



**Policy and Resources
Committee**

27 July 2017

Subject: Budget Consultation Proposal for 2018/2019

Report by:

Director of Resources

Contact Officer:

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Purpose / Summary:

To provide Members with the proposal to run the budget consultation for 2017 including an online budget simulator.

RECOMMENDATION(S):

That Members agree the proposal for consulting on the 2018/19 budget

IMPLICATIONS

Legal:

Financial Implications: FIN/57/18/TJKB

The cost of the Budget Simulator is £1,000 and will be contained with existing budget resources.

The cost of the events and survey can be met from the consultation budget

Staffing : None

Equality and Diversity including Human Rights :

NB: Please explain how you have considered the policy's impact on different groups (for example: young people, elderly, ethnic minorities, LGBT community, rural residents, disabled, others).

Risk Assessment : No risks are identified

Climate Related Risks and Opportunities : None

Title and Location of any Background Papers used in the preparation of this report:

*Wherever possible please provide a hyperlink to the background paper/s
If a document is confidential and not for public viewing it should not be listed.*

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1. Background

- 1.1 Each year a consultation is undertaken on the following years budget prior to it being set. Although there is no legal requirement to undertake this we have a legal requirement under the Local Government Act 1992 section 65 to consult ratepayers who are persons or bodies appearing to be representative of persons subject to non-domestic rates within the district and must be about the authority's proposals for expenditure.
- 1.2 During 2016 officers at WLDC have joined the Consultation Institute to ensure that all consultations are legal and to lower the risk of a judicial review. Consultation according to the Consultation Institute is the dynamic process of dialogue between individuals or groups, based upon a genuine exchange of views, with the objective of influencing decisions, policies or programmes of action.
- 1.3 Before 1985 there was little consideration given to consultations until a case (R v London Borough of Brent ex parte Gunning). This case sparked the need for change in the process of consultations when Stephen Sedley QC proposed a set of principles that were then adopted by the presiding judge. These principles, known as Gunning, were later confirmed by the Court of Appeal in 2001 (Coughlan case) and are now applicable to all public consultations that take place in the UK. These outline the principles which all consultations must abide and are:

1. When proposals are still at a formative stage

Public bodies need to have an open mind during a consultation and not already made the decision, but have some ideas about the proposals.

2. Sufficient reasons for proposals to permit 'intelligent consideration'

People involved in the consultation need to have enough information to make an intelligent choice and input in the process.

3. Adequate time for consideration and response

Timing is crucial – is it an appropriate time and environment, was enough time given for people to make an informed decision and then provide that feedback, and is there enough time to analyse those results and make the final decision?

4. Must be conscientiously taken into account

Think about how to prove decision-makers have taken consultation responses into account.

The risk of not following these principles could result in a Judicial Review.

2. Proposal

- 2.1. To undertake this work it is proposed that multiple routes are taken to consult with our stakeholders and following on from feedback of previous years we would like to make the consultation more interactive. These would include 3 events, an online tool, social media question and answer session and a survey to businesses. The responsible officer for this work is Ian Knowles, Director of Resources with the accountable officer being Katy Allen, Corporate Governance and Business Improvement Officer.

2.2. The objectives of the engagement are to:

- Raise awareness of the financial challenges
- Raise awareness of the diversity of services the Council provides
- Seek views on ideas for efficiencies and areas for further income
- Identify services the public would feel could be reduced or have low local priority

3. **Who and how to involve**

3.1. The stakeholders which we would consult with on this subject would be:

- NNDR payers
- Residents
- Citizen Panel members

The data from this consultation would go to inform the Councillors of WLDC when setting the next budget.

3.2. To ensure we are as inclusive and allow as many residents as possible to take part we use a number of different methods to engage. These include events, online tool, social media question and answer session, written submissions and a paper survey.

