



# Cabinet (Resources) Panel

## 11 February 2014

<b>Report title</b>	Budget 2014/2015 – outcome of consultation		
<b>Decision designation</b>	AMBER		
<b>Cabinet member with lead responsibility</b>	Councillor Andrew Johnson Resources		
<b>Key decision</b>	Yes		
<b>In forward plan</b>	Yes		
<b>Wards affected</b>	All		
<b>Accountable director</b>	Keith Ireland, Delivery		
<b>Originating service</b>	Finance		
<b>Accountable employee(s)</b>	Mark Taylor	Mark Taylor	
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<b>Report to be/has been considered by</b>	Delivery Directorate Leadership Team		28 January 2014
	Strategic Executive Board		30 January 2014
	Budget Working Party		3 February 2014
	Strategic Executive Board		6 February 2014

### Recommendation(s) for action or decision:

Cabinet (Resources) Panel is recommended to:

1. Consider the responses to the consultation undertaken for the Five Year Budget and Medium Term Financial Strategy 2014/2015 to 2018/19 as detailed in this report.
2. Agree the initial response of Cabinet to the consultation, taking into account the final budget Cabinet will recommend to Council for approval on 5 March 2014

### Recommendations for noting:

Cabinet (Resources) Panel is asked to note:

1. The final response will also be fed back to those that participated in the consultation.

## **1.0 Purpose**

- 1.1 This report sets to inform Cabinet about the consultation process undertaken to apprise the 2014/2015 budget-setting decisions, allowing for Councillors' consideration and approval of the initial responses to the consultation.
- 1.2 The final response to the consultation will be taken into account in the final budget that Cabinet recommends to Council to approve on 4 March 2014. The final response will also be fed back to those that participated in the consultation.

## **2.0 Background**

- 2.1 The Council's budget consultation took place from October 2013 to January 2014 in order to inform the budget-setting decisions for 2014/2015. All of the consultation and analysis was conducted in-house and this was a major factor in keeping the cost of delivery to a minimum.
- 2.2 The process was comprised of:
  - A City Direct telephone hotline;
  - An invitation to submit comments in writing;
  - An online survey for the public and staff;
  - Workshops with communities of interest representing the equalities strands; and
  - Stakeholder meetings with
    - The business community
    - Trades unions
    - Private sector landlords
    - Registered social landlords
    - Voluntary and Community Sector organisations
    - Local Neighbourhood Partnerships
    - The Youth Council
- 2.3 The consultation was branded as 'Facing Reality' and the Council's Communications Team provided support to:
  - set up a Facing Reality web page hosted on the corporate website;
  - produce and publish the Council's inaugural Financial Plan
  - produce and publish (in print and electronic format) an easy read guide to the budget proposals;
  - develop Facebook advertising that sign posted the public to the consultation (in particular a web-based survey); and
  - real time responses to a live Twitter feed focusing on the budget proposals.
- 2.4 The Facing Reality campaign was publicised in the Express and Star newspaper. The Cabinet Member for Resources was also interviewed by Radio WM.
- 2.5 A fully sponsored specially commissioned financial plan document setting out the Council's financial circumstances was used to reiterate the message within the Facing Reality campaign. The financial plan was published on the Council's website and was available to everyone that attended a stakeholder or community meeting throughout the consultation period.

2.6 An easy read guide to the budget proposals was also produced to accompany the detailed budget proposals published in the 23 October Cabinet Report. The easy read guide was published on the Council's website and was available on request and was also used as reference material for everyone that attended a stakeholder or community meeting throughout the consultation period.

2.7 Appropriate Cabinet members, Directors, Assistant Directors and in some instances, Heads of Service, attended stakeholder meetings in order to support the process and answer any relevant questions. A full and accurate record of all stakeholder meetings was kept by a Democratic Support Officer.

### **3.0 Discussion: executive summary of key findings**

3.1 60% of the respondents to the online survey stated that they would be prepared to pay more council tax if that reduced the level of cuts to that service. Of those

- 19.5% indicated that they would be prepared to pay more than 5% extra;
- just over 22% would be prepared to pay 5% extra;
- 6.6% would pay 4% more;
- 16% would pay an additional 3%;
- 25% would pay an extra 2%; and
- 10.5% would pay 1% more.

#### 3.2 Future Consultations

The scale of the council's financial challenge means that the council is now in a position where a minimum of £5 million will be found from a combination of new savings and increases in the value of the existing proposals for 2014/2015. Any new savings identified will be consulted upon individually.

3.3 There is evidence to suggest that there is some support for the following proposals:

- Reduce street lighting maintenance;
- Fees and charges review – bereavement services;
- Cessation of winter garden waste 'green bin' collection service;
- Reduce number of Councillors;
- Review of the use of organists Bushbury Crematorium;
- Removal of Council subsidy for the operation at the bar at Aldersley Leisure Village;
- Reduction in the Christmas decoration lighting and maintenance budget;
- Review the function and extent of the Mayoral Office; and
- Improve collection rate for Council Tax.

3.4 A comprehensive summary of the consultation findings can be found at Appendix i.

#### **4.0 Key Findings**

The main proposals that respondents commented upon were:

##### **4.1 Replacing Local Neighbourhood Partnership with Community Economic Regeneration Stage 1 and 2**

Respondents were concerned about how the Council would consult effectively without the LNP staff and about the economic impact of this proposal as the staff have been effective at supporting communities in securing external funding.

##### **4.2 Reduction in Voluntary Sector Grant**

Organisations argued that the reduction in grant funding to the sector quoted in the council documentation (13%) is misleading as it includes commissioned activity. They believe reductions in grant funding will undermine the ability of the sector to win contracts and support vulnerable people. The sector underlined its importance in attracting external funding to the city.

