

Report Title **Budget Consultation**

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Portfolio **Finance and Resources**

Ward(s) affected **All**

Purpose of the Report

To inform Cabinet of consultation proposals as part of the preparation to produce the council's Budget for 2014/15.

Recommendations

Cabinet is asked to support the consultation proposals outlined in this report.

Reasons

The borough council is committed to being a "co-operative council" and this includes a desire to be an "open, honest and transparent organisation which undertakes regular consultation with its residents and listens to their views."

1. Background

- 1.1 In 2012, the borough council ran a six week consultation process which was the first of its kind since December 2004 when a budget consultation exercise using a process called "SIMALTO" – Simultaneous Multi-Attribute Level Trade-Off took place.
- 1.2 More than £15,000 was spent on the Simalto exercise which involved a private sector company carrying out interviews with residents and then also hosting a series of workshops and focus groups.
- 1.3 Last year, Cabinet members endorsed and led a consultation exercise aimed at enabling residents to have an influence in shaping spending priorities for the financial years 2013/14 and 2014/15 with the council's budget forecasts indicating savings of at least £2.5 million being required.
- 1.4 Cabinet is now being asked to build on the success of the 2012 consultation exercise with another consultation which is aimed at further shaping spending priorities for the 2014/15 financial year.

2. Issues

- 2.1 In the last consultation process the council used a number of communications channels to try and reach as wide an audience as possible. These included:
 - (i) Producing and distributing a special budget edition "mini" Reporter.
 - (ii) Producing and distributing a budget questionnaire with a "Freepost" address.
 - (iii) Reception room one at the Civic Offices in Newcastle was turned into a "living room" for a day as part of a drop-in coffee morning session.
 - (iv) Seven public meetings were held at locations across the borough.
 - (v) 10 face-to-face "stop and chat" events were held across the borough.
 - (vi) The council's E-panel was consulted.
 - (vii) All 60 borough councillors were given the special edition Reporters and questionnaires to distribute in their communities.

- (viii) Bespoke budget consultation content and the budget questionnaire were placed prominently on the council's website.
- (ix) Flyers and posters promoting the consultation were distributed.
- (x) Discussion with Newcastle Partnership Strategic Board.
- (xi) Press releases, media interviews, briefing notes produced to generate local coverage of the consultation.
- (xii) Pop-up adverts used on key landing pages on the council's website.
- (xiii) Bluetooth and Wi-fi messaging used to contact mobile phone users.
- (xiv) A scrutiny café was held for interested stakeholders.

- 2.2 There were two main elements to the consultation. Firstly, residents were encouraged to complete a questionnaire which asked them to decide how important some key service areas were to them. They then had to mark the services on a five point scale with one end of the scale being "Of no importance" and the other end of the scale being "Extremely important."
- 2.3 The consultation also served to raise awareness of the financial constraints facing the borough council as a result of reductions in central Government support, pressures on income and a freeze on Council Tax.
- 2.4 As far as human and material resources are concerned, it is estimated that during the course of the 2012/13 budget consultation process:
- 5,600 mini budget edition Reporters were distributed together with the same number of questionnaires.
 - 3,100 A5 flyers promoting the consultation and events were handed out and 81 A3 posters displayed in shops, businesses and other public areas.
 - A total of 44 hours were spent by staff in the production and printing of material associated with the consultation – mini Reporter, questionnaire, pop-ups, flyers and posters, website content.
 - 28 hours were spent by staff distributing materials – flyers, posters to promote events.
 - 45 hours were spent by a number of staff supporting Cabinet members at sessions with the public – the coffee morning, public meetings and face-to-face sessions.
 - Some of these hours were paid as overtime to some staff as they took place at weekends and in the evenings.
 - Approximately 25 hours were spent collating and evaluating data received during the process.
- 2.5 In total, 635 questionnaires were returned to the borough council. Of the total number of responses received, 393 were received through electronic channels; 91 were received through the post; 120 came from face-to-face sessions and 31 from public meetings.

3. Options

- 3.1 The council has two options which it can pursue.
- 3.2 The first is to carry out an inclusive and extensive consultation which enables a large number of residents to make their views known over public spending issues and priorities in Newcastle-under-Lyme.
- 3.3 The other option is to not carry out a consultation process.

4. Proposal

- 4.1 The proposal is that Cabinet approves a consultation process for 2013 to help shape the 2014/15 budget.
- 4.2 A number of “lessons learned” discussions have taken place with Cabinet members who were heavily involved in the budget consultation process during 2012/13. It is clear that some aspects of the consultation worked better than others.
- 4.3 It is also clear that the consultation posed significant pressures not only on Cabinet members but also the Communications Department. Despite that it did provide excellent feedback and it should be remembered that this was a process not carried out for almost a decade in the borough so getting it off the ground was always going to be challenging.
- 4.4 Cabinet is now being asked to approve a consultation for 2013 to help shape the 2014/15 budget proposals.
- 4.5 Detailed proposals for Cabinet to consider are outlined below:
 - 1) The consultation process will run over a six week period from Monday, 30 September to Friday, 8 November.
 - 2) Cabinet members will lead the process with contributions from other councillors and support from council officers.
 - 3) Public meetings
 - a) Three public meetings will be held to enable residents to come along, ask questions and discuss budget issues with Cabinet members.
 - b) These will take place in a one week period during the fourth week of the budget consultation – Monday, 21 October to Friday, 25 October.
 - c) They will be held at:
 - (i) The Madeley Centre on Tuesday, 22 October at 7pm.
 - (ii) Kidsgrove Town Hall on Wednesday, 23 October at 7pm.
 - (iii) The Civic Offices in Newcastle on Thursday, 24 October at 7pm.
 - d) A public notice will be placed in the local media on Wednesday, 16 October, outlining the time, place and date of the meeting.
 - e) Information will also be placed on the home page of the council’s website and distributed to the media.
 - 4) Face-to-face public engagement
 - a) Six face-to-face “stop and chat” events will take place – two in each of the first three weeks of the consultation – W/C 30 September, 7 October and 14 October.
 - b) They will be between 10am and 2.30pm on each day at:
 - (i) Freeport at Talke on Tuesday, 1 October.
 - (ii) Outside the shops in King Street, Kidsgrove, on Thursday, 3 October.
 - (iii) The Guildhall in Newcastle on Tuesday, 8 October.
 - (iv) Keele University in the Students’ Union on Tuesday, 15 October.
 - (v) The Madeley Centre on Thursday, 17 October.
 - (vi) The Farmers’ Market in Newcastle on 18 October.
 - c) A public notice will be placed in the local media on Wednesday, 25 September, outlining the six times, places and locations.
 - d) Information will also be placed on the home page of the council’s website and distributed to the media.

