

From: Peter Oakford, Deputy Leader and Cabinet Member for Finance and Traded Services

Susan Carey, Cabinet Member for Customers, Communications and Performance

Subject: Budget Campaign and Consultation 2018

Classification: Unrestricted

Summary:

Following the Budget Campaign and Consultation, this report sets out an evaluation of the levels of participation and engagement and the outputs.

1. Budget Campaign and Consultation

- 1.1 The budget communication and consultation campaign was launched on 11th October and closed on 21st November. The campaign was aimed at reaching a wide audience of Kent residents and other interested parties to inform them of the budget challenge facing the Council arising from a combination of rising spending demands/costs (which are unfunded), reductions in central government funding and restrictions on our ability to raise Council Tax. As a result of the campaign we hoped to raise awareness of these issues and encourage residents to respond with their views. The Campaign was led by the Revenue and Tax Strategy team within Finance with support from representatives from the Engagement and Consultation team and Kent Communications.
- 1.2 The campaign was primarily delivered through the council's website www.kent.gov.uk/budget. This dedicated page provided a high-level summary of the financial challenge with links to the consultation questionnaire, and more detailed supporting information. There were 8,827 page views made by 6,381 users. About 77% of traffic came from social media – predominately Facebook.
- 1.3 Press releases were issued at the consultation launch which focused on the budget challenge. The Leader, Deputy Leader and Leader of the Opposition did various interviews at the launch event and media work was undertaken with:
- BBC South East Today
 - BBC Radio Kent
 - ITV Meridian
 - KM newspapers
 - KMFM
 - Kentlive

- 1.4 The press release encouraged those residents who did not have personal access to a computer to visit their local library and complete the questionnaire online there either through one of our free public access computers or if they have their own device by using the free public Wi-Fi.

Hard copies and alternative formats of the consultation material were also publicised through the press release as was Text Relay facility.

2. Consultation Strategy

- 2.1 Following the increased levels of engagement last year (965 responses in 2017), it was agreed that for this year's strategy we would adopt a similar approach. This strategy included a social media campaign (Twitter, Facebook and Instagram) to drive traffic to the KCC's dedicated web page. The anticipated benefits and risks with this approach were identified as:

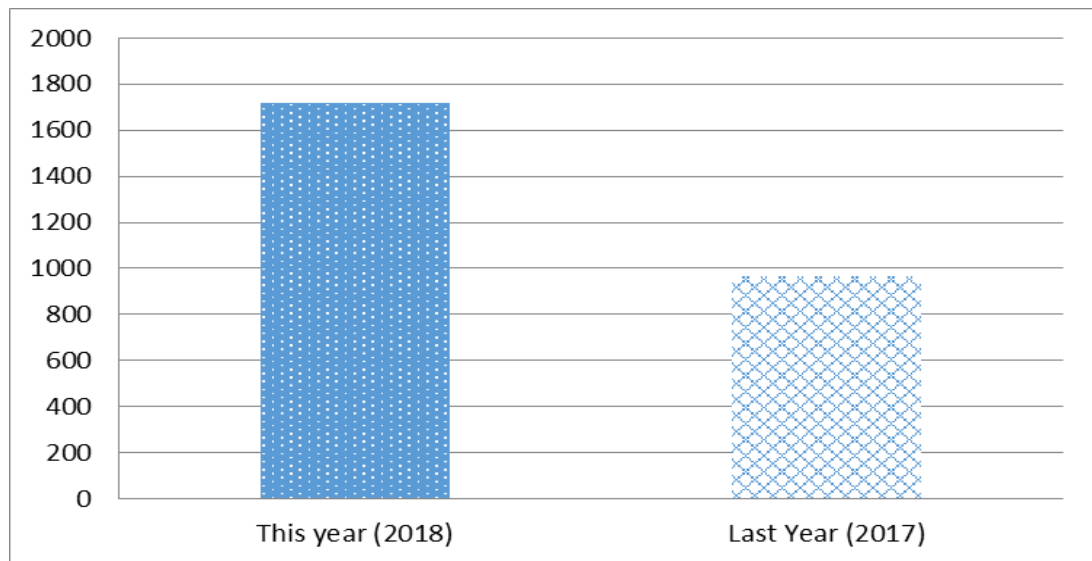
Benefits	Risks
Innovative & different	Low survey response
More engaging	Adverse public reaction to use of public money on consultation
Increased response rate	
Low cost	

- 2.2 In previous years we have used market research to support the consultation. This research has included telephone/face to face interviews with a structured sample of Kent residents and more in-depth full day/half day workshops with a much smaller sample of people. This market research provided us with additional quantitative consultation results (which were fed into the overall levels of engagement) and more importantly provided a qualitative analysis to provide a more in-depth understanding of people's views.