##### **4.3 Removal of Council Subsidy for Central Baths**

Respondents thought that this proposal would have implications for the health of residents. They were also concerned that residents would not be able to access alternative facilities and that the proposal may have a disproportionate effect on some groups such as Asian women and disabled people.

41 (just over 7.5%) of respondents to the online survey said that this proposal would have an impact on them. 6095 people have signed a petition to save Central Baths

##### **4.4 Reduction to overall council subsidy of Cultural Services including the Art Gallery**

As well as being an important resource for communities, some respondents felt that these services could also play an important part in the regeneration of the city, attracting visitors and offering training and employment opportunities. 38 respondents to the online survey (just over 7%) said that this proposal would have an impact on them, with a further 32 saying that the proposal on Bantock House would impact upon them. 37 people indicated that they would be prepared to pay higher fees and charges if that protected this service.

##### **4.5 Reduction in library opening hours and introducing charges for internet use.**

Respondents were concerned that this proposal would have the greatest impact on the most disadvantaged people, particularly people who will shortly be required to make benefits claims online, job seekers (both of whom might require more than an hour to complete online forms) and those people for whom the libraries might be their main recreational outlet. 43 respondents to the online survey (just over 8%) said that this proposal would have an impact upon them and 20 (3.7%) indicated that they would be prepared to pay higher fees and charges if that protected this service.

#### **4.6 Reduction in the Neighbourhood Wardens Service**

Participants were concerned that if the catchment area was increased for the wardens, their effectiveness would reduce. Local residents felt that the wardens provided good public reassurance and had had an effect on crime in neighbourhoods. 34 respondents to the online survey (6%) said that this proposal would have an impact on them.

#### **4.7 Reduce the number of Councillors**

There was broad support for this proposal. 37 people (6.8%) who took part in the online survey were strongly in favour of this proposal with 28 saying that this proposal would have little or no impact upon them.

#### **4.8 Reconfiguration of Youth Services, centred on Youth Zone and targeted youth support**

Respondents were concerned about the practical difficulties, safety aspects and travel costs for young people accessing the Youth Zone. They also saw the potential for violence between young people from different geographical areas and were worried that the decrease in neighbourhood youth services would see a rise in anti-social behaviour in localities. 21 respondents to the online survey (3.9%) said that this proposal would have an impact upon them.

#### **4.9 General comments unrelated to specific savings proposals**

The online survey showed that the majority of people (just over 86%) agreed with the principle that the council should focus its resources on regeneration, protecting essential services and job creation. Participants were concerned about the impact of the savings on the most vulnerable and that the savings might have unintended outcomes particularly related to the economy and acute health and social care services. Some respondents questioned whether some of the proposals under the 'efficiencies' heading were in fact a reduction in services rather than efficiencies.

4.10 Respondents were interested in the council's overall approach to the budget challenge. Some participants felt that the council's back office costs and duplication could be reduced still further and that partnering arrangements with other local authorities should be considered. A partnership approach to addressing the challenges that the city faces was advocated by many and it was felt that the community had an important part to play in this.

4.11 Many participants would like to see an increased focus on prevention, which they said would ultimately save money, and felt that the council's stated commitment to this area was not reflected in the savings proposals themselves. Some groups raised concerns about their ability to comment meaningfully on the proposals based on the information the council provided.

4.12 Several savings ideas were suggested by participants. These varied from the council taking a more strategic approach to attracting external funding on behalf of the city to turning off street lights after a certain time at night or obtaining commercial sponsorship for flower beds.

4.13 A number of suggestions were made for saving money on staffing costs, particularly through the online survey. This included changing terms and conditions, reducing staffing hours, reducing the number of consultants in the council, capping or reducing salaries (with some advocating that this should be set above a certain salary level) and working from home.

## **5.0 Initial response from cabinet**

5.1 The Cabinet would like to thank all participants in the consultation process and to pay tribute to the serious and constructive approach adopted. The Cabinet would also like to thank those participants who would be prepared to assist the Council by volunteering to assist within their communities or by offering to work with the Council to find alternative ways of saving money to prevent service cuts.

## **5.2 Replacing LNP with Community Economic Regeneration Stage 1 and 2**

The Cabinet proposes to retain an earmarked fund designed to enable existing LNPs to put in place arrangements to continue working with their communities and to bid for external funding. The Council's Community Engagement Officer will be transferred to the service, as will be the remaining Voluntary Community Sector Engagement officer. Both of these officers will work with local grassroots organisations and the voluntary community sector to ensure that there is engagement with people who are more difficult to reach.

## **5.3 Reduction to overall council subsidy of Cultural Services including the Art Gallery**

The Cabinet wishes the Art Gallery, Archives, Bantock House and Bilston Craft Gallery to become commercially viable under new business models designed to maximise revenue income and reduce the Council's subsidy. Where appropriate we will work with partner organisations to achieve this.

## **5.4 Reduction in the Neighbourhood Warden Service**

The Cabinet notes that with reduced Council resources it will be important to work in close partnership with the police, who will be increasing the number of PCSOs in Wolverhampton. To ensure the remaining wardens are employed effectively, alongside PCSOs, the Council's Community Safety Team have been co-located at Bilston Street Police Station, and the Anti-Social Behaviour Unit at a Wolverhampton Homes site. It is also proposed in response to serious concerns in the consultation to give consideration to reinstate a number of warden posts which would require additional resources be built into the budget.

## **5.5 Reconfiguration of Youth Services, centred on Youth Zone and targeted youth support**

The Cabinet is extremely sympathetic to the concerns expressed in the consultation regarding the closure of all open access youth facilities. We have left in the budget a sum of money available to reprovide some facilities through voluntary sector and community sector organisations. Further, the Council will be continuing to support some targeted work with young people within the own communities. Cabinet will give further consideration to the concerns raised about the practical difficulties, safety aspects and travel costs for young people accessing the Youth Zone.

