

**Agenda Item No.8 (a)**

**DERBYSHIRE COUNTY COUNCIL**

**COUNCIL**

**10 February 2016**

**Report of the Chief Executive and the Director of Finance**

**BUDGET CONSULTATION RESULTS**

**1 Purpose of the Report**

To enable Council to consider the outcome of the Council's budget consultation exercises in formulating its budgetary proposals.

This report should be read alongside the following reports to this Full Council Meeting: the Revenue Budget Report 2016-17, the Capital Budget Report for 2016-17 and the Five Year Financial Plan Report for 2016-17 to 2020-21.

**2 Information and Analysis**

The Council has, for a number of years, undertaken a variety of consultation exercises, using a range of methods, in the preparation of its annual revenue budget. However, recently, as part of the significant budget cuts required, the Council has enhanced the value of the consultation exercises by using alternative approaches.

**Online Consultation**

The Council's online budget consultation went live on 23 October 2015 and ran for six weeks. Participation was encouraged using social media, media releases, features on the Council's internal and external websites and by sending e-mails to employees, Parish Councils and to 1,200 Citizens' Panel members.

By the closing date of 4 December 2015, 898 completed submissions had been received. The number of participants has increased by 50% compared to the last time the Council used the same online model, in preparation of the 2013-14 budget. This increased participation reflects the Council's efforts in recent years to increase engagement with local people about where the Council should cut its budget to address significant budget pressures.

The Council received approximately 600 responses in 2012-13 and 2013-14, placing it sixth in terms of participation levels amongst almost 40 authorities. Positional data is not being shared this year.

There was a good spread of responses across all age groups. Of the 86% of respondents who disclosed demographic data, 30% were aged between 45 and 54, making it the most common age group of those taking part. A further 40% of respondents were equally split between the 35 to 44 and 55 to 64 age groups. The remaining 30% was almost equally split between the under 35 and over 65 age groups. Of the 86% of respondents registering demographic data, 45% were male. This compares to data from the Office for National Statistics (ONS) where males comprise 49% of the Derbyshire population.

Of the total respondents who specified ethnicity, 90.2% were White British, 2.6% were White Other, 1.3% were Chinese, 1.8% were Other Asian, 1.3% were Mixed ethnicity, 0.3% were Black African and 2.5% specified Other (not listed). This compares to ONS Derbyshire population data from the 2011 census, which is the latest available, where 95.8% of the population were White British, 1.6% were White/Other, 1.0% were Mixed White/Other, 1.0% were Asian, 0.2% were Black African and 0.4% were of other ethnicity.

A total of 142 respondents (16%) identified themselves as having a disability. This compares to 19% of the population who are covered by the Equality Act.

The focus on increasing participation across Derbyshire has meant that a greater proportion of responses this year were from non-Council internet addresses (41% of all replies originated from Council internet addresses; 2013-14: 51%).

Local people were offered the opportunity to have their say on expenditure within five service headings. These were:

- Children's Services
- Adult Social Care
- Health and Communities
- Highways Transport and Infrastructure
- Council Support and Public Engagement

In addition, respondents were able to choose to save money through certain efficiencies and to bring income into the Council by charging more for specified services.

The consultation model explained to participants that the cuts described in the budget consultation showed how the Council could potentially balance its budget in 2016-17 but that no decisions had yet been made. The consultation also contained illustrative consequences of the spending decisions made by participants.

It was explained in the consultation that Cabinet Members will consider consultation responses alongside any legal and contractual reasons why the Council must continue to provide particular services, before firm proposals are drawn-up and that further consultations will be held, when local people will get the chance to have their say about individual proposals before final decisions are made.

The views of local people were as follows:

- Increase Council Tax by an average of 2.4%, with 46% selecting an increase of 4% or higher.
- Cut all service area budgets (although not every respondent chose to do this).
- Reduce expenditure on democratic representation and “back-office” functions the most in percentage terms.
- Achieve the majority of the cuts by cutting the Adult Social Care and Children’s Services budgets, although these service areas were cut the least in percentage terms.
- Make efficiency savings by selling off local buildings.
- Buy more from cheaper large suppliers rather than pay more for the same goods and services to support local businesses.
- Invest money now to bring in income in the future.
- Make no adjustment to departmental budgets for inflation.
- Award a possible pay increase to Council staff paid more than the Living Wage.
- Increase all fees and charges by 5%.

A detailed Analysis of Results from the Online Consultation is given in Appendix One to this Report.

## **Paper Questionnaire**

To promote participation amongst residents who are less familiar with, or have no internet access, around 3,000 copies of a paper consultation questionnaire were distributed to libraries across Derbyshire in November 2015. The questionnaire had two sections. The first section asked people to consider how much of an increase in Council Tax they would be prepared to accept, with possible selections ranging from leaving Council Tax unchanged to increasing Council Tax by 5%. The second section covered budget priorities and asked how the respondent would spend an imaginary £100 on Council services, which were divided into 22 categories. Information to show how the £100 is currently spent was included.

A freepost address was used to encourage participation. 27 responses were received. Respondents’ average age was 60 and 26% identified themselves as having a disability. The views of respondents were as follows:

- Increase Council Tax by an average of 3.5%, with 56% selecting an increase of 4% or higher.
- On average, cut expenditure on Children's Services by around 3%, increase expenditure on Health and Communities and Highways, Transport and Infrastructure by around 1% each and leave expenditure on Adult Social Care unchanged.

### **Other Consultation**

The Council's Constitution provides that the Improvement and Scrutiny Committee should also be notified of the budget proposals. The Director of Finance presented details of the revised Five Year Financial Plan to the Committee in September 2015. A number of issues were discussed and there was a clearer understanding of the financial context in which the Council would be operating over the next few years. The comments made by Members were varied although there was a general consensus that the need for timely information from Government on grant settlements and referendum principles was particularly helpful in managing the challenges over the medium term.

In addition, the Local Government Finance Act 1992 requires local authorities to consult representatives of business ratepayers in their area about the budget proposals for each financial year. A meeting with representatives of Derbyshire and Nottinghamshire Chamber of Commerce and the Federation of Small Businesses was held on 25 January 2016. There was general support for the Council's approach, in particular towards promoting economic regeneration generally and the Markham Vale Enterprise Zone in particular.

A consultation meeting between the Council and trade unions took place on 19 January 2016. Whilst understanding the financial pressures placed on the Council the unions reiterated their desire to work with the Council to minimise the impact of budget reductions on the workforce.

### **3 Financial Considerations**

The outcomes of these consultations should be used to inform service planning and help determine budget priorities.

### **4 Legal and Human Rights Considerations**

Members are invited to have regard to the advice contained in the Revenue Budget Report.