- 5) A special budget edition “mini” Reporter will be produced. This will include information on the budget issues which the council wants residents to express an opinion on and there will also be a Freepost questionnaire.
- 6) The August edition of the Reporter will be used to increase awareness of the budget consultation process and how residents can get involved.
- 7) The borough council’s E-panel will be consulted.
- 8) All 60 borough councillors will be provided with 40 copies each of the special budget edition “mini” Reporter and be asked to distribute them within the communities they represent.
- 9) Bespoke budget consultation content and the budget questionnaire will be promoted on the home page of the council’s website on the revolving banner.
- 10) Throughout the six week consultation process the Communications Department will embark on a variety of “guerrilla” marketing ventures with large scale distributions of editions of the special budget edition “mini” Reporter. This will involve targeting specific areas at specific times throughout the borough depending on a variety of circumstances such as events, resources etc.
- 11) A presentation on the budget issues will be organised by the Head of Business Improvement and Partnerships to the Newcastle Partnership Strategic Board.
- 12) A series of press releases, media interviews and briefing notes will be produced to generate local coverage in the media during the consultation process.
- 13) Pop-up adverts will be used on key landing pages on the council’s website to promote the process and encourage online completion of the budget questionnaire.
- 14) The council’s Bluetooth and Wi-fi transmitter will be used to send key messages to mobile phone users at key locations throughout the borough. Users will not be sent questionnaires but will receive information and be sign-posted to other channels.
- 15) A scrutiny café will be held in January for interested stakeholders. This will be organised by the Business Improvement and Partnerships Team.
- 16) A Scrutiny Café will be held on Tuesday 14th January for Elected Members.
- 17) Key stakeholders such as the Locality Action Partnerships (LAPs), parish and town councils, business groups etc will be contacted and asked to submit their views as part of the consultation process. This will be overseen by the Business Improvement and Partnerships Team.
- 18) Pop-up banners will be produced and located in each of the locations for the public meetings for three weeks to promote attendance at the events.

5. Reasons for Preferred Solution

- 5.1 The borough council is committed to involving residents in shaping the way services are delivered to them. The budget is fundamental to that process and as a result a significant amount of effort was committed to ensuring an extensive and inclusive consultation in 2012.

- 5.2 Building on the success of last year should ensure residents are presented with significant opportunities to make their voices heard during the six week consultation this time round.
- 5.3 Following on from last year's consultation process, a number of changes are being put forward for 2013 to hopefully generate even greater resident participation.
- 5.4 Lessons learned have helped shape the proposals and these include a proposed reduction in the number of set-piece evening meetings being planned; greater pre-publicity and awareness raising: information will be taken and presented to residents rather than an expectation that residents will come to us to receive information. There are also plans for a greater emphasis on electronic and social media.
- 5.5 The council's Budget Review Group has already considered the consultation proposals and so has the Transformation and Resources Overview and Scrutiny Committee at its meetings on 22 July and 2 September.

6. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities

- 6.1 The council is committed to becoming a co-operative council delivering high quality, community-driven services. Part of this commitment involves being an "open, honest and transparent organisation which undertakes regular consultation with its residents and listens to their views."

7. Legal and Statutory Implications

- 7.1 The council is not under any legal or statutory duty to carry out a consultation process linked to its budget.

8. Equality Impact Assessment

- 8.1 The council's budget consultation will be as open, transparent, extensive and inclusive as it possibly can be. Cabinet is being asked to approve using all of the communication channels at the council's disposal to ensure no sections of the community are disadvantaged with regards to making their voices heard.
- 8.2 The list of activities outlined in the Proposal section in this report indicates how "inclusive" the consultation will be.

9. Financial and Resource Implications

- 9.1 As far as finances are concerned it is estimated that in 2012 the council spent:
 - £600 on printed materials – all of this work was carried out in-house by the council's graphic design and print service.
 - £130 on pop-up promotional banners.
 - £425 on venue hire, transport costs, refreshments for those who attended the public meetings and face-to-face sessions.
 - £45 for Freepost costs.
- 9.2 All of the costs identified above – including some overtime payments to staff – were met from within existing budgets for consultation services at the borough council.

- 9.3 This year the council will have to meet some additional costs for placing public notices in the local media to advertise the various meetings and events which are scheduled as part of the consultation process.
- 9.4 However, this will in part be offset by the changes to the scheduling of meetings and events which means overtime payments will not be liable to staff involved in supporting the process.
- 9.5 Despite the marginal increase in costs which are likely to be incurred for running the consultation this year, all costs can still be met from within budgets allocated by the council for consultation purposes.

10. Major Risks

- 10.1 A risk assessment has been completed and entered into GRACE – the council's corporate risk software system.

11. Key Decision Information

- 11.1 The budget consultation is a key decision for the council as the budget impacts on all wards and services.