



**Corporate Policy and
Resources Committee**

10 May 2018

Subject: Budget Consultation Proposal 2018

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 2018 including an online budget simulator.

RECOMMENDATION(S):

That Members agree the proposal for consulting on the 2019/20 budget

IMPLICATIONS

Legal: None.

Financial : FIN/27/19 TJB

Cost of the Budget Simulator is £1,000 and will be met from within existing budgets. The cost of the events and survey will be met from the consultation budget

Staffing : None

Equality and Diversity including Human Rights :

Consultation designed with different routes to ensure as many residents and businesses as possible are able to take part.

Risk Assessment :

Risk that no residents or businesses take part. Work undertaken to ensure that as many respondents as possible are received through different consultation routes.

Climate Related Risks and Opportunities :

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

None.

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 year's 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 last year's consultation. These would include 3 events, an online tool 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 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

And 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 as possible and allow as many residents as possible to take part we run a number of different routes to take part. These routes 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 using the same online tool which was used during 2017. This tool will be used online and also for the events. For the information which is going to be included in the tool please see section 6.
- Events – we will hold 3 events which would be in Nettleham, Caistor/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 as happened last year. Informal feedback at the previous events showed that residents found this format informative and less intimidating than expecting them to use the system directly themselves. For details on the dates of these events please see section 4.
- Social Media – we would advertise the consultation on both Twitter and Facebook to try to spread the chance for residents to attend as wide as possible.
- 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 get as many views on the consultation as possible we would have a paper survey which would be available to those on the citizen panel without online

access and to any other resident or business who could not complete the online tool.

4. Timescales

4.1. A draft timescale of the proposal is below:

Action	Start date	Finish Date	Responsible Officer
Details of consultation to Policy and Resources Committee		10 May 2018	Ian Knowles
Budget software demonstration to P&R committee		26 July 2018	Ian Knowles
Open consultation	3 September 2018		Katy Allen
Advertise consultation	3 September 2018	10 October 2018	Julie Heath
Full Council demonstration		3 September 2018	Ian Knowles
Event – Nettleham		25 September 2018	Katy Allen
Event – Gainsborough		1 October 2018	Katy Allen
Event – Caistor/Market Rasen		2 October 2018	Katy Allen
Close consultation		14 October 2018	Katy Allen
Inputting of data	10 September 2018	19 October 2018	Katy Allen
Analysis	19 October 2018	22 October 2018	Katy Allen
Draft report		24 October 2018	Katy Allen
Report to Policy and Resources Committee		13 December 2018	Ian Knowles

5. Previous response rates

5.1. 2018 will be the second year of using the budget software to collect people's views. 2017 did see a drop in the number of residents who undertook the consultation, however this is due to a range of factors including the use of the new system. For 2018 the number of residents on the Citizen Panel has been increased and the amount of advertising on Facebook and Twitter will be increased for 2018.

5.2. Response rates over the last 2 years have been:

	2016	2017
Events	64	44
Surveys	402	207
Online	-	117
Total	461	368
Number on Citizen Panel	1,300	1,290

5.3 During the start of 2018 the Citizen Panel underwent a refreshment which involves retiring members of the panel who have not responded to any surveys in the past 2 years and to give other residents a chance to take part. At any time residents can join but every 2 years we write to a random selection of households to refresh the panel membership. At the time of writing this report this process was still underway but the panel has grown to have more than 1,350 members which should give the budget consultation a greater response rate as members are more likely to take part.

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% for an increase or decrease. 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. Following on from feedback last year the system is being developed to include what impact each option would have, to give the respondents the ability to give a more informed decision? This will show the budgets down to a team leader level and outline not only a description of what that includes but also whether it is statutory or discretionary.

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 third 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.
- 6.4 The fourth section would be asking about the Fees and Charges...
- 6.5 The fifth section would be around grant funding and whether the respondents agree with the use of Council Tax money to pay for grant funding.
- 6.6 The final section would be about joint working with 3rd party organisations and whether the respondents agree to different structures for delivery.
- 6.7 Sections 3 onwards in the system would not affect the amount of budget spent but more to give Councillors an idea of how the public feel to this being undertaken.