### **5 Equality of Opportunity Considerations**

A draft Community Impact Assessment has been undertaken by the Council that makes an initial assessment of the potential impact of budget cuts to

2015-16. The assessment draws on Equality Impact Assessments, consultations and the wider contextual information available, including business cases for each budget proposal. The Assessment provides an overview of people and places where budget cuts proposals may have a negative impact, including those where the cumulative effect might be greatest. The Assessment provides the foundations for the necessary programme of detailed Equality Impact Assessments, to ensure that decisions are informed by the fullest understanding of their effect on people and communities, as well as highlighting those groups which may need to be consulted on proposals as they emerge. Work will be carried out over the coming months to update this work to include the budget cut proposals for 2016-17 and will be further expanded to include geographical mapping of both proposed and implemented budget cuts.

## **6 Other Considerations**

In preparing this report the relevance of the following factors has been considered:- health, environmental, transport, property and prevention of crime and disorder considerations.

## **7 Background Papers**

Papers held in Technical Section, Room 137, County Hall.

## **8 Officers' Recommendation**

That the views of the consultation respondents are taken into account by Council in formulating its proposals regarding the Revenue Budget for 2016-17.

IAN STEPHENSON

Chief Executive

PETER HANDFORD

Director of Finance



# **ONLINE BUDGET CONSULTATION**

## **Analysis of Results**

### **2016-17**

**APPENDIX ONE****Version history**

<b>Version</b>	<b>Date</b>	<b>Author</b>	<b>Reason</b>	<b>Approved</b>
0.1	08/12/2015	E Scriven	Initial draft for comment	



## APPENDIX ONE

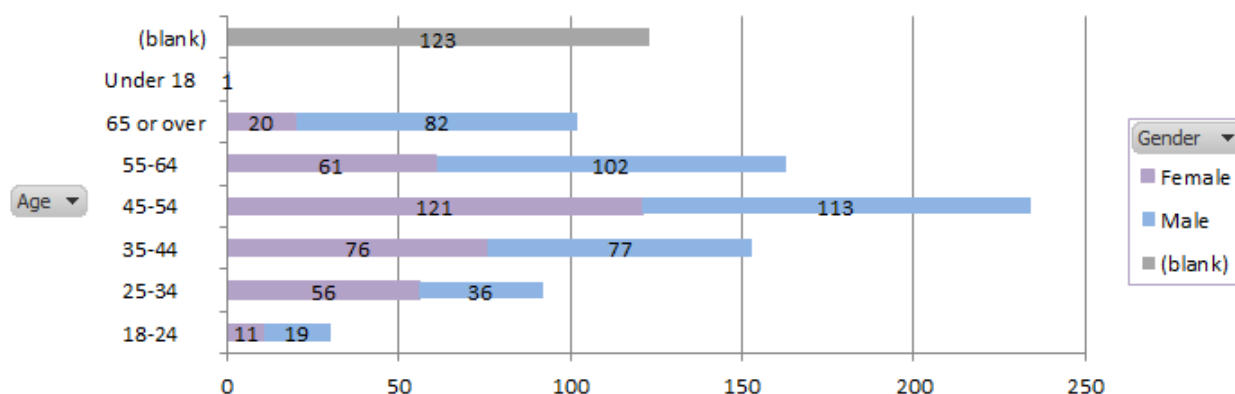
## 1 Executive Summary

The Council's online budget consultation went live on 23 October 2015 and ran for six weeks. By the closing date of 4 December 2015, 898 completed submissions had been received. The number of participants has increased by 50% compared to the last time the Council used the same online model, in 2013-14. This increased participation reflects the Council's efforts in recent years to increase engagement with local people about where the Council should cut its budget to address significant budget pressures.

The Council received approximately 600 responses in 2012-13 and 2013-14, placing it sixth in terms of participation levels amongst almost 40 authorities. Positional data is not being shared this year.

There was a good spread of responses across all age groups. Of the 86% of respondents who disclosed demographic data, 30% were aged between 45 and 54, making it the most common age group of those taking part. A further 40% of respondents were equally split between the 35 to 44 and 55 to 64 age groups. The remaining 30% was almost equally split between the under 35 and over 65 age groups.

**Figure 1: Age and Gender of Respondents**



The focus on increasing participation across Derbyshire has meant that a greater proportion of responses this year were from non-Council IP addresses (41% of all replies originated from Council IP addresses; 2013-14: 51%). It is unlikely that all respondents registering Council IP addresses actually work for the Council because public users of the Council's computers, in libraries and at other locations, are also recorded by the consultation under these IP addresses.

**APPENDIX ONE**

Local people were offered the opportunity to have their say on expenditure within five service headings. These were:

- Children's Services
- Adult Social Care
- Health and Communities
- Highways Transport and Infrastructure
- Council Support and Public Engagement

In addition, respondents were able to choose to save money through certain efficiencies and to bring income into the Council by charging more for specified services.

The consultation model explained to participants that the cuts described in the budget consultation showed how the Council could potentially balance its budget in 2016-17 but that no decisions had yet been made. This report contains illustrative consequences of the spending decisions made by participants which were used in the consultation.

Cabinet Members will consider all responses to this consultation, alongside any legal and contractual reasons why the Council must continue to provide particular services, before firm proposals are drawn-up. Further consultations will be held and local people will get the chance to have their say about individual proposals before final decisions are made.

The views of local people were as follows:

- Increase Council Tax by an average of 2.4%, with 46% selecting an increase of 4% or higher.
- Cut all service area budgets (although not every respondent chose to do this).
- Reduce expenditure on democratic representation and "back-office" functions the most in percentage terms.
- Achieve the majority of the cuts by cutting the Adult Social Care and Children's Services budgets, although these service areas were cut the least in percentage terms.
- Make efficiency savings by selling off local buildings.
- Buy more from cheaper large suppliers rather than pay more for the same goods and services to support local businesses.
- Invest money now to bring in income in the future.
- Make no adjustment to departmental budgets for inflation.
- Award a possible pay increase to Council staff paid more than the Living Wage.
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**APPENDIX ONE****2 Background****Introduction**

Local people were offered the opportunity to have their say on expenditure within five service headings. These were:

- Children's Services
- Adult Social Care
- Health and Communities
- Highways Transport and Infrastructure
- Council Support and Public Engagement

In addition, respondents were able to choose to save money through certain efficiencies and to bring income into the Council by charging more for specified services. The aim of the consultation was to discover residents' and employees' views about where the Council should cut its budget to address budget pressures which mean that between 2013 and 2018 the Council will need to have cut its budget by £157m. The Council used a consultation tool, called You Choose, which local authorities can use for free.

As participants change the consultation model, it calculates how these changes affect the Council's budget and future Council Tax. When the participant believes they have completed their selections, the consultation model displays the Council Tax increase or decrease that would be required to balance the books, along with the service delivery consequences of the choices made, at which point there is a chance for the participant to revise their earlier decisions.