3. Consultation Responses

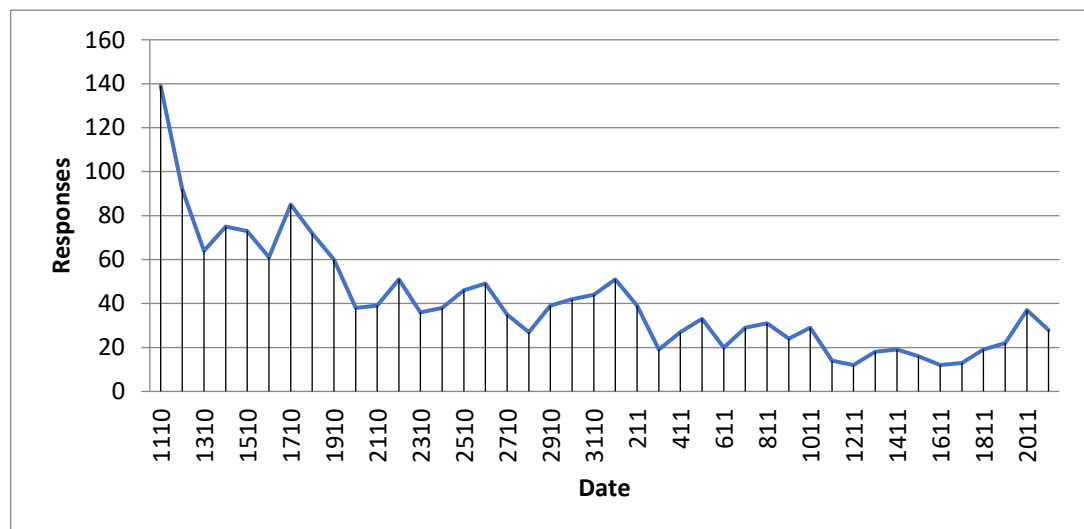
- 3.1 In total 1,717 responses were received, with a further 698 which were incomplete and not submitted. This is a significant increase in direct engagement (both in terms of overall responses received and fewer incomplete/not submitted responses) compared to last year as shown in Chart 1.

Chart 1



3.2 Chart 2 shows a timeline of when the responses were received with a peak of 139 on the launch date, 11th October.

Chart 2



3.3 A summary of the responses we received are presented below. The consultation questionnaire explored 5 key issues:

1. Council Tax levels for 2019-20
2. Views on the social care precept for Council Tax
3. KCC's budget priorities
4. Ideas for making savings
5. Level of awareness of the financial challenge and how KCC can improve communication

- 3.4 The consultation questionnaire allowed for suggestions for areas of spending that could be reduced, removed, or that service users could be charged for and included a summary of the key issues together with the impact on KCC's budget. The consultation was designed to seek views on these key strategic issues and not the detail of individual budget proposals. This detail will be explored in separate service specific consultations which will be undertaken prior to any implementation proposals.
- 3.5 Responses to question 3 are shown in charts 3 and 4 below. The combined results of all those in support of a Council Tax increase are shown in chart 3. Question 3 asked **"In order to protect the services, you value the most, KCC suggests raising Council Tax by no more than the referendum level (currently assumed at just under 3%). This would help meet rising demand for our services and plug some of the gap left by lower government grants, but it won't be enough to balance the budget for 2019-20. Savings would still be needed. Please tell us your preference:**
- I support increasing Council Tax up to the referendum level (currently assumed at just under 3% which would mean an increase of £32.96 per year for a typical band C property taking the total KCC element to £1,133.12)
 - I support a **higher** increase (even if it means having a county-wide referendum). Every extra 1% adds approximately £11 per year for a typical band C property and increases KCC's income by approximately £6.7m
 - I support an increase **less** than the referendum limit (each 1% less means we would have to find further £6.7m of spending reductions to balance the budget)
 - I do **not** support an increase. (This means we would have to find a further £20m of spending reductions to balance the budget)
 - I don't know"