## **5.6 Focus on Regeneration**

Cabinet will continue to support regeneration work by using capital resources available to the Council either through government grant, government supported borrowing, capital receipts or prudential borrowing. There will be continued focus on the regeneration of the City Centre; the Junction 2 area including i54 and the Enterprise Zone as well as a focus on ensuring a supply of quality housing and employment land across the City. This is resulting in increased investment, new homes and employment opportunities for local people as well as increased business rates revenues and new homes bonus grant. Cabinet will have due regard to the revenue implications of any new prudential borrowing which supports further regeneration.

### **5.7 Job Creation**

Cabinet will continue to support new jobs and training opportunities across the City. We are working directly with the businesses creating jobs to understand their needs and then developing approaches with our key partners including the College, University and Job Centre Plus to ensure local people get the appropriate support/training to access the jobs.

### **5.8 Reduction in Voluntary Sector Grant**

The Cabinet notes concerns raised regarding reduction in Voluntary Sector Grant. Across the Council financial support to the voluntary sector remains considerable and where ever possible these changes have been made in a way that minimises the loss of external funding. The Council also has at its disposal a small earmarked “innovate to save” budget which is designed to create efficiencies and reduce costs in the Voluntary Sector. However due to recent concerns expressed regarding the impact of the cuts in community language teaching previously consulted upon it may be necessary to reserve some of this fund to be used as seed money for alternative provision of mother tongue teaching should sufficient resources not be available through existing approved budgets.

### **5.9 Reduce the number of Councillors**

The Cabinet notes the feedback in relation to this proposal and will continue to consider it further.

### **5.10 Removal of Council Subsidy for Central Baths**

Cabinet notes that there is a new commercial operating model being developed which is intended to move all Leisure Centres, including Central Baths to a more commercial footing. The new management team are developing a business model for the delivery of the service that will presented to Cabinet (Resources) Panel on 11 March 2014 for approval. The Cabinet’s aspiration is that overall Leisure Centres won’t require any subsidy and the Council is therefore looking for ways for the three sites together to at least break even as soon as is commercially possible.

### **5.11 Reduction in library opening hours and introducing charges for internet use.**

Cabinet notes that the move of Libraries into community hubs will mean that many libraries will continue to be open for book borrowing and return and computer use even when staff are not present. In addition efforts are being made to develop network of volunteers to provide support to community libraries which may support extension to their opening hours

### **5.12 Other General Comments**

Cabinet welcomes the wish of participants to see an increased focus on prevention to ultimately save money. The Council has, for example, invested resources in a new operating model in Children’s Services which will ultimately produce cost savings as well as an improved Children’s Service. However our ability to make additional investment in preventative measures is constrained by the lack of resources available to the Council. Cabinet will continue to seek savings in administration costs and by seeking partnership arrangements with other public, voluntary or private sector bodies. All other savings ideas suggested by participants will be given serious consideration.

## **6.0 Financial implications**

- 6.1 Should any changes be made to the Draft five Year Budget and Medium Term Financial Strategy 2014/15 to 2018/19 as a result of the findings of the budget consultation exercise resulting in an increased net budget requirement, for example additional budget growth or the withdrawal of savings proposals, new savings proposals of an equivalent value will have to be urgently identified to address the projected budget deficit.

[NA/22012014/V]

## **7.0 Legal implications**

- 7.1 Sections 32 and 33 of the Local Government Finance Act 1992 imposes a duty on local authorities to calculate their budget requirements and set the Council Tax for each financial year. These provisions are subject to amendment following the Localism Act 2011 which replaces these provisions with a new Section 31A and 31B, under which authorities will no longer be under a duty to calculate their budget requirement for the year, but will be under a duty to calculate a Council Tax requirement. The aim is to make local authority calculations (which must be in accordance with the 1992 Act otherwise the Council Tax setting will be void) simpler and to avoid the need for regulations each financial year.
- 7.2 Part Two of the Local Government Act 2003 also imposes a series of duties and powers to give statutory support to important aspects of financial good practice. This includes provisions in respect of the requirement for the Chief Financial Officer to report on the robustness of the estimates including the adequacy of the reserves.
- 7.3 Cabinet is required to agree a budget proposal to recommend to Full Council.
- 7.4 The Council is obliged to set its council tax by the statutory deadline of 10 March 2014.
- 7.5 The Council is required to consult on its draft council plan and budget.

[RB/24012014/K]

## **8.0 Equalities implications**

- 8.1 The Council has a statutory duty to consult upon the impact of the way it carries out its business and the resulting effect on different groups of people within the community. This is designed to help the Council identify the particular needs of different groups and reduce the likelihood of discrimination, the eight relevant protected characteristics in this regard are:

- Age;
- Gender reassignment;
- Disability;
- Pregnancy and Maternity;
- Religion or Belief;
- Sexual Orientation;
- Race; and
- Sex



8.2 The preparation of the budget involves the allocation of resources for the provision of the Council's services and therefore has potential implications for the achievement of the Council's equal opportunities policies.

8.3 All savings proposals have assumed an Equality Assessment prior to approval.

8.4 As part of the budget consultation process, workshops were conducted with groups defined as having 'protected characteristics' in the Equalities Act (outlined in section 7.1). The purpose of this exercise was to determine if any of the savings proposals would have a disproportionate effect on any of the groups.