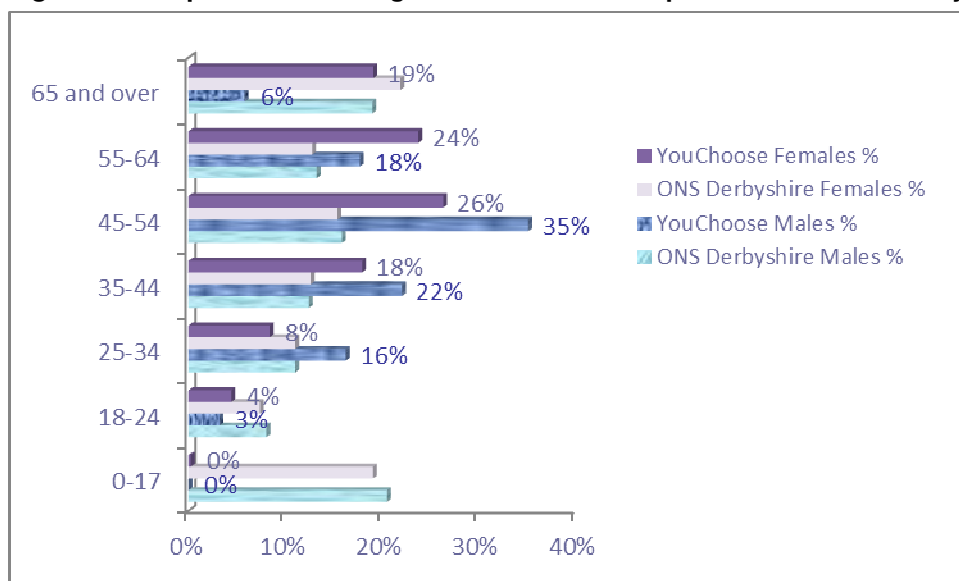
Participation was encouraged using social media, media releases, features on the Council's internal and external websites and by sending e-mails to employees, Parish Councils and to 1,200 Citizens' Panel members.

**Are the results representative?**

Figure 2 below compares the age and gender profile of respondents to the 2014 population estimates for the county, published by the Office of National Statistics ("ONS") in June 2015.

## APPENDIX ONE

**Figure 2: Comparison of the Age and Gender of Respondents to ONS Derbyshire Data**



Of the 86% of respondents registering demographic data, 45% were male. This compares to data from ONS where males comprise 49% of the Derbyshire population<sup>1</sup>.

90.2% of respondents specifying ethnicity were White British, 2.6% were White Other, 1.3% were Chinese, 1.8% were Other Asian, 1.3% were Mixed ethnicity, 0.3% were Black African and 2.5% specified Other (not listed). This compares to ONS Derbyshire population data from the 2011 census, which is the latest available, where 95.8% of the population were White British, 1.6% were White/Other, 1.0% were Mixed White/Other, 1.0% were Asian, 0.2% were Black African and 0.4% were of other ethnicity.

142 respondents (16%) identified themselves as having a disability. This compares to 19% of the population who are covered by the Equality Act<sup>2</sup>.

41% of all responses originated from Council IP addresses (2013-14: 51%). It is unlikely that all respondents registering Council IP addresses actually work for the Council because public users of the Council's computers, in libraries and at other locations, are also recorded in the consultation under these IP addresses.

## Results

The results of the budget consultation, which the Council considers to be representative of the Derbyshire population, are detailed below.

<sup>1</sup> Registrar General's 2014 mid-year estimates, ONS, Crown Copyright, June 2015.

<sup>2</sup> Family Resources Survey - Disability Prevalence Estimates 2013-14, June 2015.

**APPENDIX ONE****3 Council Tax**

The average Council Tax increase which resulted from this budget consultation was 2.4%, with the remaining budget pressures being met by further expenditure cuts, efficiencies and income generation.

Participants were advised that an increase of over 2% would probably mean that the Council would need to obtain the agreement of the people of Derbyshire in a referendum. The consultation went live before the Government's intention to allow Adult Social Care authorities to raise up to an additional 2% to spend on Adult Social Care was announced.

It is therefore interesting that the average Council Tax increase arising from the consultation was in excess of 2% and that 46% of respondents chose to increase Council Tax by 4% or more.

On average, female respondents' selections resulted in a higher Council Tax increase than those of the male respondents (2.8% female, 2.4% male, 1.4% no demographic data submitted).

**APPENDIX ONE**

## **4 Children's Services**

### **Introduction**

The views of residents were sought in relation to how funding of the following areas of Children's Services should be changed in 2016-17:

- foster carers and homes for children unable to live at home;
- providing schools and education, supporting children;
- young people and families at an early stage;
- supporting disabled children and their families;
- transport from home to school; and
- working with children at risk of harm.

### **Children's Services Choices**

800 of 898 respondents (89%) made changes to Children's Services funding. On average, respondents chose a reduction in the budget for Children's Services and Education from £93.0m to £87.8m. This equates to an average saving of £5.2m and a reduction of 5.6%.

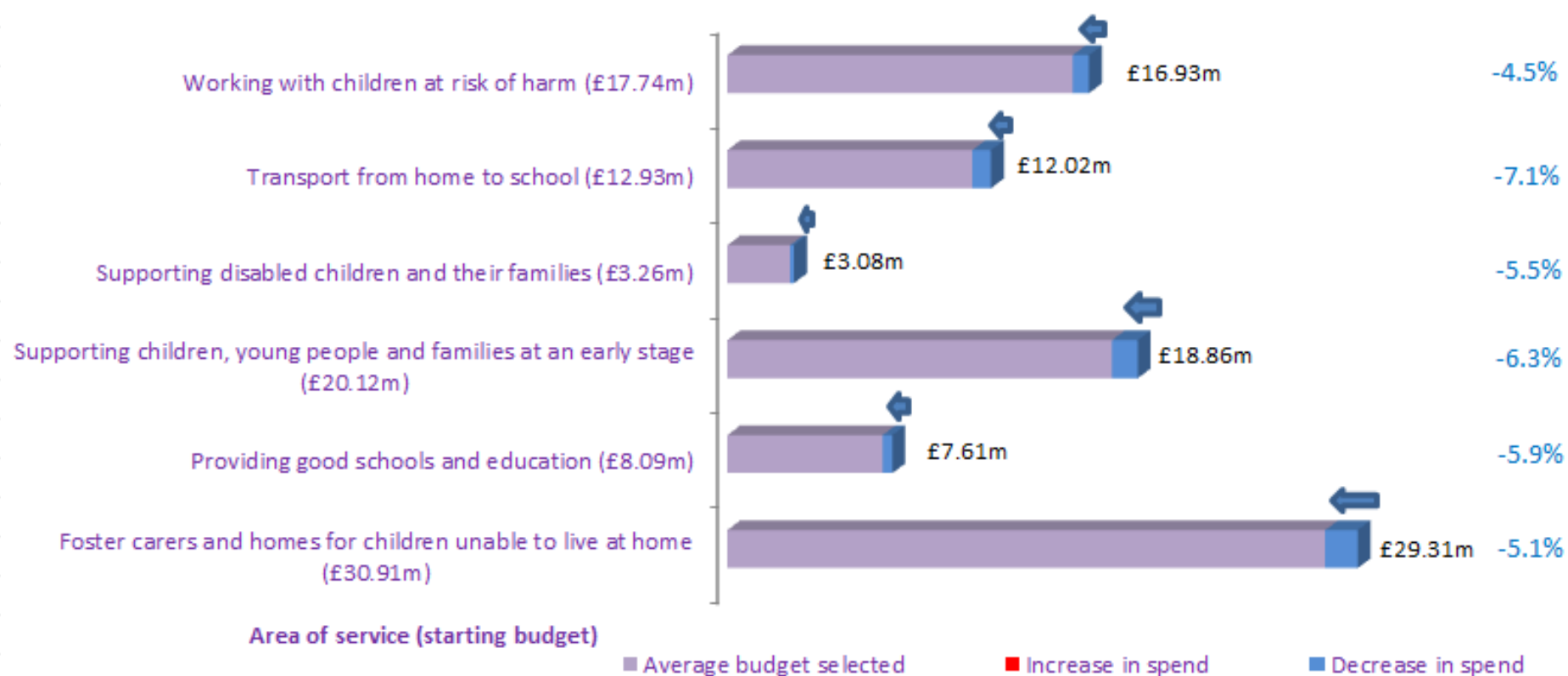
Of those respondents declaring demographic data, females and males reduced spending by a similar amount.