Chart 3

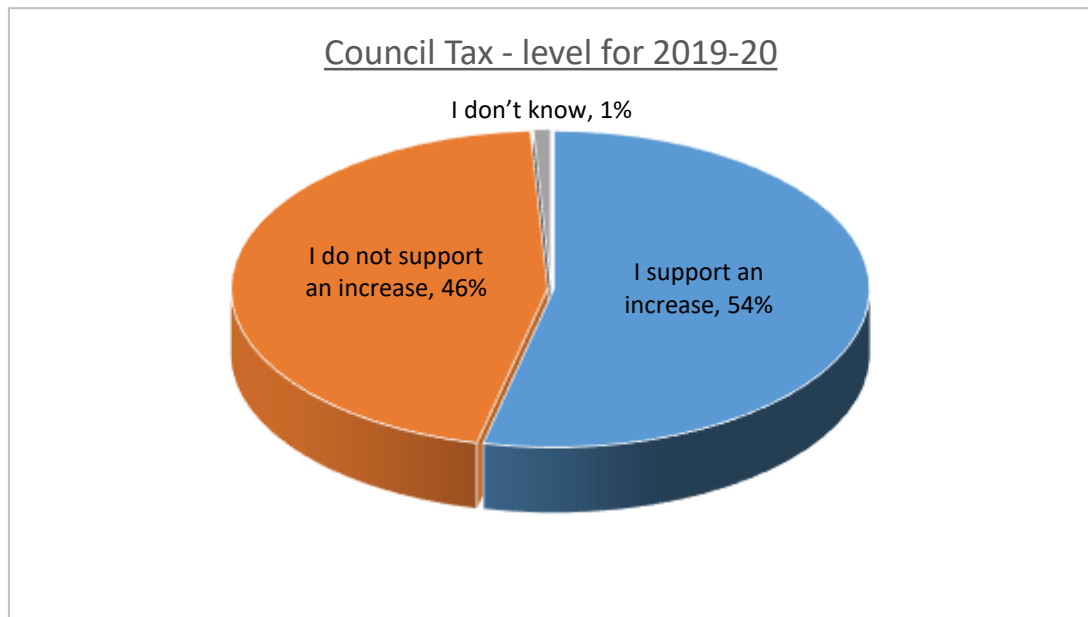
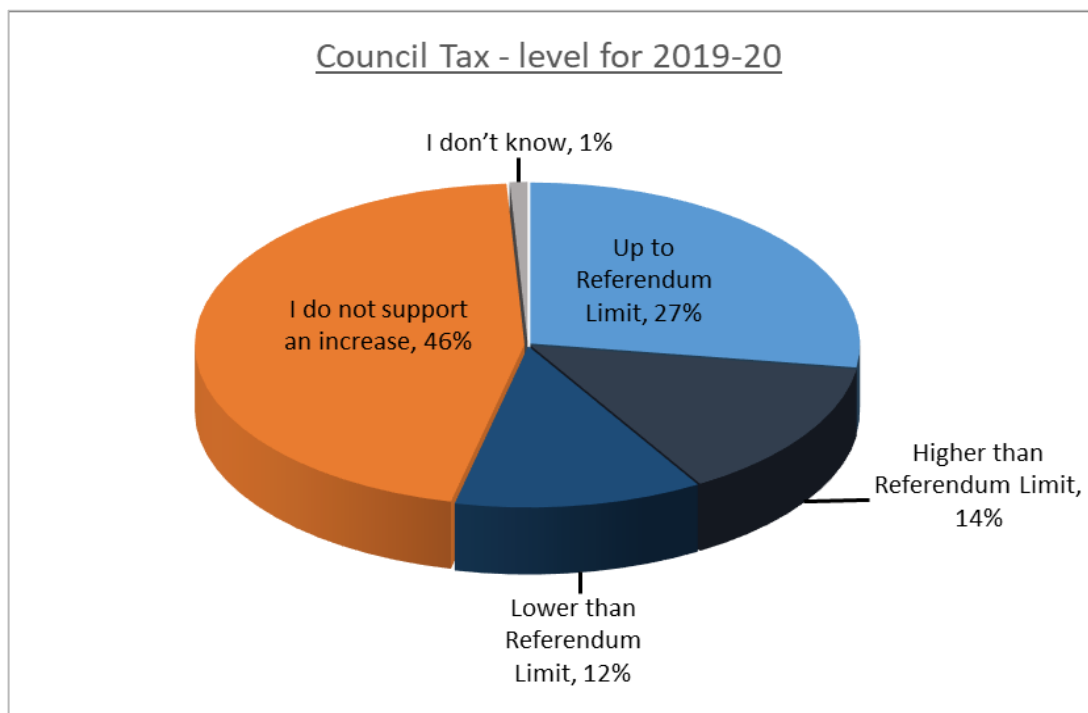