## **9.0 Environmental implications**

9.1 Individual proposals include details of potential environmental implications.

## **10.0 Human resources implications**

10.1 Individual proposals include details of the potential human resources implications.

## **11.0 Schedule of background papers**

11.1 Draft Budget Strategy 2014/2015 and Medium Term Financial Strategy, reported to Cabinet on:

- 26 February 2013;
- 24 July 2013; and
- 23 October 2013

11.2 Budget Review – Five Year Budget and Medium Term Financial Strategy 2014/15 to 2018/19, reported to Scrutiny Board on 17 December 2013

# Summary report on the outcome of budget consultation for the period 2014 to 2019

## Introduction

### 1. Background

- 1.1 Owing to a combination of rising costs in providing services, increased demand for services and cuts in the council's main source of funding - Government Revenue Support Grants - Wolverhampton City Council is facing a projected budget deficit of £30.8 million over the financial year in 2014/2015. The ever-widening gap between rising costs and falling incomes has been described nationally as the 'jaws of doom' and this scenario is also affecting Wolverhampton. In response the Council has already identified savings proposals of £14.4 million, in addition to the £100m already saved. It still needs to address a projected shortfall of over £20 million. The challenge could be as large as £123 m by 2018/19 if no action is taken.
- 1.2 The majority of the council's revenue income comes from Central Government revenue support grants. The Government grants will have reduced by 52%<sup>1</sup> since 2011/2012 following the 2010 Spending Review so the council automatically faces a budget shortfall. There is nothing within the council's control that could have been done to prevent this.
- 1.3 Neither can it control inflation or rising energy, food and fuel prices which eat further into its budgets every year. At the same time, low interest rates mean that the council isn't earning as much from its investments as it once did, while the economic downturn has had a negative effect on its income from fees and charges.
- 1.4 These challenges are coupled with local pressures on the budget, for example increased cost pressures created from looked after children, pension fund strain and the Primary School Expansion Programme. All these things together have caused the projected budget deficit that the council faces.
- 1.5 Wolverhampton City Council is committed to involving its citizens in contributing to the important decisions it has to make. In October it published its Draft Budget Strategy 2014/15 and Medium Term Financial Strategy. This document contained savings proposals totalling £64.4 m.

### 2. Methodology

- 2.1 Between 29 October 2013 and 24 January 2014, Wolverhampton City Council undertook and made available a range of consultation mechanisms to gather views on the proposed budget cuts; these included both quantitative and qualitative methodologies.
- 2.2 **Consultation sources: Qualitative**  
The following is a summary of the participants in the twenty one stakeholder and community group meetings, plus details of other groups and interested parties that provided their views and opinions.
- 2.3 Stakeholder engagement meetings x 9
  - ◆ Trade Unions;

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<sup>1</sup> 52% real terms reduction in funding from 2010/11 to 2015/16

- ◆ Local Neighbourhood Partnerships x 4 meetings;
- ◆ Social Landlords and Private Landlords;
- ◆ Youth Council;
- ◆ Business Community; and
- ◆ Third Sector Partnership

2.4 Community Groups meetings – representing the equalities strands x 11

- ◆ Disabled People represented by One Voice
- ◆ BME Third Sector groups
- ◆ Carers represented by the Carer's Forum
- ◆ Deaf people represented by the Deaf Club
- ◆ Faith Communities represented by the Inter-Faith and Regeneration Network
- ◆ Transgender and Transsexual people represented by Gender Matters
- ◆ LGBT (Lesbian, Gay, Bisexual and Transgender) Community represented by the LGBT Network
- ◆ Parents represented by Voice for Parents
- ◆ Older people represented by the Over 50's Forum
- ◆ Women represented by Women of Wolverhampton (WOW)
- ◆ Experts By Experience

2.5 Other consultees

- ◆ Emails and letters from residents and comments received from a dedicated telephone hotline.
- ◆ The council also received a petition

2.6 **Consultation sources: Quantitative**

The council made an online survey available to residents and staff for the duration of the consultation.

2.7 **Considerations around representativeness of the data**

In line with best practice issued by Government (The Government's Consultation Principles July 2012), the consultation particularly focused on involving the range of stakeholders affected by the proposals, as well as enabling the general public to comment through the dedicated telephone hotline, an online survey and public meetings in each constituency. The findings from the stakeholder meetings, community group meetings and other qualitative correspondence, is by its very nature, indicative only and not necessarily representative of the wider population.

2.8 **Considerations around reporting**

It is recognised that the public, community groups and key stakeholders are not always aware of the budgetary constraints that local authorities operate under. For example, there is little awareness or understanding of the difference between capital and revenue budgets, controllable and non-controllable expenditure, nor distinctions made between statutory and discretionary spend. This document does not attempt to unpick this, but simply reports the views of the various consultees in their broadest perspective.

2.9 The qualitative findings are the primary source of information on the specific budget proposals. These have been drawn from copies of the meeting notes for the twenty

stakeholder and community group events, social media, where available, and copies of emails and letters from other interested parties. It should be noted that these groups often represent the views of vulnerable people who are heavily dependent on the Council's support services (in line with Government Guidance). The inclusion of many of these groups forms an important part of the council's Equality Assessment of the budget proposals – a process that is legally required.

## **2.10 The report**

The full report (of which the present document is a summary version) is available from the [Council's website](#) as well as the [engagement database](#).

## Executive Summary and conclusions

3. This document summarises the key findings from a range of consultation exercises run by Wolverhampton City Council on its budget proposals for 2014/15 – 2020/21. It includes an analysis of 20 qualitative presentations and meetings with key stakeholder and community groups designed to gather views and opinions on 165 specific savings proposals. It also includes an analysis of letters, emails and petitions sent in by interested parties, the outline findings from two online quantitative surveys undertaken, data gathered through social media and telephone calls made to a designated hotline.

### 3.1 Consultation sources

Nine stakeholder engagement meetings held with Trade Unions, Local Neighbourhood Partnerships (x 4), Social Landlords and Private Landlords, Youth Council, Business Community and the Third Sector Partnership.