Higher than average reductions were selected by age groups 45 and over; lower than average reductions were selected by younger age groups.

A graphical representation of the results is detailed in Figure 3. The Children's Services category which was cut most as a proportion of the original budget was transport from home to school (7.1% cut). The categories of working with children at risk of harm (4.5% cut) and foster carers and homes for children unable to live at home (5.1% cut) were cut least.

## APPENDIX ONE

Figure 3: Children's Services Choices



## APPENDIX ONE

### Possible Consequences of Budget Choices Detailed in the Model

- Fewer social workers would be able to respond to children in need of help and protection. There would be longer response times and fewer children would be helped.
- The financial support for children attending schools because of educational needs would be reviewed and could be replaced by a grant to parents to take on the responsibility.
- The entitlement per person and/or the threshold of eligibility for financial assistance with grants for activities would be altered to restrict the cost and availability of these grants to the families of disabled children.
- Some children's centres and family support teams would become part-time in areas where there is the lowest demand for services. There would be a waiting list for support and the thresholds for becoming eligible for help would be increased.
- The provision of face to face or telephone advice to parents of children with additional educational needs would reduce and become more static and web-based.
- The authority would be in danger of not meeting its statutory responsibility to keep children and young people safe from harm.



**APPENDIX ONE****5 Adult Social Care****Introduction**

The views of residents were sought in relation to how funding of the following areas of Adult Social Care should be changed in 2016-17:

- care home placements;
- day care (including transport);
- equipment;
- home care (including direct payments);
- housing related support;
- preventative services;
- professional support and assessment;
- re-ablement;
- support services.

**Adult Social Care Choices**

91% of participants made changes to Adult Social Care funding. On average, respondents chose a reduction in the budget for Adult Social Care funding from £203.3m to £190.6m. This equates to an average saving of £12.7m and a reduction of 6.2%.

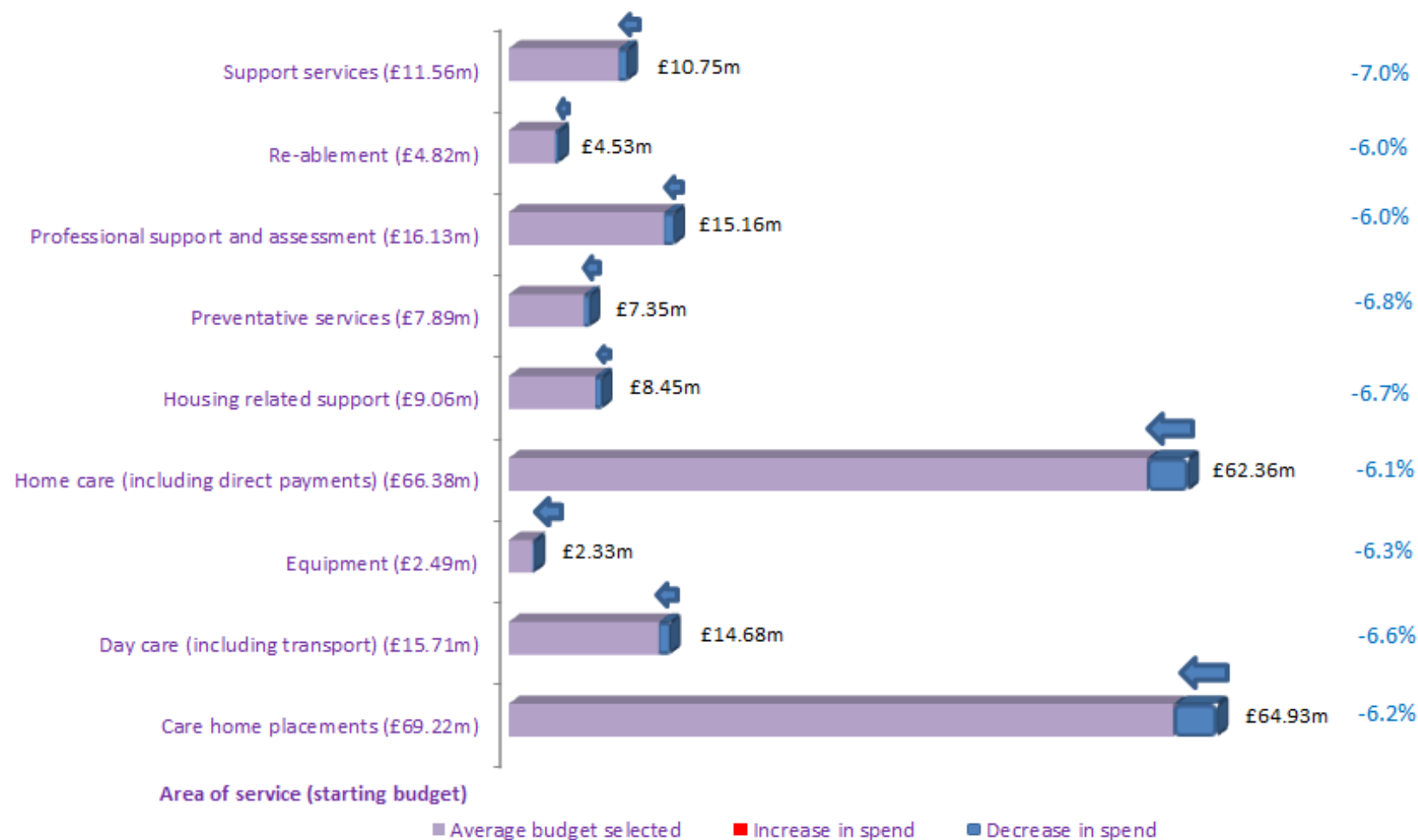
Of those respondents declaring demographic data, females chose a much lower average reduction in expenditure (5.3%) than males (6.6%).