Chart 4

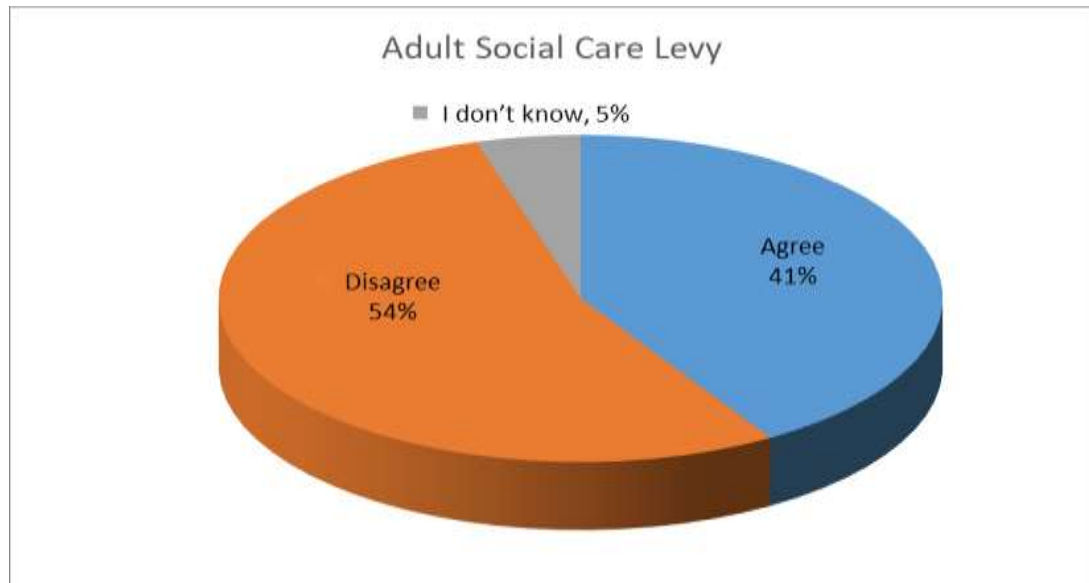


- 3.6 These responses are consistent with previous years showing a small majority (54%) do support an overall increase (with a significant proportion of those in favour of an increase supporting a rise, up to but not exceeding the referendum level). 46% do not support any increase and presumably would accept further savings to address the financial challenge arising from rising spending demands and reductions in central government funding as we set

out in the consultation question. These responses also show a higher number who do not support an increase compared to previous years.

- 3.7 Responses to question 4 are shown in Chart 5 below. Question 4 asked:
“Local authorities like KCC which are responsible for social care are allowed to raise an additional 2% in Council Tax, provided this is spent directly on adult social care. Please tell us your preference about the social care levy”

Chart 5



- 3.8 These responses are not consistent with previous years showing a majority do not support the adult social care levy this year. An increased majority are unfavourable to any increase at all.
- 3.9 The Social Care levy rules allow local authorities with adult social care responsibilities to increase Council Tax by 6% over three years (and no more than 3% in the first two years) towards meeting social care pressures. Therefore, it is important not to view this response in isolation. In previous years consultations this levy received stronger support. If we do not apply the levy, we would need to reduce spending on adult social care for 2019-20.
- 3.10 Responses to question 5 are shown in charts 6, 7 and 8 below. Question 5 asked:

“To what extent do you agree or disagree that the priorities on which to base our budget plans for 2019-20 are right?”

Chart 6 - Children and young people get the best start in life

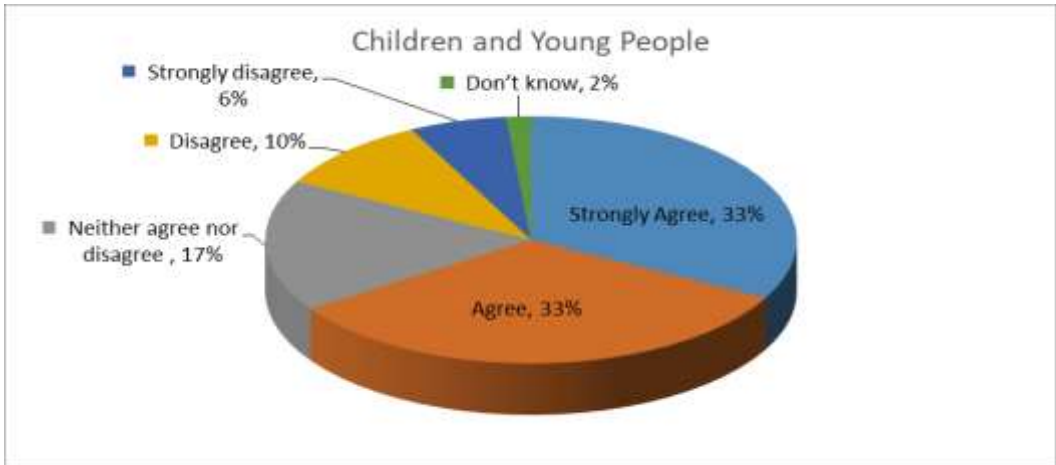


Chart 7 - Kent communities feel the benefits of economic growth by being in-work, healthy and enjoying a good quality of life