3.2 Eleven community group meetings held with One Voice (an organisation run by and for disabled people), Black and Minority Ethnic (BME) Third Sector groups, Carers Forum, Deaf people, The Interfaith and Regeneration Network representing faith Communities, Gender Matters (an organisation representing Transgender and Transsexual people), the Lesbian, Gay, Bisexual and Transgender (LGBT) Network, Voice for Parents, the Over 50's Forum, Experts by Experience and Women of Wolverhampton (WOW) group.

3.3 Other representation was made in the form of emails, petitions, social media and letters from residents from Bushbury; Oxley; Bilston East; Wednesfield; Whitmore Reans; Tettenhall; Compton; Low Hill and the Scotlands; Dovecotes and Finchfield as well as organisations such as Central Youth Theatre, The Third Sector Partnership; Gender Matters, the Over 50's Forum and UNISON.

3.4 In addition the council ran a bespoke telephone hotline and two online consultations, one for staff and one for the public.

## 4. Key Findings

The main proposals that respondents commented upon were:

### 4.1 Replacing Local Neighbourhood Partnership with Community Economic Regeneration Stage 1 and 2

Respondents were concerned about how the council would consult effectively without the LNP staff and about the economic impact of this proposal as the staff have been effective at supporting communities in securing external funding.

### 4.2 Reduction in Voluntary Sector Grant

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#### **4.3 Removal of Council Subsidy for Central Baths**

Respondents thought that this proposal would have implications for the health of residents. They were also concerned that residents would not be able to access alternative facilities and that the proposal may have a disproportionate effect on some groups such as Asian women and disabled people. 41 respondents to the online survey said that this proposal would have an impact on them

#### **4.4 Reduction to overall council subsidy of Cultural Services including the Art Gallery**

As well as being an important resource for communities, some respondents felt that they could also play an important part in the regeneration of the city, attracting visitors and offering training and employment opportunities. 38 respondents to the online survey said that this proposal would have an impact on them, with a further 32 saying that the proposal on Bantock House would impact upon them. 37 people indicated that they would be prepared to pay higher fees and charges if that protected this service.

#### **4.5 Reduction in library opening hours and introducing charges for internet use.**

Respondents were concerned that this proposal would have the greatest impact on the most disadvantaged people, particularly people who will shortly be required to make benefits claims online, job seekers (both of whom might require more than an hour to complete online forms) and those people for whom the libraries might be their main recreational outlet. 43 respondents to the online survey said that this proposal would have an impact upon them and 20 indicated that they would be prepared to pay higher fees and charges if that protected this service.

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Participants were concerned that if the catchment area was increased for the wardens, their effectiveness would reduce. Local residents felt that the wardens provided good public reassurance and had had an effect on crime in neighbourhoods. 34 respondents to the online survey said that this proposal would have an impact on them.

#### **4.7 Reduce the number of Councillors**

There was broad support for this proposal. 37 people who took part in the online survey were strongly in favour of this proposal with 28 saying that this proposal would have little or no impact upon them.

#### **4.8 Reconfiguration of Youth Services, centred on Youth Zone and targeted youth support**

Respondents were concerned about the practical difficulties, safety aspects and travel costs for young people accessing the Youth Zone. They also saw the potential for violence between young people from different geographical areas and were worried that the decrease in neighbourhood youth services would see a rise in anti-social behaviour in localities. 21 respondents to the online survey said that this proposal would have an impact upon them.

#### **4.9 General comments unrelated to specific savings proposals**

The online survey showed that the majority of people (just over 86%) were in agreement with the principle that the council should focus its resources on

regeneration, protecting essential services and job creation. Participants were concerned about the impact of the savings on the most vulnerable and that the savings might have unintended outcomes particularly related to the economy and acute health and social care services. Some respondents questioned whether some of the proposals under the 'efficiencies' heading were in fact a reduction in services rather than efficiencies.

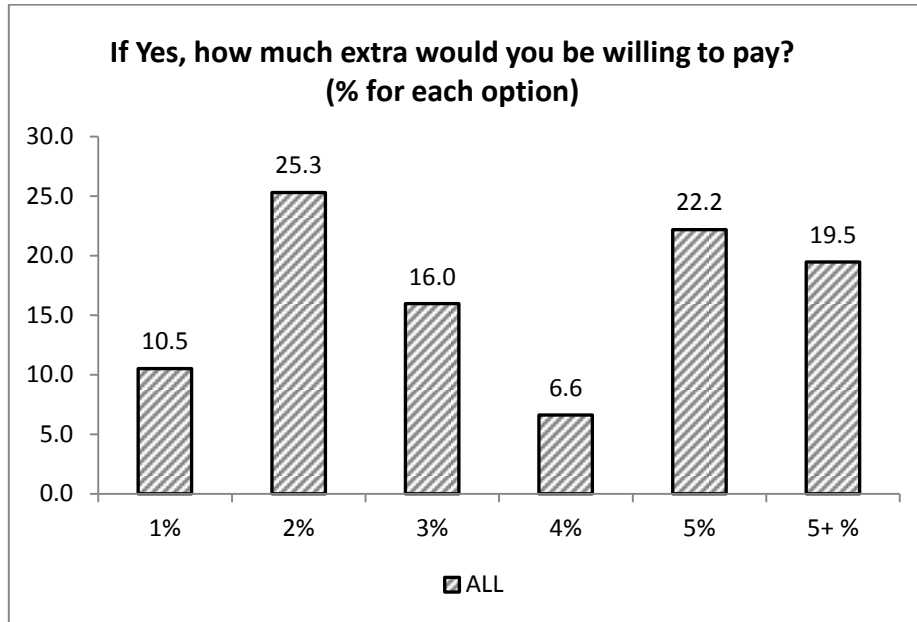
- 4.10 Respondents were interested in the council's overall approach to the budget challenge. Some participants felt that the council's back office costs and duplication could be reduced still further and that partnering arrangements with other local authorities should be considered. A partnership approach to addressing the challenges that the city faces was advocated by many and it was felt that the community had an important part to play in this. Many participants would like to see an increased focus on prevention, which they said would ultimately save money, and felt that the council's stated commitment to this area was not reflected in the savings proposals themselves. Some groups raised concerns about their ability to comment meaningfully on the proposals based on the information the council provided.
- 4.11 Several savings ideas were suggested by participants. These varied from the council taking a more strategic approach to attracting external funding on behalf of the city to turning off street lights after a certain time at night or obtaining commercial sponsorship for flower beds.
- 4.12 A number of suggestions were made for saving money on staffing costs, particularly through the online survey. This included changing terms and conditions, reducing staffing hours, reducing the number of consultants in the council, capping or reducing salaries (with some advocating that this should be set above a certain salary level) and working from home.