The over 65 age group average reduction of 3.9% was much lower than this.

A graphical representation of the results is detailed in Figure 4. On average, all Adult Social Care categories were cut by between 6 and 7%. 67% of Adult Care expenditure is spent in the service areas of home care (including direct payments) and care home placements. Reductions in both these areas were 6.1% and 6.2%, respectively. The Adult Social Care support services were cut most as a proportion of the original budget (7.0%). Preventative services, housing related support and day care (including transport) were also subject to higher than average cuts.

## APPENDIX ONE

Figure 4: Adult Social Care Choices



**APPENDIX ONE****Possible Consequences of Budget Choices Detailed in the Model**

- The number of residential care home placements would be reduced by 175. Fewer residential places would put pressure on carers and other services including the NHS.
- Three day care centres would be closed, or the days and times the centres are open would be substantially reduced. This would have a significant effect on the health and well-being of the older and disabled people who use them and their carers.
- The equipment service, which provides equipment to keep people safe and also provides disabled people with hoists, grab rails and beds, would be withdrawn from 1,000 people. The reduction in the supply of equipment to people will reduce their independence and make everyday tasks harder or impossible to do.
- Home care hours provided would be reduced by 105,000 each year. This would reduce the ability of many people to remain in their own homes and live independently.
- The number of clients receiving housing related support would reduce by 400. People who would not receive a service would be at risk of losing their independence and could then have to go into residential care or hospital.
- Funding to seven voluntary organisations would cease, or funding to all 220 organisations funded by the Council would be reduced. As these organisations mainly provide services to help support carers and people with mental health problems these groups would be most affected.
- There would be fewer social workers meaning that older and disabled people will wait longer for an assessment, which could put them at risk.
- Re-ablement provides intensive support to vulnerable adults who may have had a fall, come out of hospital, been incapacitated through illness or suffered from a general decline in health. The number of clients receiving support from re-ablement would reduce by 200.
- Front line services cannot be provided without the support of colleagues in human resources, finance and administration. The number of administrative and support workers would be reduced.

**APPENDIX ONE****6 Health and Communities****Introduction**

The consultation sought the views of residents in relation to the funding of:

- Community safety and emergency planning;
- Libraries and heritage; and
- Trading standards.

The Council also receives a grant to look after certain aspects of Public Health in Derbyshire. The money received for Public Health cannot be spent on the other areas of the Council's services and so it has been excluded from the Health and Communities spending choices available for selection in this consultation.

**Health and Communities Choices**

88% of respondents made changes to Health and Communities funding. On average, respondents chose a reduction in the budget for Health and Communities funding from £11.6m to £10.7m. This equates to an average saving of £0.9m and a reduction of 7.8%.

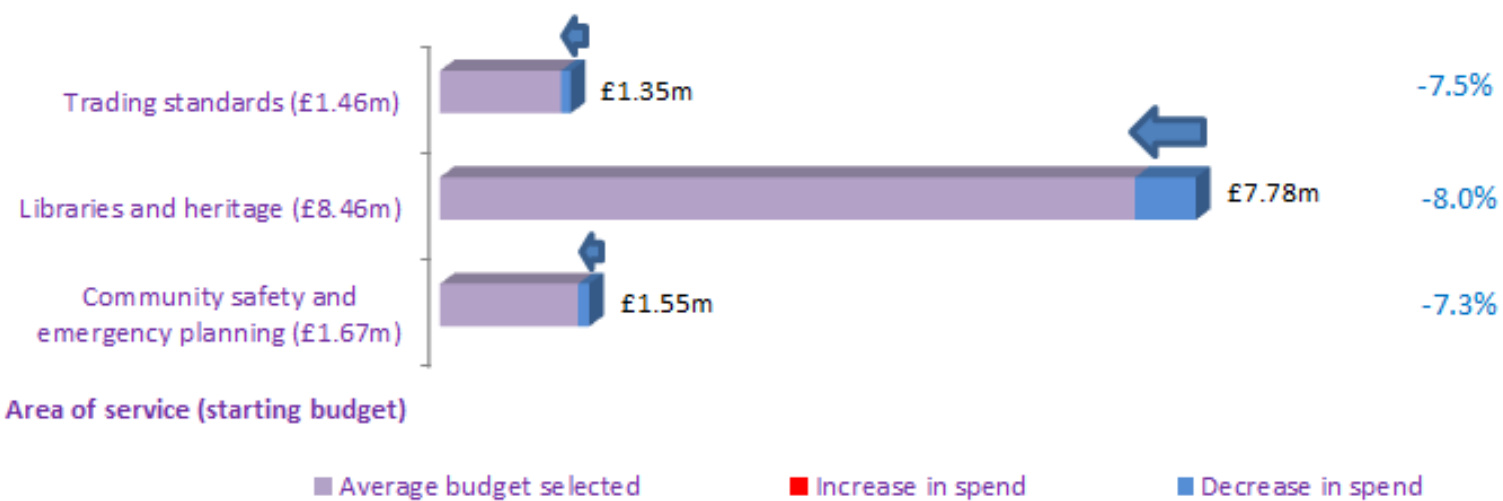
People over 65 and under 35 chose to reduce spending in this area by less than the average.

Respondents using Council IP addresses chose to cut spending in this area by more than the average (by 9.6%).

A graphical representation of the results is detailed in Figure 5. On average, all Health and Communities categories were cut by between 7 and 8%. 73% of Health and Communities expenditure is spent on libraries and heritage and respondents cut this service area the most out of all Health and Communities choices (by 8%).

## APPENDIX ONE

Figure 5: Health and Communities Choices



## APPENDIX ONE

### Possible Consequences of Budget Choices Detailed in the Model

- Work to tackle perpetrators of domestic abuse would stop and there would be less support for areas experiencing high levels of crime and anti-social behaviour.
- Hours at libraries and other sites would reduce. There would be fewer new books, no mobile library and less arts support.
- A number of trading standards services would be reduced or stopped.

**APPENDIX ONE**

## **7 Highways Transport and Infrastructure**

### **Introduction**

The views of residents were sought in relation to how funding of the following areas of Highways Transport and Infrastructure should be changed in 2016-17:

- countryside service;
- passenger transport services;
- planning conservation and economic regeneration;
- roads pavements and other highway services;
- waste management; and
- winter service.

