



Derby City Council

**CORPORATE SCRUTINY AND
GOVERNANCE BOARD**
23 February 2015

ITEM 7

Report of the Acting Chief Executive

Big Conversation Budget Simulator ‘Your Council, Your Money, Your Views’

SUMMARY

- 1.1 The Leader of the Council launched the Big Conversation in 2014 to give everyone in Derby the opportunity to influence decision making. The Big Conversation aimed to raise awareness regarding the cuts being made by central government and the impact of reductions on our local services. One of the biggest budget consultations ever undertaken by the Council, over 10,000 people have so far been asked for feedback through a large number of community, business and service user events, on street promotion, member surgeries and through our website.
- 1.2 The Your Council, Your Money, Your Views Budget Simulator launched on 21 July 2014 and challenged participants to manage and balance the Council Budget using an innovative online simulator. The Simulator allowed for those living, working or visiting Derby to give a real indication of where their personal priorities lie as well as allowing the Council to gain a real insight into the views of the public. In order to submit their response participants had to make the required savings.
- 1.3 During the consultation period the Big Conversation team attended events across the city to promote and encourage participation. At these events people were able to complete the Simulator using iPads or provide overall comments and feedback about Council Services.
- 1.4 As of 20 November 2014 there had been 902 submissions with 6,840 visits made to the Budget Simulator Pages. The Simulator will be open to receive feedback until the end of March 2015, however the Big Conversation itself will remain as a continuous dialogue with local residents and stakeholders.
- 1.5 Data from the Simulator has been analysed to identify respondents’ relative priorities in funding services (for example, services receiving highest or lowest % reductions). 1,390 comments have also been evaluated to draw out key themes including difficulty in balancing the budget, the need to focus on ‘must dos’ and maintaining minimum levels of services in accordance with statutory requirements. In some cases, there was acceptance that fees and charges would need to increase as well as changes in service delivery to achieve the scale of savings required (£60 million).

RECOMMENDATIONS

- 2.1 To note the consultation activity carried out as part of the Your Council, Your Money, Your Views Budget Simulator.
- 2.2 To note the main findings as shown in Appendix 2.

REASONS FOR RECOMMENDATIONS

- 3.1 To ensure the consultation has achieved the aims to encourage participation with people living, working and visiting Derby. The Council also has a statutory duty to consult with residents and businesses on its budget proposals.

SUPPORTING INFORMATION

- 4.1 The Your Council, Your Money, Your Views – Budget Simulator was launched on the 21 July 2014 by the Leader of the Council. The Simulator formed a key part of the Big Conversation to give everyone in Derby the opportunity to influence decision making. The aims of the project were to:
 - inform, raise awareness and get agreement amongst residents and stakeholders in Derby about:
 - the impact of national economic policy on the Council’s budget and budget decisions
 - the current composition of the Council budget and the scale of the budget savings required in 2015/16 to 2017/18
 - the need to think differently about the range and levels of services the Council can provide in the future
 - the need to think differently about whose responsibility it is to provide services
 - the delivery of services and achieving shared goals in different and innovative ways.
 - engage and involve a large number of residents and stakeholders in an exercise to prioritise services and Council expenditure
 - explore with residents and stakeholders how services can be delivered differently in the future and the capacity for all sections of the community to play a role
 - maintain a continuous dialogue with residents and stakeholders to ensure the issues are being discussed across the city and the conversations are captured.
- 4.2 Through the Budget Simulator, participants were asked make £60 million of savings by adjusting the budget available for the range of Council services, in addition to having the option to increase Income, Fees, Charges and Council Tax. This enabled participants to:

- see how the Council currently spends its budget
 - suggest how they would achieve the savings
 - give comments within each service area and suggestions on how Derby City Council can make savings or generate income.
- 4.3 The data generated by the Your Council, Your Money, Your Views – Budget Simulator was designed to support the process for setting the Council's budget over the next three years and enable the views of stakeholders on budget reductions to be considered.
- 4.4 There has been an extensive communications and engagement campaign to support the Big Conversation including:
- lamp post, roundabout and car park advertising
 - social media marketing
 - employee bulletins
 - attendance at events including Picnic in the Park, Derby by the Sea, Derby Pride event – Out Derby LGBT (Lesbian Gay Bisexual and Transgender) and the Darley Park Concert
 - lunchtime promotion in the staff promotional area in the Council House
 - Voices in Action Youth Forum presentation
 - presentation to the Derby Deaf People's Forum
 - on street promotion to the public on St Peter's Street
 - presentations in schools and completion of the simulator in Personal, Social and Health Education classes
 - agenda items on Neighbourhood Forum and Board meetings
 - a business sector event in conjunction with Marketing Derby
 - agenda item at the Community Action Derby Annual General Meeting (AGM)
 - presentations at Diversity Forums.
- 4.5 As an incentive for people to complete the Budget Simulator, anyone who submitted their budget by 17 October 2014 was offered a chance to enter a prize draw with the opportunity to win an iPad.
- 4.6 In total 902 completed Simulator responses were received up to 20 November 2014 (when the first cut of data was extracted for analysis). 1,390 comments were received up to December 2014 through the Simulator, self-completion feedback form, email and events listed above. This is one of the largest budget consultation exercises ever undertaken by the Council, with over 10,000 people engaged in the Big Conversation to date.