## Findings from the quantitative (statistical) consultation

5. This Section summarises the statistical data from the quantitative online surveys. The external questionnaire had 324 respondents, and the internal questionnaire had 213 respondents, making a total response base of 537.
- 5.1 It should be borne in mind that this is not a sample survey of residents or staff, so the results reported in this section are not necessarily a representative sample due to self-selection.
- 5.2 There was broad agreement (just over 86%) that the Council's priorities are the right ones for the city, with slightly more agreement from internal respondents.
- 5.3 Respondents who answered "no" were able to specify what the Council's priorities should be; protecting the vulnerable, and focussing exclusively or almost-exclusively on essential services, were the two most common themes.
- 5.4 Both external and internal respondents were receptive to paying higher fees and charges to avert greater service cuts.
- 5.6 Respondents were able to specify particular services where higher fees and charges were tolerable to preserve service quality: both galleries and museums (37 respondents) and leisure (27 respondents) were clear leaders. Waste, Council Tax, and libraries were in a close group of 19-20 responses behind.
- 5.7 External respondents were likelier than internal respondents to say they would volunteer to reduce the extent of the cuts. However, neither group had a majority of respondents willing to volunteer.
- 5.8 Respondents were also asked, if they were willing to volunteer, which service they wished to volunteer for. However, despite 136 respondents answering this question, 27 of them just offered general comments about the notion of voluntary public services rather than nominating a service, 24 said they already volunteer as their answer, and 11 said they had no time or interest.
- 5.9 Internal respondents were likelier than external to indicate that they would pay more Council Tax to reduce the level of cuts. There were majorities in both the external and internal respondents groups for increases in Council Tax.
- 5.10 Respondents who said they would pay more Council Tax were then asked precisely how much extra they would be willing to pay. It was stated in the question heading that the impact of each 1% increase would be 20 pence per week based on the average property value (Valuation Band B) in the city.
- 5.11 **Please note:** the percentages in Fig. 1 are percentages of the overall respondents who said "yes". For instance, 25.3% of respondents who said "yes" would be willing to have a 2% rise in their Council Tax bills, the most-selected response. However, respondents who said "yes" were only 60% of all respondents to the question, so percentages need to be viewed in context.

