



CABINET – 22ND NOVEMBER 2019

**OUTCOME OF CONSULTATION ON THE COUNTY COUNCIL'S
PRIORITIES**

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

PART A

Purpose of the Report

1. The purpose of this report is to provide the Cabinet with a summary of the findings of the recent consultation exercise on the County Council's priorities which will be used to inform decisions taken as part of the refresh of the Medium Term Financial Strategy (MTFS).

Recommendations

2. It is recommended that the Cabinet notes the results of the public consultation on the County Council's priorities which will be used to inform the development of the Medium Term Financial Strategy for 2020/21 – 2023/24.

Reason for recommendations

3. To ensure future decisions around service delivery in relation to the MTFS are, where possible, taken mindful of the views expressed by residents and other stakeholders.

Timetable for Decisions (including Scrutiny)

4. The Cabinet will be asked to approve the draft MTFS for 2020/21 to 2023/24 for consultation at its meeting on the 17 December 2019, which if approved will take place between the 17 December 2019 and the 18 January 2020. The draft MTFS will be considered by the County Council's Overview and Scrutiny bodies between the 15 and 27 January 2019.
5. The Cabinet will then consider the comments of the scrutiny bodies and responses from the wider consultation process at its meeting on 7 February 2019. The County Council will meet on the 19 February 2019 to consider the final MTFS.

Policy Framework and Previous Decisions

6. The MTFS for 2019/20 to 2022/23 was approved by the County Council in February 2019. The MTFS is currently being reviewed and updated in light of the latest information, including key themes and issues identified through the consultation exercise.
7. The Scrutiny Commission considered the outcomes of the consultation on the Council's priorities at its meeting on the 30 November 2019 and its comments are summarised in Part B of the report.

Resource Implications

8. The MTFS is the key financial plan for the County Council which covers not only the allocation of resources but also how the transformation activity, which allows the County Council to respond to the financial challenge, will be funded. Any resource implications that arise from the outcome of the consultation will be considered when the MTFS is presented to the Cabinet in December 2019.
9. The Director of Law and Governance has been consulted on this report.

Circulation under the Local Issues Alert Procedure

10. A copy of the report has been circulated to all members of the County Council.

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PART B

Background

11. The financial position faced by the County Council remains both serious and extremely challenging. This is particularly the case for a low funded authority such as Leicestershire which has limited scope for further savings given that tough decisions have already been taken, with £200m having been saved since 2010.
12. Increased demand for services, especially around social care and special educational needs and disabilities, coupled with general inflationary pressures including the impact of continued increases to the National Living Wage means that spending pressures will continue to grow at a rate in excess of the resources available. As such further savings will be required. The existing MTFs, which runs until 2022/23, detailed a need for a further £75m of savings to be identified by the end of the fourth year. The MTFs is currently being updated in light of recent and emerging information. However, this is unlikely to significantly alter this long-term savings target.
13. The County Council performs an annual consultation on the draft budget. However, it is important to periodically assess the views of the public, staff and stakeholders that can be used to inform the County Council's future financial priorities. The County Council last undertook a budget consultation of this scale in 2013. It is important that local authorities engage with their local communities and key stakeholders. They have a right to be consulted about the way public money is spent to influence the collective decisions and prioritisation that is being made on their behalf
14. As well as influencing the financial plans of the Council, the consultation findings will also be used to influence other elements of service delivery, with departments considering the results of the consultation when performing service planning.

Consultation Methodology

15. The nearly 13-week consultation exercise, which ran between 12 June and 10 September included:
 - a questionnaire – online and sent to households in a special edition of the residents' newsletter Leicestershire Matters
 - an online, interactive tool enabling people to explore the council's budget in more detail
 - residents focus groups/workshops
 - information events with stakeholder organisations and a stakeholder survey
 - information events with council staff and managers
 - public events in each district
16. Over 4,300 people took part in surveys (432 were members of council staff)
 - Just under half of responses came via the online survey (2,026)
 - The majority came via the paper survey distributed in Leicestershire Matters (2,345).

17. The surveys asked respondents the extent to which they thought the council should make reductions in 30 services. They also asked questions on ways of working, the amount of council tax they should be expected to pay, other income, and service improvements, as well as allowing respondents the opportunity to leave comments.
18. The surveys for stakeholders also contained a number of additional open-ended questions.
19. The focus groups were conducted with 72 residents of Leicestershire, independently selected on a representative basis.

Consultation Findings

20. From the survey, the top 10 council services which respondents thought should be reduced were:
 1. Smoking/weight/physical activity
 2. Drug/alcohol/sexual infection
 3. Grass cutting
 4. Travel to school - excluding special educational needs and disability (SEND) transport
 5. Economic growth and grant aid
 6. Street lighting
 7. Adult learning
 8. Museums and records office
 9. Libraries
 10. Minerals and waste planning
21. Most of these services have relatively small budgets.
22. Respondents said the top 10 council services they least wanted to be reduced were:
 1. Older people – enabling independent living in the community
 2. Older people – residential and nursing homes
 3. Road/paths
 4. Gritting
 5. Child protection
 6. Mental health
 7. Waste disposal
 8. Children – in local authority care
 9. SEND (including transport)
 10. Recycling and household waste sites (RHWS)/tips
23. Most of the services that people wanted to protect - especially the care services - have some of the council's largest budgets. The exception being gritting.
24. The focus group findings were broadly comparable to those of the survey, both in terms of the services people most wanted to protect and those where they thought there was some scope for reductions. Participants were more likely to consider budget reductions after the discussions, with pre- and post-workshop

questionnaires used to provide an indication of the extent to which participants changed their opinions. Prior to the discussions, the balance of opinion among residents was that spending should be maintained or increased in all but one service. After the discussions, this balance had shifted and, for 15 of the services considered, a higher proportion of participants were more accepting of budget reductions than increases; having received background information about the council's financial challenges and having discussed the importance of balancing the budget.