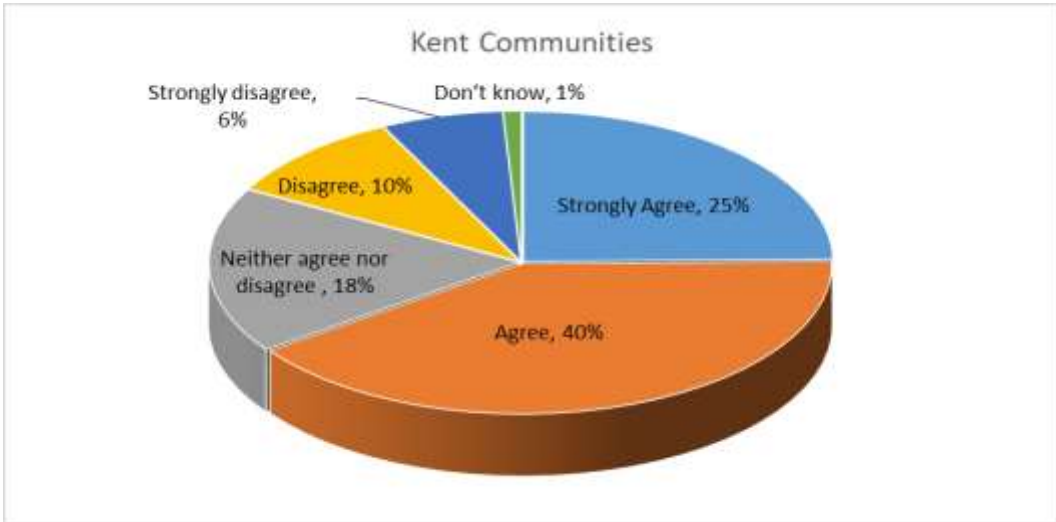
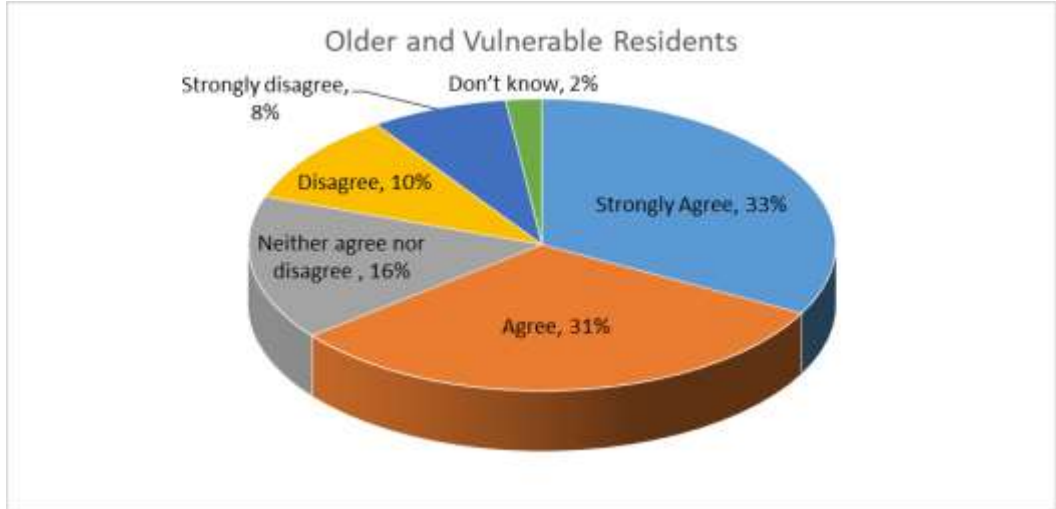


Chart 8 - Older and vulnerable residents are safe and supported with choices to live independently



3.11 The responses indicate a significant majority strongly agree and agree that these are the right priorities on which to base our budget plans for 2019-20.

