



## **Budget Planning 2016-17**

# **Report of Public Engagement Forum**

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**Opinion Research Services**  
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We thank the 26 members of the public that took part in the forum and shared their views readily. We are pleased that they generally enjoyed the process and trust that this report accurately reflects their views and priorities.

At all stages of the project, ORS' status as an independent organisation consulting residents as objectively as possible was recognised and respected. We are grateful for that trust and hope this report will contribute to DBC's budget planning for 2016/17 and beyond.

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# Introduction

## The Commission

1. Like other councils, in the context of national reductions in central government funding to local government, Dacorum Borough Council (DBC) has to make savings and consider its council tax precept while also trying to increase revenue. Believing that difficult decisions should be informed by public opinion, the council commissioned Opinion Research Services (henceforth ORS) to design and implement a deliberative forum with a wide cross-section of residents to inform its budget setting process for 2016-17. ORS worked in collaboration with DBC to prepare informative stimulus material for the meetings before facilitating the discussions and preparing this independent report of findings.

## Deliberative Research: Public Forums

2. The consultation used a deliberative Forum because such meetings allow for:
  - Clear presentation of the issues and evidence
  - Questions and clarification of ambiguous or difficult points
  - Deliberation in which participants think through their responses while having an opportunity to listen to the evidence and the views of others
  - Interactive reporting of people's opinions during the meeting – so participants can feel confident that their ideas have been properly recorded
  - Comparison of people's views at the start and end of the meeting.
3. The forum was designed to be deliberative in encouraging members of the public to reflect in depth about their priorities in the context of reductions in central government funding for local government. They were asked to think about their personal and community priorities alongside the council's priorities for Dacorum – in order to inform elected members' thinking about difficult financial decisions.
4. Of course, the forum was not to determine the council's budget. In this context, 'accountability' means that public authorities should give an account of issues and/or their provisional plans, and also take into account the public's views – but such consultations are not referenda to make decisions about public policy. In the context of representative democracy, they should inform but not dictate the judgements of service professionals and elected members. This premise was understood and readily accepted by all the participants.

## Inclusiveness and Representativeness

5. In total, there were 26 diverse participants at the session (which was held from 10:00am until 1:00pm on Saturday 16<sup>th</sup> January 2016 at the DBC offices in Hemel Hempstead). The attendance target for the forum was between 20-25 people, so the recruitment programme was successful. Participants were randomly recruited by researchers at ORS's Social Research Call Centre. Having been initially contacted by phone, all participants were then written to - to confirm the invitation and the arrangements; and those who agreed to come then received telephone or written reminders shortly before each meeting. As standard good practice, participants were recompensed for their time and efforts in travelling and taking part.
6. In recruitment, care was taken to ensure that no potential participants were disqualified or disadvantaged by disabilities or any other factors, and the venue was readily accessible. The telephone recruitment process was also monitored to ensure social diversity in terms of a wide range of criteria – including, for example: area of residence; gender; age; ethnicity; social grade; and disability/long-term limiting illness (LLTI) – so the participants were a broad cross-section of residents from across the district:

## Discussion Framework

7. ORS worked in collaboration with DBC to design an effective and relevant discussion guide for the Forum. Without prompting participants, the presentation covered a range of inter-connected issues, including:
  - Changing balance between national and local funding of local government services
  - Structure of local government in Hertfordshire
  - Council tax breakdown
  - Range and cost of DBC services
  - DBC budget and expenditure profile
  - DBC's approach to achieve a balanced budget.
8. The discussion agenda covered the following main issues:
  - Budget reduction strategies – 'salami slicing' or strategic reductions
  - Areas for possible service reductions
  - Means of increasing council revenue
  - Principle of encouraging further public sector partnerships
  - Principle of outsourcing work to the private sector

Council tax – in principle, should DBC increase council tax by 1.8%?

Any other suggested options.

9. During the main discussions, the forum learned that DBC's proposed financial strategy has three main elements, namely:
  - Not to cut front-line services to the public
  - To continue to make efficiency savings
  - To increase DBC's council tax precept by 1.8% in April 2016.
10. The forum was asked to consider how reasonable this approach was and the participants entered enthusiastically into spirit of the meeting and clearly enjoyed it.

## Significance of Forums

11. In-depth deliberative research can be rigorous, inclusive and representative in the sense of involving diverse groups of people; but it should not be understood as achieving a 'statistical sample of the population'. To say this is not to undermine or devalue the process, but only to understand its nature as qualitative research – which seeks to learn a lot from relatively small numbers of diverse people, rather than learning little from simple standardised questionnaires administered to large random samples of people. Qualitative research is about facilitating 'conversations' about issues rather than gathering large numbers of standardised responses from large statistical samples of the population.
12. So, like other forms of qualitative consultation, forums cannot be certified as statistically representative samples of public opinion, but the recruitment process gave a diverse range of 26 residents the opportunity to comment in detail on DBC's financial planning. We are thus satisfied that the outcomes of the consultation (as reported below) are broadly indicative of how opinion would incline on the basis of similar discussions – and we were able to learn a considerable amount about the issues at the heart of this study. Due to the deliberative nature of the meeting, it was also possible to compare people's initial/uninformed judgements with their final/informed judgements at the end of the forum.