### **Highways Transport and Infrastructure Choices**

89% of respondents made changes to Highways Transport and Infrastructure funding. On average, respondents chose to reduce funding by £5.7m (7.1%), from £80.2m to £74.5m.

Male participants chose to cut Highways Transport and Infrastructure service area categories by less than female participants.

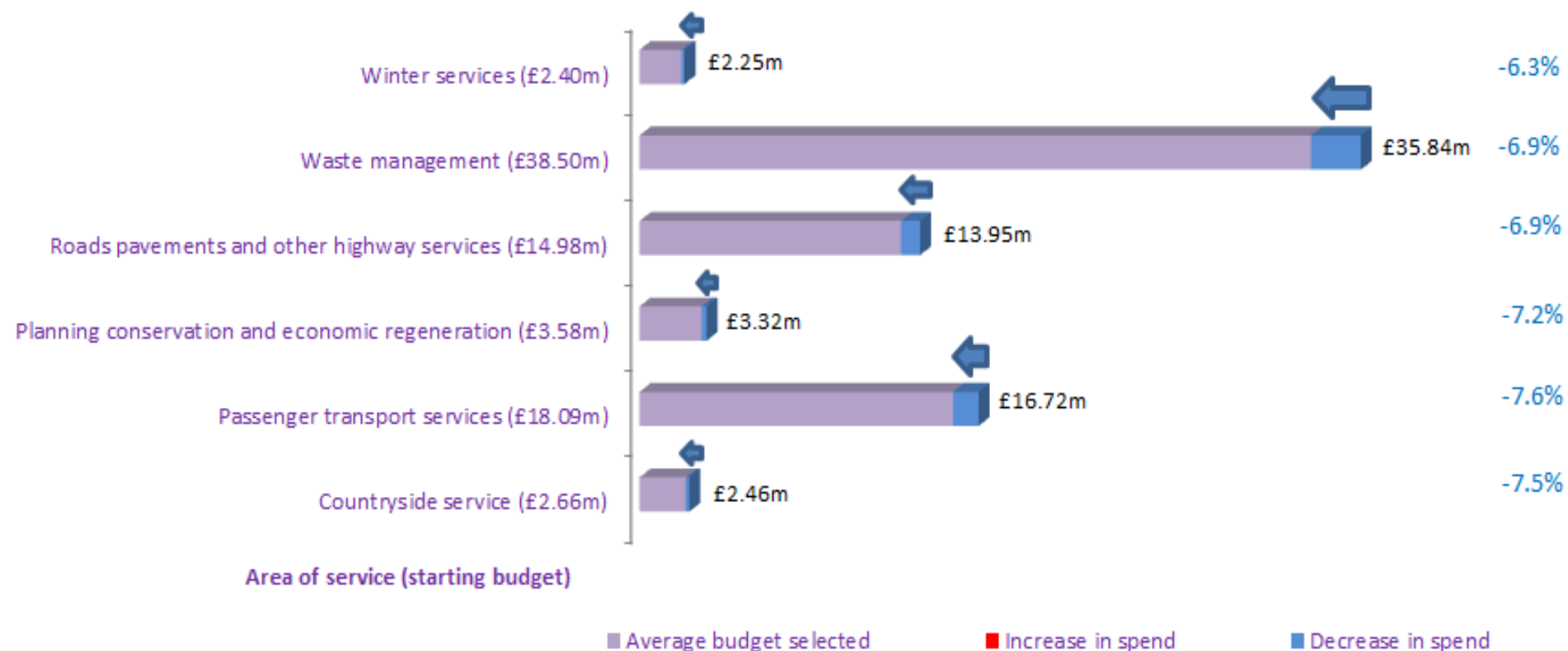
People over 65 chose to reduce spending by less than the average, in particular in respect of the passenger transport services category, which was cut by 6.4%, compared to the overall average of 7.6%.

Respondents using Council IP addresses chose to cut spending in this area by more than the average (by 8.0%).

A graphical representation of the results is detailed in Figure 6. Passenger transport services were cut the most and winter services were cut the least.

## APPENDIX ONE

Figure 6: Highways Transport and Infrastructure Choices





## APPENDIX ONE

### Possible Consequences of Budget Choices Detailed in the Model

- Some services at major parks would stop and fewer footpaths would be treated and maintained.
- There would be severe reductions for many bus routes and Community Transport would be withdrawn.
- There would be some delays in the time taken to deal with major and minor planning applications.
- The condition of roads, pavements and street lights would greatly worsen. Only emergency or essential work would be carried out on minor roads and footways and this would take longer. Work on major roads would take longer unless it leads to a significant potential danger.
- Waste strategy work would be greatly reduced and waste minimisation work would stop.
- The number of roads and routes that would be gritted in winter would reduce.

**APPENDIX ONE**

## **8 Council Support and Public Engagement**

### **Introduction**

The views of residents were sought in relation to how funding of the following areas of Highways Transport and Infrastructure should be changed in 2016-17:

- countryside service;
- passenger transport services;
- planning conservation and economic regeneration;
- roads pavements and other highway services;
- waste management; and
- winter service.

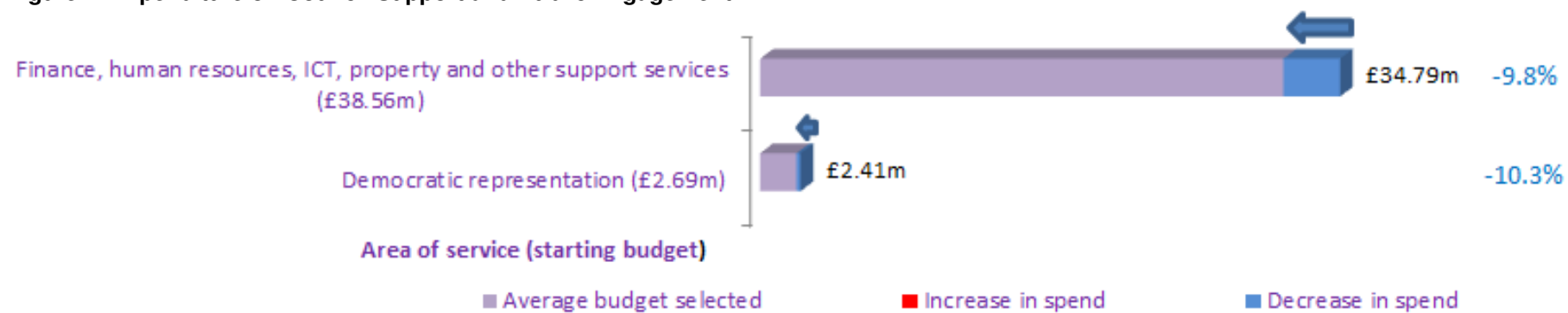
### **Council Support and Public Engagement Choices**

This was the most popular service area for budget cuts, with 92% of respondents making changes to Council Support and Public Engagement. On average, respondents chose a reduction in funding from £41.3m to £37.2m. This equates to an average saving of £4.1m and a reduction of 9.9%, making it the service area with the highest percentage cuts.