- Online – To be inclusive of the consultation we are looking at an online tool which would ask what level of Council Tax they would be happy to pay. They would then have a set budget on which they need to spend on services while ensuring the Council Level does not go above 1.9%. The last part would be seeing how they would prefer the New Homes Bonus to be spent.
- Events – we would hold 3 events which would be in Nettleham, Market Rasen and Gainsborough. These venues have been chosen due to the amount of attendance at previous events. It has been found that these locations are the ones which receive the highest level of attendance. These events would match the content of the online tool and a “you said we did” from previous events. To ensure these are more interactive the attendees would get a chance to use the online budget tool.
- Social Media – we would propose to do a question and answer session on Twitter with the Director of Resources and the Financial Services Manager around the subject of the consultation during September.
- Written Submissions – Although written submissions are not advertised as being accepted we would accept them. They are not advertised due to the amount of time analysis of these submissions take compared to other routes.

- Paper Survey – To ensure that we consult with business rate payers as per section 65 of the Local Government Act 1992 we would design a paper survey to link with the format of the online tool and the events.

4. Timescales

4.1. A draft timescale of the proposal is below:

Action	Start date	Finish Date	Responsible Officer
Buy and set up online tool		31 July 2017	Katy Allen
Develop survey for businesses		31 July 2017	Katy Allen
Printing of survey/posters/letters		11 August 2017	Katy Allen
Open consultation	25 August 2017		Katy Allen
Advertise consultation	25 August 2017	2 October 2017	Julie Heath
Full Council demonstration		4 September 2017	Katy Allen/Ian Knowles
Social Media Event		September 2017	Ian Knowles/Tracey Bircumshaw
Event – Nettleham		September 2017	Katy Allen
Event – Market Rasen		September 2017	Katy Allen
Event - Gainsborough		September 2017	Katy Allen
Close consultation		6 October 2017	Katy Allen
Inputting of data	4 September 2017	9 October 2017	Katy Allen
Analysis	9 October 2017	13 October 2017	Katy Allen
Draft report to Ian Knowles		18 October 2017	Katy Allen
Report to Policy and Resources Committee		9 November 2017	Ian Knowles

5. Budget consultation software

5.1. We are proposing purchasing a 1 year license for a piece of software called Budget Allocator which is an online tool which allows the respondent to have a direct say in how we might allocate the budget for 2018/19.

5.2. The tool has the following features:

- Unlimited projects for 1 year

- Multiple administrators
- Unlimited participation
- Personalised domain
- Email and phone support
- Demographics capture
- Onscreen and exportable reports

5.3. This is hosted in the UK and is registered with the ICO so there are no Data Protection issues.

6. Consultation data

6.1 The first question they respondents would get asked on the online tool would be around the level of Council Tax they would be willing to pay. The options will be 1%, 2% or 3%. If the Council Tax was to be increased by £4.95 (2.5%) per property then the increase in budget would be by £143,000.

6.2 The second section would be about the service budgets. The tool will allow respondents to increase or decrease the figures but they will need to ensure at the end that they still have a balanced budget by showing how much the council tax will increase or decrease according to each option.

The Total Budget 2018/19 is £13,821,200 however the online tool would have the service related budgets which total £9.684m.

These services and budgets are:

Economic Development	£425,700
Environmental Services	£692,400
Housing Services	£557,700
IT Services	£719,200
Land and Property (inc Markets and Car Parks)	-£41,600
Leisure, Arts and Tourism	£292,100
Planning and Building Control	£221,200
Revenues and Benefits	£311,700
Support Services	£2,644,100
Waste Services	£2,205,200
Corporate and Democracy	£1,657,001
Total	£9,684,701

- 6.3 The last section of the online tool would be around how the New Homes Bonus could be spent. This money is made up from the number of affordable homes delivered which is £350 per property, of which £280 comes to West Lindsey and from an increase in the Council Tax base of which £1,224 per property comes to West Lindsey. The options will be provided at the meeting.

7. Recommendation

- 7.1 It is recommended that the proposal for the budget consultation is agreed.