- Children and young people in Kent get the best start in life
- Kent communities feel the benefits of economic growth by being in-work, healthy and enjoying a good quality of life
- Older and vulnerable residents are safe and supported with choices to live independently

There is also a small minority of 10% who disagree with all three priorities.

3.12 Question 6 asked the following:

“Please tell us if you have any suggestions for areas of spending that could be reduced, removed, or that service users could be charged for”

This question was answered 995 times. The text has been analysed to highlight reoccurring phrases in order of highest occurrence and the most prevalent responses in order were:

Reduce Spending

- Members Allowances
- Reduce the number and/or salaries of senior managers
- Consultants
- Staff Pay - particularly reference to senior executive pay
- Libraries, Children’s Centres and Youth Centres – reduce spending on those which are under-utilised
- Young Persons Travel Pass – reduce the subsidy incurred by the Council
- Bus Subsidies – reduce the amount of money spent on

Remove Spending

- Libraries, Children’s Centres and Youth Centres – close those which are under-utilised
- Remove any increase to Member Allowances
- Remove the subsidy on buses passes for young & old people
- Cease all spending on consultants

Charge Service Users

- Any non-statutory services
- Already pay enough through Council Tax – no more charging
- On-street parking
- Concessionary bus passes
- Young Persons Travel Pass – parents to meet the full cost of the pass

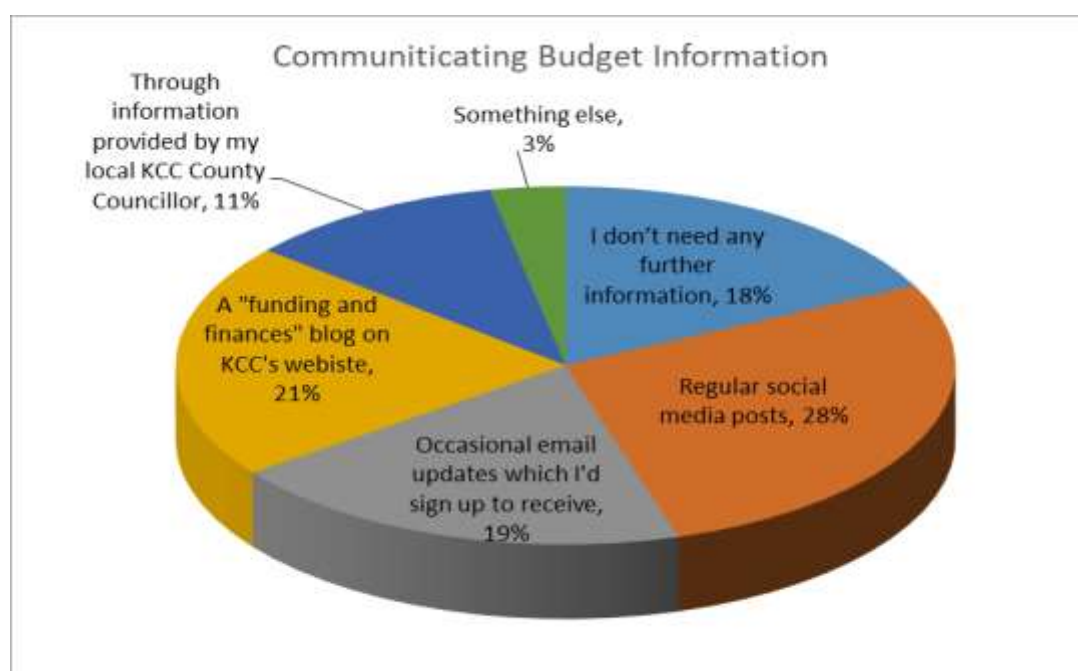
3.13 The suggestions received from respondents about what could be reduced, removed or charged for (Question 6) were varied and not all suggestions were related to services provided by the county council. The responses revealed some misunderstanding about the services for which KCC is responsible, with frequent mentions of motorways (Highways England), parking charges and waste collection (District/Borough Councils).

