings were held remotely, some with support from the Devon Association of Local Councils, with each of the 8 districts in Devon having a dedicated meeting. The meetings were attended by a total of approximately 150 local representatives.
- 3.2 At each meeting the Leader gave a short presentation of key issues affecting the Council before inviting open questions.
- 3.3 The impact of the COVID-19 pandemic was a key area of consideration across these meetings, with each presentation highlighting the inflexibility of the budget largely due to the financial impact of the pandemic. Discussion on this point included the steps taken by central government to support local government and how funds received were being distributed by Devon County Council; the impact of COVID-19 on businesses, schools, care homes and public transport, among others, in incurring additional costs and the support available to cover such costs; the impact of the pandemic on the tourism and hospitality sector; and the long-term budget considerations relating to changes in working styles that had taken place during the pandemic and the resulting savings.
- 3.4 The other key themes that emerged included: Highway maintenance, including pothole repair and reporting, and flood risks in various districts; Traffic management, including greater development of cycle paths and walking routes; Broadband roll-out especially in the light of increased numbers of people working from home; and the importance of Free School Meals and similar programmes.
- 3.5 Other discussion points included: the potential of Devon becoming a unitary authority; changes to working relationships and delegation of responsibilities between Devon County Council and the Districts; Parking problems in various districts; 20mph speed limits; public transport development; Libraries Unlimited and its impact; and the Council's climate change strategy.
- 3.6 Issues and suggestions related directly to the budget and efficiency included: the need to raise Council Tax to fund essential local services; use of reserves; concerns surrounding the Council's SEND overspend; lobbying Central Government to provide essential support such as to businesses; and potential solutions to managing the costs of Devon's unique rural road network.

4.0 Budget Presentation

- 4.1 The Deputy County Treasurer gave a presentation on the 2021/2022 budget at each of the three consultative meetings.
- 4.2 The presentation first outlined the large-scale reduction in Core Funding from 2010 in the wake of the financial crisis. Also highlighted was the year-on-year reduction in overall savings from 2011 and the impact on staffing and available funds.
- 4.3 The presentation also covered the current position in terms of the revenue budget for 2021/2022 as well as the County Fund and Schools balances, alongside earmarked reserves for the upcoming financial year. These reserves were placed in the national context alongside other County Councils' reserves.
- 4.4 The presentation then highlighted some of the key funding provided to the Council in response to COVID-19, totalling over £80 millions of additional funding. This included large sums for Care Homes and Social Care alongside several other, smaller grants, including winter support.
- 4.5 Looking forward, it was highlighted that the uncertainty surrounding Brexit and the impact of the Coronavirus pandemic had meant that the targets for 2021/22 have been carried over from the 2020/21 budget. The Provisional Settlement (announced on 17th December 2020) outlined the funding available to local authorities for the upcoming financial year. Key points from this included: additional COVID-19 funding of £14.8 million; a 2.2% increase in the National Living Wage; a Public Sector pay freeze, with some exceptions; the continuation of the New Homes Bonus and of the Better Care Fund; and Council Tax support totalling £6.4 million. The basic increase in Council Tax that will trigger a referendum will remain at 2%.
- 4.6 Finally, the presentation outlined the budget targets for 2021/2022 and the budget timetable. As part of these budget targets, an 8.3% increase in spending on Adult Care and Health and a 7.8% increase in Children's Services were highlighted.

5.0 Representatives of Older People and the Voluntary Sector: 11 January 2021

- 5.1 Representatives at this meeting included David Incoll (CAB Devon), Diana Crump (Living Options Devon), Revd Iain McDonald (Devon Faith & Belief Forum and Equality Reference Group), Shirley Fewings (Assist Teignbridge), Deborah Fisher (Caritas, Diocese of Plymouth), Andy Bowman (UNISON), Nina Parnell (Westbank Community Health and Care), Kev Henman (Space), Sophie Littlewood (Age UK), Andrew Moreman (Young Devon), Karen Evans (North Devon Voluntary Services), Roberto Franceschini (UNISON).
- 5.2 Issues and questions raised by the group and discussed with County Council representatives included:
 - concern over the impact of the Council Tax increase on older people and the most vulnerable;
 - how COVID-19 support grants are distributed amongst the voluntary sector;
 - the process by which any additional funding that may be received once the budget is agreed for the financial year will then be allocated amongst the voluntary sector;
 - the impact of COVID-19 on the voluntary sector both in terms of funding and social distancing regulations severely limiting the kinds of support that can be offered, and in terms of the increased difficulties of meeting targets;

- concern surrounding the 'reactive' approach to COVID-19 and the importance of undertaking a more 'proactive' approach especially in supporting younger people who are more likely to breach social distancing guidelines;
- how Devon County Council can support efforts and maximise opportunities to increase revenue for community work;
- the timescale for the release of business rate calculations; and
- the importance of the voluntary sector and the County Council maintaining a close working relationship to meet the needs of the people in Devon.

6.0 Representatives of Trade Unions: 11 January 2021

6.1 Representatives at this meeting included Paul Gosling (NAHT), Nigel Williams (NASUWT), Darienne Flemington (UNISON), Steve Ryles (UNISON), Mark Richards (UNITE), Katherine Darcy (GMB).

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

- the financial impact of increasing numbers of people working from home and potential savings, such as in terms of building leases and travel;
- the potential of spending some of the Council's reserves to ensure targets are met given the unprecedented national situation owing to COVID-19 pandemic and uncertainties around Britain's leaving the EU;
- the positive aspects of the budget such as the increased funding being given to Children's Services;
- areas of the Council and its responsibilities that may require further funding and the budget's flexibility to meet such requirements;
- challenges to the public sector pay freeze by Union members and the County Council's capacity to meet pay requirements where any challenges may be successful;
- concern surrounding Devon County Council's SEND spending gap which is projected to exceed £50 millions by the end of the 2021/22 financial year; and
- the national context regarding SEND spending where many Councils are facing similar problems and where it is unclear what solutions will be put in place by Government.

7.0 Representatives of the Business Community: 12 January 2021

7.1 Representatives at this meeting included Sue Wilkinson (Federation of Small Businesses), Andrew Dean (University of Exeter), Nicola Allen (Office of the Police and Crime Commissioner) and Dirk Rohwedder (Dartington Trust).

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

- sports grants and how these are being distributed;
- what modelling had been done surrounding the pandemic's impact on Council Tax payments and the support available to those struggling to meet payments;

- the change in funding for Universal Credit recipients and what measures are available in the case of the expected 1% decrease;
- the level of flexibility built into the budget given the possibility of COVID-19 restrictions changing at various points throughout the year where such changes may not be predictable; and
- the Council's commitments to working with businesses where there are wider interests and relationships to preserve outside more immediate concerns, such as COVID-19 support.

8.0 Conclusion

The consultations carried out provided a positive opportunity for the people of Devon to specify their priorities in future service delivery. Much attention was given to the impact of the COVID-19 pandemic, with the data collected and feedback received providing a valuable snapshot of current opinion on where resources should and should not be allocated in future.