## The Report

13. This report reviews the opinions of the participants before and after considering and discussing important information. Some verbatim quotations are used, in indented italics, not because we agree or disagree with them, but for their vividness in capturing points of view. ORS does not endorse any opinions, but seeks only to portray them accurately. While quotations are used, the report is not a verbatim transcript, but an interpretative summary of the issues raised by participants in free-ranging discussions.

# Consultation Findings

## Introduction

14. This section summarises the overall findings from the forum. Not all the individuals gave equal emphasis to each aspect of the discussion, but, taken overall, they considered a wide range of issues that are reported fully below.

## Initial Financial Awareness

15. Before receiving any information or presentations, the participants were asked some initial factual and policy questions in order to indicate briefly their awareness and knowledge of local government structures and finances. Later, after the council's financial position and strategies had been explained, the forum considered the main policy issues in depth.
16. Nearly all (22 of 26 participants) were well aware that DBC collects their council tax, but they were very unaware of how the total charge is derived and how the total sum is divided between authorities. One-third thought that DBC sets the whole, total charge; and a quarter thought the government does so.
17. Two-thirds knew that Hertfordshire County Council receives most of the total council tax that households pay, but a quarter thought that the government receives most of the money.
18. When asked to 'guesstimate' what proportion of their total council tax DBC receives (the proportion is 12%), one-third estimated that DBC gets 20% while the same proportion estimated 30-40%. The other guesstimates ranged widely from 10% (one person) to 60%.
19. When asked to guesstimate how much council tax Dacorum charges Band D households per day, about half of the forum estimated the cost to be £1.29 or more per day – whereas the actual sum is 49 pence!
20. Not surprisingly, in this context, people were very vague about just how much money Dacorum gets per year from Band D households' council tax. Some could not hazard a guess, but a quarter of the forum members thought it gets "over £500 per year". The actual figure that DBC receives is much lower at £177 per annum for Band D.

21. It seems there is considerable general vagueness about how local government finances and structures work. Nonetheless, despite some initial unawareness, the audience followed the detailed presentations with interest and commitment, while also asking numerous questions.

## Initial and Considered Opinions

22. At the start of the meeting the forum members were also asked to state their “initial opinions” on important policy issues – which were then compared at the end of the meeting with their “considered opinions” after hearing the presentations, asking all the questions they wanted, and discussing the issues in five small groups of five ‘round table’ discussion groups. The information provided and the subsequent detailed discussions evidently had a major influence on people’s opinions for their considered or more informed views were in many cases significantly different from their initial views. Therefore, some of the comparisons below show a marked difference at the two stages of the meeting.
23. Of course, it is the forum’s considered views that are important to the council now, as the outcome of a deliberative forum; but their initial opinions are helpful, too, as a guide to general public sentiments.

## Proposed Council Tax Increase

24. In contrast to their initial views, the forum ended with almost unanimous agreement that it would be reasonable and acceptable to them for DBC to increase its council tax precept by 1.8% in April 2016. In this context, and later, it is people’s informed and considered views that count as their ‘conclusions and recommendations’. (See also Overall Priorities below.)

### Should DBC’s council tax precept be increased by 1.8% in April 2016?

	INITIAL VIEWS	CONSIDERED VIEWS
<b>YES</b>	8	26
<b>NO</b>	6	0
<b>DK</b>	12	0

25. From being largely undecided (nearly half) or opposed (a quarter) to a DBC precept increase, the participants’ opinions shifted considerably after learning about DBC’s finances – to unanimous support for a 1.8% increase for next financial year. Some typical comments during the discussion of council that there were:

*I didn’t realise how little Dacorum gets of the money we pay!*

*A 1.8% increase raises only a small amount of money, really!*

## Options to Reduce Costs

26. The forum also considered some options for the council to save money. At both the start and end of the meetings, there was almost complete consensus that DBC should not adopt a ‘salami slicing’ approach to services.

### Should DBC reduce all services a bit in order to save money?

	INITIAL VIEWS	CONSIDERED VIEWS
YES	1	2
NO	22	24
DK	3	0

27. As the next table shows, initially, most people were uncertain or opposed to making selective strategic reductions in services, but by the end of the discussions there was much more support for making selective strategic reductions (if they are necessary).