- 4.7 Headline average results by service group for the Simulator are shown in Table 1 below. More detailed results are shown in the Main Findings report shown at **Appendix 2**.

Table 1: Average % change results by service group

Service Group	Average change
Adults	-30.91%
Health and Housing	-23.57%
Children and Young People	-18.82%
Environment and Regulatory Services	-21.14%
Regeneration, Leisure and Culture	-33.28%
Strategic Services and Corporate Management	-29.78%
Neighbourhoods and Streetpride	-27.77%
Income, Fees and Charges	+21.15%
Council Tax (additional)	+1.59%

- 4.8 Service groups were further defined to facilitate more detailed feedback on individual service areas. The following services received the smallest and largest reductions as part of the exercise.

Table 2: Services with the smallest % reductions

Service Area	Change
Children in Care Fieldwork	-15.91%
Health Protection	-16.97%
Trading Standards	-17.42%
Specialist Services for Children and Young People	-17.79%
Food Safety	-17.95%

Table 3: Services with the highest % reductions

Service Area	Change
Cultural Entertainment and Events	-40.09%
City and Neighbourhood Partnerships	-39.49%
Museums	-35.68%
Libraries	-34.09%
Human Resources	-33.09%

Results have been cross-tabulated to draw out any themes by respondent group, for example, location (Derby resident, live outside Derby), age and disability. Full analysis can be found at **Appendix 2**.

- 4.9 As part of the Simulator, participants were able to make comments and suggestions for savings and other ideas to help with balancing the budgets. The comments have been sorted into themes to support analysis and interpretation. A word cloud is shown below:

Figure 1: Word Cloud – Budget Simulator Comments, 21 July to 20 November 2014.



4.10 Key themes emerging from the comments include:

- People found the Simulator difficult to balance given the sheer number of services provided by the Council, the size of the task in hand (£48 million savings as a minimum) and understanding the statutory minimum of services required.
- In some cases respondents questioned the legal minimum and whether savings could be achieved through re-interpreting the statutory minimum or via procurement or working collaboratively (such as working with the NHS or voluntary sector).
- Many of the suggestions were pragmatic and focused on doing things differently whilst maintaining minimum levels on 'must dos' - new approaches to service delivery (using online or self-service methods), the transformation and restructure of services to achieve more efficiencies or exploring self-funding, sponsored or social enterprise models.
- There was an acceptance of the need for charges in some areas that are currently free.
- Comments focused on reducing bureaucracy and layers of management.
- Whilst some felt Council Tax should not be increased, the average additional rise in the Simulator exercise was 1.59%.

4.11 The main findings from the Big Conversation were reported to Council Cabinet on 18th February 2015 alongside the Budget Consultation 2015/16 results.

4.12 The Your Council, Your Money, Your Views Budget Simulator will remain open until 31 March 2015. However the Big Conversation will continue on an ongoing basis as a key priority for the Council.

OTHER OPTIONS CONSIDERED

5.1 None

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Director of Strategic Services and Transformation Head of Performance and Improvement (Acting Head of Research & Consultation)
For more information contact: Background papers: List of appendices:	Shelley Merrett 01332 643475 shelley.merrett@derby.gov.uk Helen Hathaway 01332 643474 helen.hathaway@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Big Conversation Main Findings Report

IMPLICATIONS

Financial and Value for Money

- 1.1 The Council has to make significant savings in 2015/16 and 2016/17 to balance its budget. The data generated by the Big Conversation, including Your Council, Your Money, Your Views – Budget Simulator will support the process for setting the Council's budget through the Medium Term Financial Plan (MTFP) and enable the views of stakeholders on budget reductions to be considered.
- 1.2 The cost of the Budget Simulator has been met from within existing budget provision. This will not be the case if the consultation was extended beyond 31 March 2015.

Legal

- 2.1 The Council has a statutory duty to consult with local businesses and communities on major policy and budget decisions. The Budget Simulator and Consultation provides information to inform decision making and evidence that the Council has consulted with local people. It is important to undertake consultation with people who may be affected by any decisions made by the council. Evidence may be required to show that consultation results have been taken into account when decisions are made. Recent cases of judicial review have ruled against local authorities and found their consultation has failed to meet the public sector equality duty (PSED) under s.149 of the Equality Act 2010.

Personnel

- 3.1 Any decisions arising from the consultation will impact on employees delivering services through the Medium Term Financial Plan (MTFP). Potential cuts may impact on staff redundancies.

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- 4.1 None arising directly from the report.

Equalities Impact

- 5.1 The engagement activity carried out included presentations to the Council's Diversity Forums and a workshop with representatives of the deaf community. A pilot BSL video was produced. A representative of the Consultation Team also attended the Derby Pride event – Out Derby LGBT.

Decisions on any cuts in services through MTFP will require EIAs to be completed, to determine the impact on service users.

Health and Safety

6.1 None arising directly from the report.

Environmental Sustainability

7.1 None arising directly from the report.

Property and Asset Management

8.1 None arising directly from the report.

Risk Management

9.1 None arising directly from the report.

Corporate objectives and priorities for change

10.1 The data generated by the Your Council, Your Money, Your Views – budget simulator will support the process for setting the Council's objectives and priorities for change over the next three years.