3.14 Responses to question 7 are shown in Chart 9 below. Question 7 asked:

“Which of the following best matches your view on how you'd prefer to be kept informed about KCC's finances:

- I don't need any further information on KCC's finances
- Regular social media posts
- Occasional email updates which I'd sign up to receive
- A “funding and finances” blog on KCC's website
- Through information provided by my local KCC County Councillor
- Something else, if Something else, please specify”

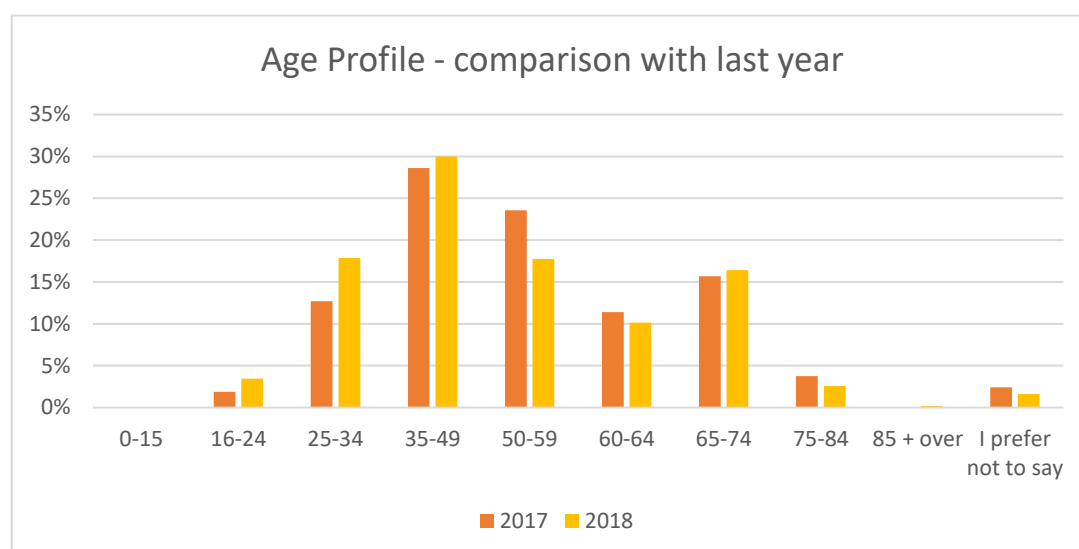
Chart 9



3.15 The response to this question regarding communication and budget information will be used to help inform the planning of future communication with Kent residents on such matters. There is strong support for using technology to communicate with residents, via social media, email and blogs.

- 3.16 The age profile of those who responded to the consultation (and indicated their age group – this was voluntary) is shown in chart 10 below. It shows that for 2018 a higher proportion who responded to the consultation were under the age of 50 (51%) compared to last year (43%).

Chart 10



- 3.17 We have been able to further analyse the responses to the two Council Tax questions based on the age, gender, ethnicity and those that indicated that they are disabled. The data shows the following:

Age (60% of all responses)		Increase	No increase
Council Tax (referendum limit)	Under 50's	47%	58%
	Over 50's	53%	42%
Social Care levy	Under 50's	43%	59%
	Over 50's	57%	41%

Gender (59.6% of all responses)		Increase	No increase
Council Tax (referendum limit)	Male	51%	61%
	Female	49%	39%
Social Care levy	Male	50%	61%
	Female	50%	39%

- 3.18 In terms of those Kent residents who indicated that they were disabled as set out in the Equality Act 2010, there was an equal number who supported a Council Tax increase, as set out in question 1, to those who opposed an increase.

- 3.19 In terms of those Kent residents who provided their ethnicity, the analysis showed no significant difference between ethnicities between those in favour and those opposed to Council Tax increases.

4. Other Consultation Activity

- 4.1 For the third year, the budget consultation was included as part of Highways seminars with Parish Councils. There were four seminars covering Kent. We held a stand at each of the seminars where attendees were able to approach us to ask questions and were given the opportunity to complete the online questionnaire.
- 4.2 We also held a budget workshop at the Kent Youth County Council (KYCC) event on 18th November. This event was well attended by KYCC representatives who were keen to engage in the budget consultation and dedicated some time later in the day to complete the online consultation.
- 4.3 We also held a budget event at County Hall on Friday 16th November. The People's Panel, coordinated by Healthwatch Kent, was comprised of Healthwatch and community volunteers. This particular event also involved representatives from voluntary and community sector organisations including those representing older people and carers. This event shared a high-level overview of KCC's overall budget supported by the equation showing the spending demands and share of Council Tax/central government funding and the resulting gap. The presentation was followed by an exercise which focused on attendees considering "What services do you value the most, what suggestions for areas of spending that could be reduced, removed, or that service users could be charged for". Attendees' feedback has been summarised and is attached at appendix 1.
- 4.4 Although we did not hold a dedicated budget event exclusively with the voluntary sector, a number of representatives from this sector were invited and attended the event on the 16 November. In addition, with the help of the Programme Co-ordinator at Stronger Kent Communities we were able to publicise the consultation through a dedicated social media channel which reached voluntary organisations across Kent.
- 4.5 Finally, on Wednesday 31st October we provided a budget update to KCC senior managers through the T200 event held at Oakwood House. This was a very well attended event with over 100 managers in attendance.