A graphical representation of the results is detailed in Figure 7.

## APPENDIX ONE

Figure 7: Expenditure on Council Support and Public Engagement



**APPENDIX ONE****Possible Consequences of Budget Choices Detailed in the Model**

- The ability to achieve statutory deadlines would be significantly compromised.
- There would be a reduction to the internal auditing the Council would be able to carry out, resulting in a greater control risk.
- Investment in collecting money owed would reduce, therefore reducing the income received.
- In-year monitoring of spend would reduce, resulting in a greater risk of costs exceeding the budget.
- The time to fix systems problems would increase significantly and would impact negatively on the delivery of services to the public. It would also take longer to replace obsolete equipment, leading to inefficiencies and lower quality services.
- New systems which would improve the quality of services provided and cut the cost of service delivery would take longer to install and benefits would be delayed.
- Delivery of some critical human resources tasks would be compromised.
- The effective administration and development of Human Resources transactional and payroll services would be undermined.
- Resources available to handle public requests such as Freedom of Information requests may be compromised to the level that more are refused on account of the time that would be required to complete them.
- The Council would be required to reduce the number of associations that it is a member of, resulting in a reduction to the quality and quantity of shared knowledge and data from other authorities that assist us in working more efficiently.
- Members' allowances would be reduced, which may result in a reduction to the number and standard of individuals standing for election due to personal financial loss.

## APPENDIX ONE

## 9 Income

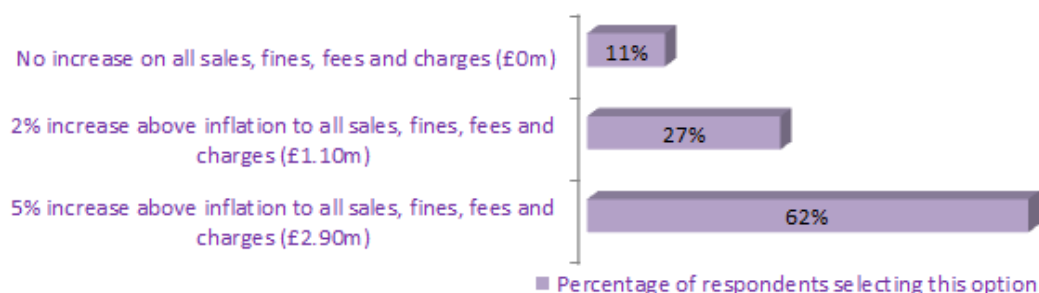
### Introduction

The consultation asked respondents to choose which, if any, revenue raising scheme they supported. The options were to raise all standard charges across the Council by 2% or 5%, or to leave all standard charges the same.

### Income Choices

89% of respondents decided to increase standard charges above inflation, with 62% choosing to raise all sales, fines, fees and charges by 5% or more above inflation, which would generate at least £2.9m of additional revenue.

**Figure 8: Income Choices**



### Possible Consequences of Budget Choices Detailed in the Model

A 5% increase in standard charges above inflation would mean that the average charge for:

- a meal, desert and drink in a Secondary School would increase to £2.47 (currently £2.35);
- a meal in a Nursery, Primary or Special School would increase to £2.10 (currently £2.00);
- a day's standard fee for a late library book would increase to £0.11 (currently £0.10);
- a day's parking at a countryside site would increase to £4.20 (currently £4.00); and
- a standard rate three day hire of a DVD would increase to £3.15 (currently £3.00).

## APPENDIX ONE

## 10 Efficiencies

### Introduction

Respondents were asked to decide whether any, some, or all, of a number of money saving options should be implemented.

The options were for the Council to:

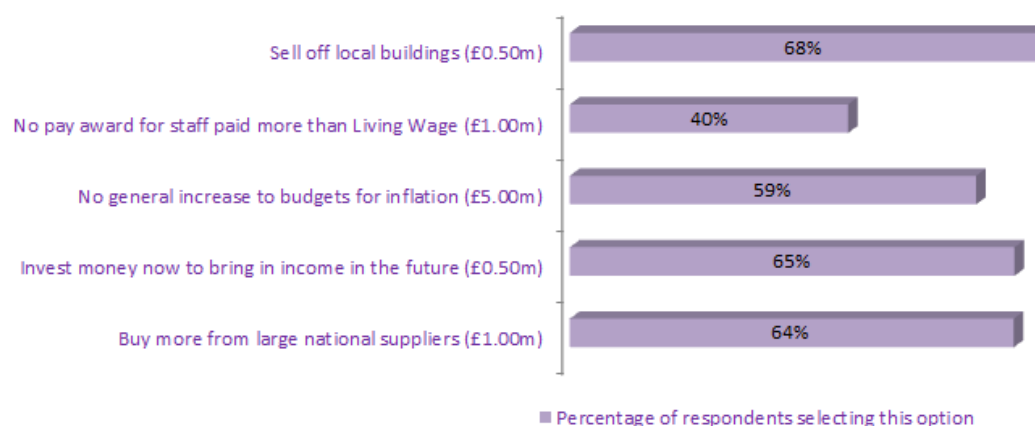
- sell off local buildings to provide money to help protect services;
- not award an increase in pay for anyone who is paid more than the Living Wage;
- make no general increase to budgets for inflation;
- enter into fewer, larger contracts with national and international suppliers at the expense of **not** investing in local business through its purchasing of goods and services; and
- invest money now to help develop new sources of income in the future, such as renewable energy.

### Efficiency Choices

There was strong support for the majority of the money saving options. Approximately two thirds of respondents decided to sell off local buildings, not to increase departmental budgets for inflation and to invest money now to bring in income in the future and to buy more from large national suppliers.

Support was weaker for the saving of £1m which would be achieved by not awarding a possible pay increase to Council staff paid more than the Living Wage. Just over one third of respondents decided to opt for this efficiency choice. 41% of all responses originated from Council IP addresses.