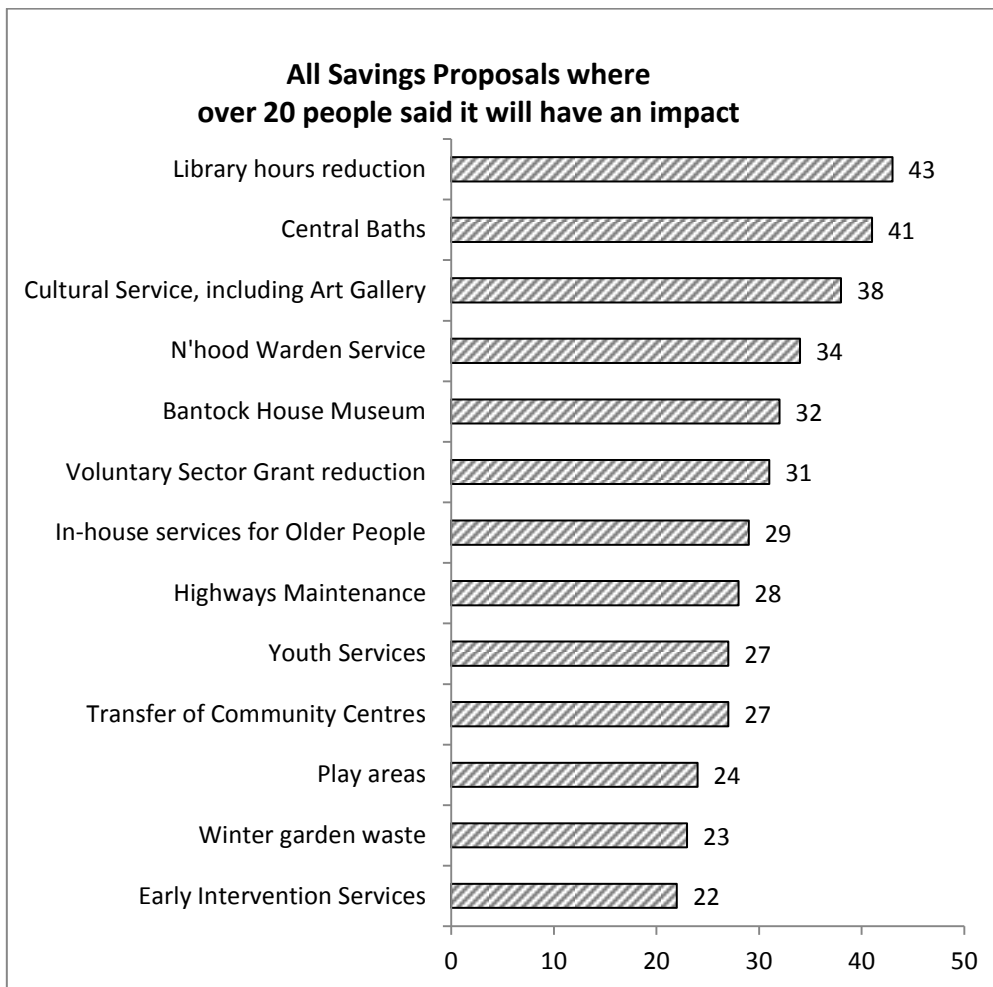
Fig. 1



5.12 All 165 savings proposals were presented to respondents, organised by set, and each respondent could nominate the top 5 within the set which would have an impact on themselves and their family (external) or on the city (internal). For instance, there were 90 savings proposals presented under the 'external cuts' heading, and respondents would then pick their top 5 there in terms of impact.

5.13 As there are 165 saving proposals, **Fig. 2** summarises only those where over 20 respondents felt each would have an impact. All of the proposals felt to have the greatest impact were from the 'external cuts' heading. Some of the topics were mentioned extensively in the qualitative budget consultation focus groups (for instance, library hours reduction), but other topics only emerge as a concern in this questionnaire (for example, winter garden waste).

Fig. 2



5.12 People were invited to suggest ideas for saving money or for increasing efficiency of the organisation. The most common suggestion – changing employee terms and conditions – includes both reducing staffs’ hours (9 respondents) and cap or reduce salaries (8 respondents). However, respondents differed how to cap or reduce salaries: some favoured an all-inclusive salary cut for Council employees, but others favoured a cut for salaries above a self-defined pay threshold. ‘Working from home’ has been deliberately double-counted in two sections (‘change employee terms and conditions’, and ‘reduce spending on office overheads’) as it is pertinent to both areas.

5.13 For each set of the 165 savings proposals, respondents were able to report whether any of the cuts would have little to no impact in their opinion and (separately) whether the respondent was strongly in favour of any particular proposals mooted.

5.14 A reduction in the number of Councillors, reducing Christmas lights, removing the subsidy for Aldersley bar, and scaling back the Mayoral function and role were all felt to have little or no impact and were favoured by respondents.

## Findings from the qualitative (discussion based and other submissions) consultations

### 6. Views on specific proposals for budgetary savings

The following section outlines the key views from the qualitative consultation with stakeholders, community groups and other interested parties. The twenty meetings covered a range of topics and gave attendees the opportunity to ask questions, gain clarification, and raise concerns or issues. The notes taken during these meetings do not always contain information on whether proposals are supported or opposed, though they do contain greater detail around the discussions, which for the sake of brevity, are not included in this report, but are available on request. This section also draws upon comments received from interested parties in emails and letters and comments made during the duration of the telephone hotline.

#### 6.1 Extent of consultation discussions and interpretation considerations

Given the broad spread of the proposals totalling 165, not all/only relevant topics were discussed by stakeholders and community groups during the meetings. The topics discussed are therefore likely to reflect the issues of most importance to the participants. All of the groups did have access to the public facing budget proposals documentation prior to the meetings. The public, community groups and key stakeholders often do not have the time to gain an understanding of the difference between controllable and non-controllable costs, or between statutory and discretionary spend. The reader should therefore be mindful of this context when considering the findings in the following sections.

## Qualitative Consultation main findings

### 7. Replacing Local Neighbourhood Partnerships with Community-Led Economic Development – Stage 1 and 2 (please note that stage 1 is an invest to save proposal)

There were concerns that this proposal would affect local areas ability to attract external funding and that the economic impact of this proposal were understated. One LNP asked for a phased approach to enable them to find other sources of support, whilst another requested that effective handover arrangements would take place. One LNP was concerned that this proposal would put vulnerable communities and individuals at greater risk; that the LNPs fulfil a valuable consultative function for the council so could ultimately cost the council more as service groups conduct their own consultations; and that qualitative information could be lost to the council if this proposal is approved.

#### 7.1 Reduction in Voluntary Sector Grant

Groups opposed to this proposal maintain that grant funding for the local voluntary and community sector will be cut by over 50% over the next two years (as opposed to the 13% figure quoted in the council documentation), resulting in funding being withdrawn to 30 organisations in the City, and the closure of many of them. They argue that as a result, vulnerable people in communities will lose services, and over 200 jobs will be placed at risk, along with support for over 800 volunteers. The services affected include those for young people, the elderly, disabled people, and the homeless and other vulnerable groups.

7.2 Opponents of this proposal point to the economic value the sector provides to the city by attracting significant external funding and delivering preventative work. Many groups made the point that their ability to do so in the future would be significantly undermined by this proposal. The Third Sector Partnership stated their willingness to work with the council to address the needs of vulnerable people.

**8. Removal of Council subsidy for Central Baths**

Respondents opposed to this proposal said that some residents would find difficulty in accessing swimming facilities elsewhere in the city. They claim that that this proposal has a disproportionate effect on females (especially Asian females) who are frequent users of Central Baths. They point to the health benefits of exercise and the need for a full equality analysis. Respondents suggested several ways that the baths could maximise their income.

**9. Reduction to overall Council subsidy of Cultural Services, including Art Gallery**

Participants argued that, not only are cultural services such as Bantock House and the Art Gallery a valuable community resource, they could also be a driver of regeneration and tourism for the city. A group of residents are keen to safeguard the future of Bantock House. A Facebook group has been formed and a public meeting convened to develop proposals for saving the venue.

**10. Reduction in library opening hours and introducing charges for internet use**

Some groups suggested that this proposal would disproportionately affect people reliant upon library facilities to make welfare benefit claims, to apply for work or as their main source of recreation.. The Libraries Action group wrote to the Chief Executive of the council. In the letter they offer to work with the council in order to attract external funding to mitigate the effects of the cuts on the city's library services.