### Should DBC make selective strategic reductions in some services in order to save money?

	INITIAL VIEWS	CONSIDERED VIEWS
YES	10	18
NO	6	7
DK	10	0 (one person abstained)

28. Despite this big majority in the considered views, people were reluctant or unable confidently to nominate particular service areas for spending reductions – but a number of suggestions were made, including:

Reduce discretionary grants in general, and for leisure-related activities in particular

Ensure that all council services for which charges might be made are, as far as possible, self-funding

29. Some typical comments made during the discussion of these issues were:

*We should consider charging for all free services and/or removing subsidies*

*Pest control could be discontinued as a public service – many other companies provide these kinds of services*

*We could reduce the frequency of household refuse collection for landfill waste – as an incentive to produce less waste– and we could try to sell off the land for redevelopment*

*Think widely and creatively about possible savings*

*We need the most efficient procurement service to get value for money.*

## Options to Increase Revenue

30. The forum also considered whether the council should increase its charges (for example, for fees, commercial rents, garages and car parking). Once more, people's considered views contrasted markedly with their initial opinions: at the start they were reluctant to increase charges, but by the end of the meeting there was unanimity that it would be reasonable for the council to increase some charges the council should not increase such charges because of the negative effects such policies could have on the local economy.

### Should DBC increase at least some of its charges in order to raise more money?

	INITIAL VIEWS	CONSIDERED VIEWS
YES	6	26
NO	10	0
DK	10	0

31. Overall, the participants said that "raising garage rents" was their first priority, followed by car parking charges and then commercial rents. Some typical comments about other ideas were:

*We could charge for dumping rubbish at the tip*

*We could increase waste charges and pest control, and consider outsourcing as much as possible*

*Consider new charges or reductions in grant funding – leisure services and centres should pay for themselves.*

## Sharing and Outsourcing Services

32. There was no contrast between people's initial and final opinions in relation to the sharing services with other authorities and outsourcing some services to the private sector – as the next two tables show.

### Should DBC consider sharing more services with other local authorities?

	INITIAL VIEWS	CONSIDERED VIEWS
YES	21	22
NO	1	3
DK	4	1

### Should DBC consider outsourcing more services to the private sector?

	INITIAL VIEWS	CONSIDERED VIEWS
<b>YES</b>	11	13
<b>NO</b>	13	13
<b>DK</b>	2	0

33. Whereas people supported the sharing of services and functions with other public sector authorities, they were divided about increasing outsourcing to the private sector. However, discussion showed that the division of opinion was not based upon an “ideological objection” to outsourcing, for there was general agreement that:

*Out-sourcing to the private sector is fine – providing it yield real savings.*

34. Some other typical comments were:

*What are the opportunities for communalities in terms of sharing common supplies and equipment – so that they can be standardised by different authorities to save money*

*Does private sector outsourcing save money effectively?*

*How difficult is it to share services with other local authorities in Hertfordshire?*

*Can some services be delegated to town or parish councils?*

## Overall Priorities

35. The forum was also asked to weigh the importance of the key options by scoring each of them out of 100. The resulting ‘sums’ are not ‘measurements’ in any proper sense, but simply an indication of the relative importance the forum attached to each one. There were five discussion groups who awarded relative scores to each of four options (with their scores totalling to 100 in each case). The outcomes for each round table discussion group are show in the table below.

	Group 1	Group 2	Group 3	Group 4	Group 5	TOTALS
<b>COUNCIL TAX + 1.8%</b>	70	70	40	70	50	230
<b>REDUCE SERVICES</b>	0	10	0	0	10	20
<b>INCREASE CHARGES</b>	20	15	40	15	30	120
<b>SOMETHING ELSE</b>	10	5	20	15	10	60

36. By far the highest priority was given to a council tax increase for DBC, with a total score of 230. Making service reductions was the least popular option, with only 20 points, while increasing charges came third, with 120.

37. The most popular ‘something else’ was ‘efficiency. The forum emphasised that they wished the council to pursue efficiency at all levels and in all its activities – for example:

*Efficiency should be pursued actively*

*We need better procurement to get value for money.*

## DBC’s Financial Strategy

38. There was some contrast between people’s initial and final judgements of DBC’s financial strategy. At the beginning of the meeting, half of the participants were broadly satisfied with DBC’s financial performance; but, by the end of the meeting, after the proposed strategy had been explained in detail, the number of positive views had grown substantially to 19. The results were as shown below.

### Are you broadly satisfied with DBC’s current financial strategy?

	INITIAL VIEWS	CONSIDERED VIEWS
<b>YES</b>	12	19
<b>NO</b>	4	3
<b>DK</b>	10	0 (four people abstained)

39. Those who did not accept the proposed strategy or who abstained on the issue had three main reasons for doing so:

One person rejected the government’s whole financial strategy and wanted the council to do the same

Others stressed that a 1.8% precept increase yields only about £200,000 of additional income for the council – so they questioned whether such an increase was “really necessary for such a small sum?”

Some said they did not have sufficient information to make an informed judgement overall.

## Conclusions

40. The forum worked well: people were attentive and interested, and they engaged in thoughtful discussions of the issues. There was general understanding of the need to achieve a balanced budget by a range of different approaches – particularly the pursuit of greater efficiency combined with a council tax increase.
41. At the end, the meeting was unanimous for an increase of 1.8% in DBC’s precept.

42. There were big majorities for the following policies:

Continue to avoid service cuts

Continue to seek for savings by pursuing efficiencies

Consider sharing more services with other authorities

Consider outsourcing to the private sector where this would definitely save money

Reduce non-essential subsidies and grants

Make reasonable increases in charges for rents, garages, parking