Figure 9: Efficiency Choices

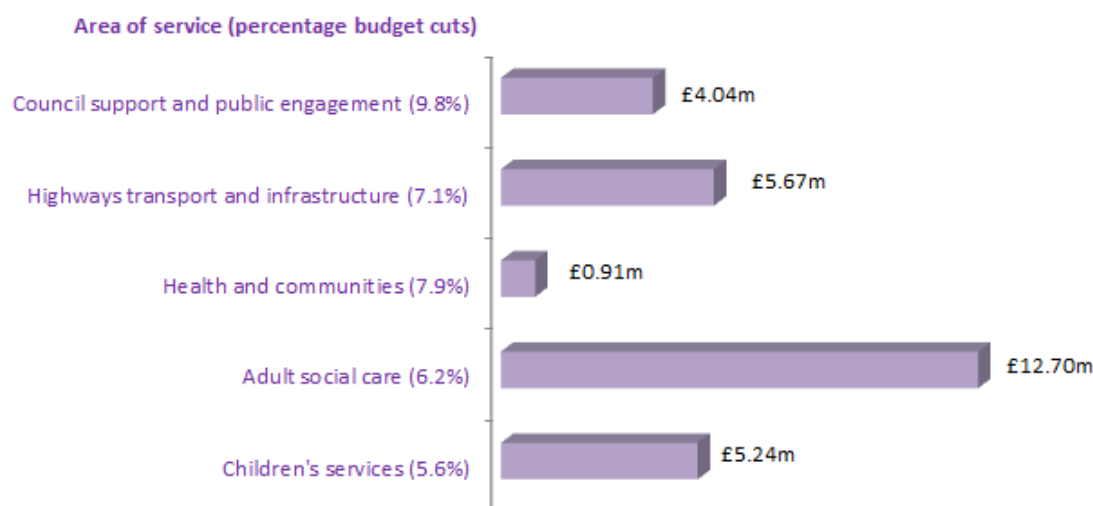


## APPENDIX ONE

## 11 From Where Would the Savings Come?

The graph below summarises the mean results from each of the service areas to readily show where the participants believe that savings should be made. These savings amount to £28.6m.

**Figure 10: Average Budget Reduction in Each Service Area**

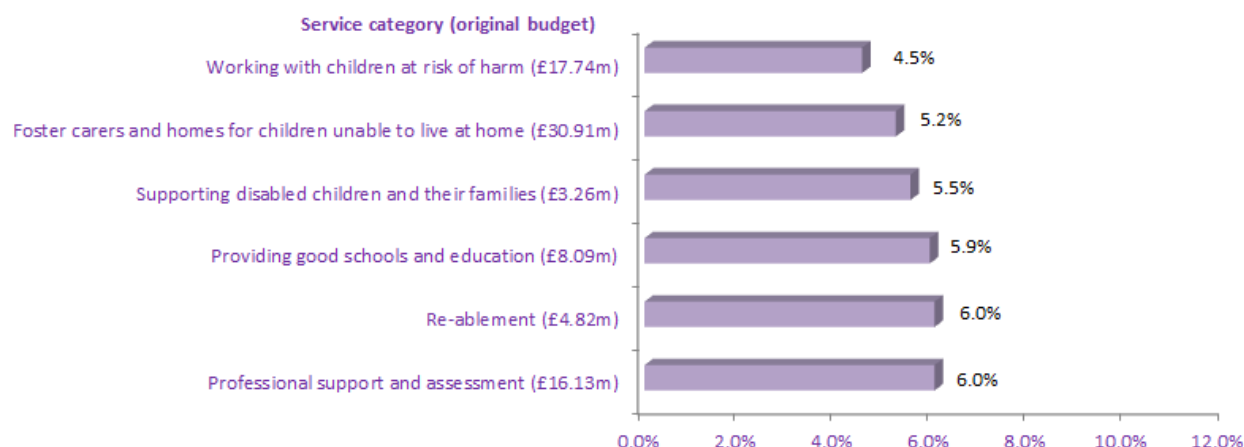


Although respondents chose to cut expenditure on Children's Services and Adult Social Care by the lowest percentage amounts, 63% of the service area savings would come from these two service areas. Highways Transport and Infrastructure accounted for a further 20% of service area savings and Council Support and Public Engagement accounted another 14%.

On average, the budgets of all service categories were reduced in the consultation (although not by every respondent). The graph below summarises the service categories which participants protected most from budget cuts.

## APPENDIX ONE

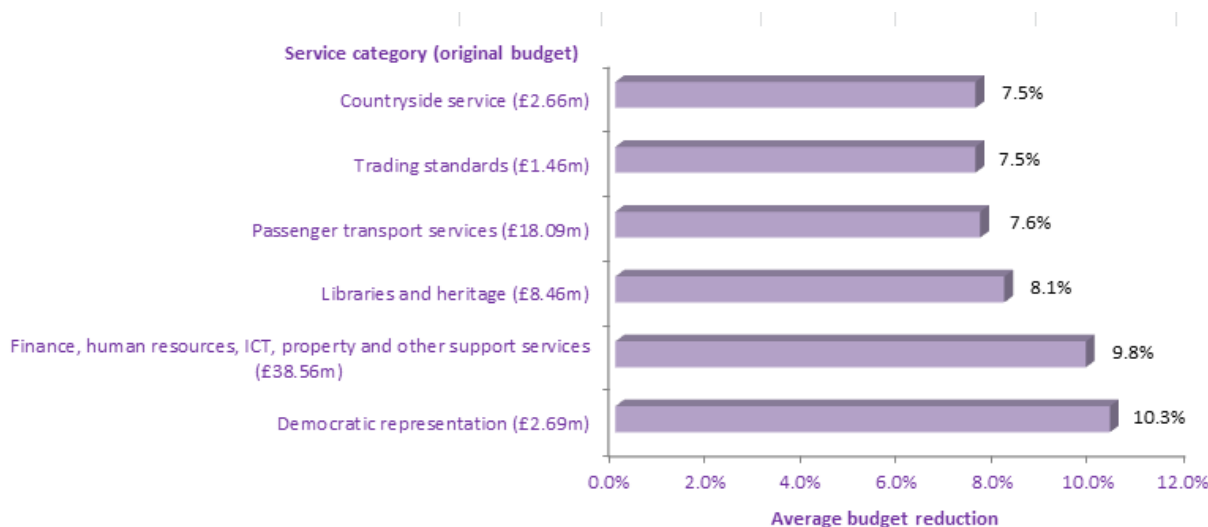
Figure 11: Service Categories with the Least Average Budget Reductions



Four of the service categories which were cut least as a proportion of the original budget are in the service area of Children's Services and two are in Adult Social Care.

The graph below summarises the service categories which participants decided should be cut most in percentage terms.

Figure 12: Service Categories with the Greatest Average Budget Reductions



All categories in Council Support and Public Engagement and two thirds of those in Health and Communities are included in the list of service areas which were cut most as a proportion of the original budget. The remaining categories are both from Highways Transport and Infrastructure.



## **APPENDIX ONE**

The majority of respondents believe that the remaining savings required should be made up from the implementation of increases to standard charges of at least 5% above inflation (£2.9m) and some, or all, of the efficiency savings. Respondents also chose on average to increase Council Tax by 2.4%, with 46% of respondents choosing to increase it by 4% or more.

The level of cuts chosen will have a significant impact upon service delivery and the report has highlighted the consequences of these. The Council faces some tough decisions on where to cut its spending. The Derbyshire Budget Consultation has engaged with a significant number of residents and employees to give them the chance to experience how difficult it is to balance the books. The results presented in this report give these residents' and employees' views on where they think that savings can be made.