**11. Reduction of the Neighbourhood Warden Service**

A cross section of respondents contacted the council to say how much they value this service. This included individuals and representatives of local groups and include one petition. The wardens provide an effective public reassurance function in communities. People fear that if the service is withdrawn from certain areas it will result in increased crime and anti-social behaviour. The proposal around the Neighbourhood Wardens is subject to scrutiny on 30 January 2014 and the results will be reported to Cabinet on 25 February 2014.

**12. Reduce the number of Councillors**

There was broad support for this proposal. However some participants were concerned about the risk of increased workload for councillors and what it might mean for councillor contact. Some respondents thought that the proposal should go further, suggesting that councillors should not receive expenses or that councillor numbers should be reduced to a third of current numbers.

**13. Re-configuration of Youth Services, centred on Youth Zone and targeted youth support**

The central location of the proposed Youth Zone was questioned by participants, many of whom would prefer youth provision in localities. There was a concern that public transport into the city was inadequate and was not affordable. For safety reasons parents would not want their children travelling into the centre alone. Once at the facility, people were concerned about the potential for violence between young people from different areas and the potential persecution of LGBT young people. Many respondents were concerned that this proposal (especially the removal of local clubs) could see a rise in antisocial behaviour in localities.

**14. General comments unrelated to the above categories - General comments about the savings**

**14.1 The impact on the most vulnerable**

Some groups were concerned that the proposals would impact more on the most vulnerable and lower income residents. They were concerned that cumulatively the proposals would disproportionately affect certain groups of people.

**15. Unintended impacts of the savings**

Some groups were concerned that the savings themselves might result in cost pressures for the council in the longer term and asked if this had been factored in. Others thought that the large number of council redundancies would impact on the economic regeneration of the city.

15.1 Another group wrote to the council saying that some of the budget proposal reductions appear to be in conflict with each other. They gave examples such as an increased number of people being cared for in the community (by, they assume) reducing numbers in residential care. At the same time the council proposes to cut care services that support people in the community (e.g. night visiting and possibly Carelink and Telecare).

15.2 The same group also thought that the council had failed to demonstrate the current outcomes achieved by services at their and the impact on those outcomes by the proposed reductions which, they state, is particularly important for preventative and rehabilitative services.

**16. Equalities Issues**

One group stated that the council could leave itself open to legal challenges if did not conduct adequate equality assessments. They stated that an overall equality assessment of the cuts was needed. Other groups asked, in the context of the cuts, what commitment the council has to BME groups and the wider equality and diversity agenda.

**17. Community Solutions**

There was evidence that a minority of residents and organisations would be prepared to fill the gaps left by service cuts. One group thought that faith groups would be interested in delivering services. They added that communities should also be encouraged to deliver services if they strongly feel that they should be retained.

17.1 They further stated that the availability of some facilities and services represents a good opportunity for some communities. Participants at two LNPs mentioned capitalising on Wolverhampton's 'community spirit' to help the city through the present difficulties.

## **18. Efficiencies**

Some groups suggested that efficiency savings would impact on the quality of services delivered and one group asked that all the savings proposals be kept under review to ascertain the impact on resident's lives.

## **19. Pressures on the budget**

Several groups suggested that a focus on prevention would help to keep down costs for acute health and social care and different approaches to addressing the financial challenge of protecting Looked After Children were mooted, with partnership approaches and an input from the Third Sector both suggested.

## **20. The Budget Challenge**

### *Overall approach to the budget challenge*

20.1 Participants were interested in the council's overall approach to the financial challenge it faces. Many suggestions were made including taking a Cooperative Council approach, mergers with neighbouring authorities, attracting more external funding, selling council assets and reducing the numbers of senior managers and consultants within the council.

### *Efficiency savings*

20.2 Some thought that more should be done to address back office costs, with several groups querying why a third of the council's budget is spent in this area. Another group was particularly concerned with the high cost of 'treasury management' (£12.5m) which they said is not explained in the council's Medium Term Financial Strategy report. Others were concerned about the amount of duplication they saw and asked about the potential to make savings by reducing existing commercial contracts.

### *A partnership approach*

20.3 The Third Sector Partnership said that the Third Sector should be considered part of the solution as well as a factor in the economic regeneration of the city. They said that they generated income for the city which could be reinvested into preventative services. However, the threat to the Third Sector's funding was impacting on their ability to generate income.

## **21. Focus on prevention**

Whilst sympathising with the council's financial position, the Third Sector Partnership argued that the sector's early intervention and preventative work saves the council money by dealing with issues before they require the council's involvement. If the funding provided through the Community Initiatives Team ceases, this will mean an increased work load for the council as they will pick up work that the sector currently undertakes. This, they argue, has not been fully taken into account.

**22. The budget consultation process**

The Carer's group, Wolverhampton Interfaith and Regeneration Network, Women of Wolverhampton and the Over 50's forum all raised concerns about the ability to comment meaningfully on the proposals based on the information provided. The proposals in the booklet provided by the council were described as vague and lacking in detail.

**23. Savings ideas**

Several savings ideas were suggested by participants including: maximising opportunities to attract external funding into the city (from Europe, for instance); turning street lights off in certain areas after midnight; selling council assets; attracting sponsorship for flower beds; reducing the wages of the Chief Executive and senior officers; stopping the refurbishment of the civic centre; turning down the heating in public buildings; reducing weekly household bin collections to fortnightly; introducing a 50 pence charge for all public toilets (with an exemption for radar key holders); stopping staff from retiring at the age of 55; making on the spot fines for vandalism, graffiti, anti-social behaviour, and fly tipping; and compelling householders to take responsibility for sweeping outside their own houses.