25. The majority of respondents supported the different ways of working presented in the survey.:
 - 90% agreed with working more with partners to design integrated services
 - 86% agreed with working more sustainably by utilising renewable energy, reducing carbon and helping protect the environment
 - 85% agreed with finding further efficiencies in processes, procedures and management (incl. using new technology)
 - 81% agreed with reorganising local government to make substantial overall savings in overheads
 - 78% agreed with working more with partners to support the local economy and jobs
 - 74% agreed with handing over the running of specific services to residents, community groups and voluntary organisations
 - 63% agreed with contracting the private or voluntary sector to deliver services. However, a fifth (21%) disagreed with this proposal

26. Participants at the focus groups were keen to see services working more closely together and across geographic boundaries where appropriate, particularly in collaboration with the NHS, and the consideration of a unitary status for the council. They also wanted the council to consider services being run on a more community-orientated basis (if service quality could be maintained), and also for individuals and communities taking more responsibility - either paying more for services or volunteering.

27. When asked about council tax, 50% of survey respondents said that they would be prepared to pay an increase above inflation (3-4% increase in council tax) and 31% preferred an increase in-line with inflation (2% increase in council tax). Only 18% felt council tax should increase below inflation, be frozen, or reduced. The focus groups also showed the majority (77%) favoured increases in line with inflation (37%) or above (40%).

28. There was good support for four of the five listed proposals for increasing income:
 - 91% agreed with campaigning for fairer funding from central government
 - 83% agreed with attracting businesses and investment to increase local business rates income
 - 81% agreed with exploring commercial opportunities to generate income
 - 62% agreed with more investment in land, property and other assets as a source of income

29. Respondents were much less supportive of increased charging for services, with 54% disagreeing with the proposal. However, comments suggested that whilst there was opposition to increased charging for social care services, increased charging for other services, such as on-street parking and entrance to country parks, would be acceptable to some respondents.
30. Respondents to the survey were asked which service areas they felt should be improved in the event of the council's financial prospects being alleviated through a significant efficiency initiative or increased income. The majority of respondents felt the council should improve the 12 service areas listed, to at least some degree (either 'a great deal', 'to some extent', or 'not very much'), if the opportunity arose.
31. For nine of the 12 service areas listed, over half of respondents said they would like to see improvements 'to some extent' or 'a great deal'.
32. The top three services for improvements were:
- Highways - 64% 'to some extent' or 'a great deal'
 - Environment and carbon reduction - 68% 'to some extent' or 'a great deal'
 - Infrastructure to support the economy and population - 65% 'to some extent' or 'a great deal'
33. Respondents were less likely to want to see improvements to:
- Healthy living - 36% said improve 'not at all'
 - Public and school transport (excluding SEND) - 33% 'not at all'
 - Libraries, culture, leisure and adult learning - 30% 'not at all'
34. Respondents had the opportunity to leave written comments. These were analysed and coded. The most popular categories of comment made by respondents in the survey were:
- Protecting services for vulnerable groups, such as those for older people, children, the disabled, those with SEND or mental health difficulties
 - Consider lobbying central government for greater/fairer funding
 - Improve the options for waste management / recycling
 - Reduce the number of managers, and their salaries
 - Reduce the number of councillors, their expenses and allowances
 - Improve road maintenance/safety
 - Stop bureaucracy, inefficiency, waste and duplication
 - Get people to take individual responsibility
 - Join up services/thinking with other departments, districts or city councils
 - Have one single council for the area
35. From the open comments received in the stakeholder survey, numerous areas relating to environment and transport were cited as examples of services currently working well and some also pointed towards good examples of multi-agency/joint working between the council and partners. Several stakeholders voiced concern about communication with the council. Improving efficiency was the main theme in which most stakeholders suggested the council could work differently to save money and improve outcomes. Stakeholders often suggested business services could operate commercially as a source of income. For example, human

resources (HR), legal, and training services could be offered to other public and private organisations.

36. Finally, participants at the focus groups were positive about the opportunity to learn more about how the council worked and to have their say. They recommended that such opportunities should be more frequent
37. More detail on the approach taken to engagement as part of the consultation, together with the key findings and outputs are summarised in the two appendices.
38. The Scrutiny Commission considered the consultation outcomes at its meeting on the 30 October. The Commission asked questions regarding the methodology used for the consultation and whether the sample size was sufficient to be relied on. Members was advised that the consultation outcome was one of a number of exercises to inform the refresh of the MTFS, that focus groups had been used to provide greater depth of analysis and that officers were pleased with the number of respondents. Advice had also been sought from an independent research company who had welcomed the response rate for a consultation of this nature. The Commission noted that respondents would welcome greater investment in highways and suggested that this view should be taken into account by the Cabinet during the refresh of the MTFS.

Equality and Human Rights Implications

39. Departments will complete Equality and Human Rights Impact Assessments (EHRIA) on the 2020-24 four-year MTFS as detailed proposals are developed. A review of the overall impact of the proposals will also be undertaken as part of the MTFS to ensure any cumulative impacts on protected groups are identified.

Background Papers

Report to County Council -20 February 2019 – Medium Term Financial Strategy 2019/20 to 2022/23

<http://politics.leics.gov.uk/documents/s144416/Report%20of%20the%20Cabinet%20-%20MTFS.pdf>

Appendices

- Appendix A – Summary of the consultation process and results.
Appendix B – Summary of findings from the workshops

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