5. Conclusion

- 5.1 The level of responses we have received to the consultation has increased by nearly 78% (+752, from 965 to 1,717) compared to last year. Although this increase is welcome, we would like to consider how best to improve communication about KCC's services and how they are funded to assist KCC members when setting their budget priorities.
- 5.2 The responses show support for a Council Tax rise but less strongly than in previous years.
- 5.3 The responses indicate that Kent residents under the age of 50 are less supportive of increases in Council Tax than those over 50 years of age.
- 5.4 The suggestions received from respondents about what could be reduced, removed or charged for (Question 6) would deliver relatively small amounts of savings compared with KCC's total revenue spending, and would not be able to close the budget gap we are facing for 2019-20.
- 5.5 Given the increased number of responses, and that we have achieved most of the other benefits, and the risks have not materialised, we can conclude that the strategy has been successful for a second year in increasing engagement at a reduced cost to the Council.

Contact details:

Report Author

- Simon Pleace, Revenue and Tax Strategy Manager
- 03000 416947
- simon.pleace@kent.gov.uk

Relevant Corporate Director:

- Zena Cooke, Corporate Director of Finance
- 03000 419205
- zena.cooke@kent.gov.uk

Appendix 1

People's Panel Event for the Budget Consultation – Summary of Feedback

16 November 2018, County Hall, Maidstone

The People's Panel participants were comprised of Healthwatch and community volunteers. The invitations were kindly coordinated by Healthwatch Kent. This event also involved representatives from voluntary and community sector organisations including those representing older people and carers, invited by KCC. This event shared a high-level overview of KCC's overall budget supported by the equation showing the spending demands and share of Council Tax/central government funding and the resulting gap. The presentation was followed by an exercise which focused on attendees considering:

- What services do you value the most?
- What suggestions do you have for areas of spending that could be reduced, removed, or that service users could be charged for?

Summary of feedback

Participants engaged in discussion during the presentation to ask questions to clarify their understanding, particularly on how the budget is formulated and how KCC manages reserves. Participants made comments on some aspects of the information which included:

- Funding for young people seeking asylum: it was felt by some that this area of spend should be predominantly met by central government as this was seen to require national consideration
- The social care precept element of Council Tax: it was felt that this funding should be solely allocated to adult social care. Assurance was given by the presenter that this has been a condition of the social care levy.

What is valued most?

During the table discussions, there was a broad consensus that children's and adults' services are highly valued and should be protected in any budget plans. This is consistent with views we have captured in previous budget consultation activities in recent years.

Funding should also be protected for highways and pavements, with a suggestion that there should be more investment in communities in general. Community hubs are valued as a means of reducing isolation and enabling other preventative measures. 'Community hub' is a general term for centres where people can go for information, to join activities, or perhaps to access services. Types of provision will vary depending on local need and they may be funded and managed by different organisations.

Reduce

It was more difficult for participants to comment on spending that should be reduced or removed. The topic of funding for young people seeking asylum was raised again, with the view that the KCC spend should be **reduced or removed** and picked up by the government.

There was a suggestion that costs could be reduced through more partnership working with other authorities, particularly districts/boroughs.

Remove

It was suggested that removing the two-tier local government structure in Kent and moving to a single authority model could be more cost-effective. Contracting out services was felt by some to be a risk to quality of provision, so it was suggested that this approach be removed; quality should not be sacrificed to reduce costs.

Charge for

Maximise the use of authority assets by enabling community groups to hire them at a charge. Participants also wondered whether it is possible to charge people that use some KCC services that come from out of area.

Other comments

There were conversations about waste collection and hospital services but these areas are the responsibility of district/ boroughs and the NHS respectively.

There was a suggestion that KCC could work more closely with districts/boroughs regarding housing developments, with a collaborative approach to utilising developer contributions.

Conclusion

It is clear from the feedback that people feel children's and adults' services should be protected.

The topic of partnership working to reduce costs was felt to be important.

In future communication and engagement activity on KCC's budget, it would be useful to:

- Promote where some of the suggestions raised are being implemented or looked at already, such as examples of how KCC works in partnership and collaboration with other organisations
- Explain which services are the responsibility of KCC and which are under the remit of districts and boroughs

The feedback provided at this event should be considered alongside the output to the wider consultation.