

Finance and Resources Committee

10:00am, Tuesday, 7 November 2017

Approach to citizen engagement on 2018/19 budget and Council change themes

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Executive Summary

This report outlines the Council's approach to budget engagement for the financial year 2018/19. This builds on the Council's reputation for meaningfully engaging citizens in decisions about spending and saving by continuing the open conversation that has been created in recent years to inform budget planning, service changes and policy areas.

The previous three year budget engagement exercises have generated almost 10,000 responses and reached over 600,000 individuals and organisations. An open dialogue was created to involve people in the budget planning process and change programme, while improving awareness and understanding of the financial challenges.

The key objectives are:

- to keep people engaged about the Council's budget position and the shape of change;
- to encourage and enable all sections of the population and the Council's partner organisations to have their say, using digital and face-to-face engagement methods; and
- to facilitate meaningful conversations with people in a positive and collaborative way, in order to develop solutions with them based on their needs and ideas.

Approach to citizen engagement on 2018/19 budget and the Council's change themes

1. Recommendations

- 1.1 It is recommended that the Committee:
 - 1.1.1 Approve the contents of the report and the approach for citizen engagement on the 2018/19 budget and subsequent years.
 - 1.1.2 Invite all political groups to engage with the citizen engagement process.

2. Background

- 2.1 Edinburgh is a great and growing city, home to more than half a million people, all of whom use services provided by the City of Edinburgh Council. From roads and street lighting, to schools, care for the elderly, and support for culture and leisure services, everyone who lives in Edinburgh, works here, or visits receives a service from the Council. The Council is committed to maintaining high quality services and meeting the needs of all residents and visitors.
- 2.2 The Council is also committed to investing in the future success of the city. This year the Council, along with surrounding local authorities and Universities, has successfully agreed a City Region Deal with national governments worth a total of £1.1bn. This significant investment will help transform the city delivering high quality jobs, a world leading data innovation centre, critically needed housing and transport improvements, a new skills programme, and a world class concert hall.
- 2.3 The Council has saved around £240m since 2012 by improving the way services are managed, enhancing access to services online and prioritising services. Even with these substantial savings, the Council continues to face challenges from the long-term budget pressures in the form of reduced or constrained funding, rising costs and rising demand for services. The Council estimates that it will need to save around £150m by 2023.
- 2.4 Meeting these challenges will require further change to the way services operate, it will require the Council to work more effectively with partners to meet the needs of shared customers, and it will require difficult decisions about the role of local government in the provision of some services.
- 2.5 It is therefore essential that citizens of Edinburgh and all other stakeholders have a voice in that process. In recent years, the Council has taken a progressive

approach to including citizens in the budget planning process; moving from a traditionally closed approach to an open and conversational style that is strategic and allows for creative input. This has meant a significant increase in participation levels and the relevance of feedback.

- 2.6 The insight has revealed the level of public awareness into the number and range of services the Council provides, what matters to residents, their priorities, and willingness to pay for services and higher Council Tax to protect essential services. The feedback and ideas have also informed policy development, and service design where significant savings have been identified.
- 2.7 In 2017/18, the Council invested over £900 million supporting delivery of frontline services, focusing on what residents said are important, for example:
 - 2.7.1 £227m on schools, including £164m for teachers and £19m for support assistants;
 - 2.7.2 over £70m on children's social work and more than £170m for care services for older people and those with physical and/or learning disabilities;
 - 2.7.3 £8m towards providing high-quality leisure facilities in the city through Edinburgh Leisure;
 - 2.7.4 £42m on recycling, waste and street cleaning;
 - 2.7.5 more than £25m on the city's roads and pavements;
 - 2.7.6 over £6m supporting a wide range of festivals and events within the city – bringing £313m to the city's economy;
 - 2.7.7 £125m on housing services; and
 - 2.7.8 plans to build 2 new secondary and 10 new primary schools by 2021.
- 2.8 The Council has been a pioneering local authority in Scotland, being the first to use a number of online tools, and globally one of the most successful in terms of total response received through them. Communication campaigns supporting the budget engagement process have received industry recognition. And increasingly the Council has brought partners into the budget engagement process to further broaden its reach.
- 2.9 The approach for this year's engagement on the 2018/19 budget aims to build on this good practice by keeping citizens and the Council's partners engaged on the Council's financial position; inviting them to be part of the conversation; and feeding into the budget decision making process and forward planning.

3. Main report

Budget and change themes

- 3.1 The Council needs to make around £21m of savings in 2018/19 as part of a longer-term budget framework. Specific proposals for 2018/19 and broad themes to

address subsequent years' requirements will be considered at the Committee on 7 November. The proposals are around on six broad themes:

- 3.1.1 Service Transformation, for example;
 - a) Developing a partnership model across localities to deliver an effective and efficient integrated service that meets the needs of citizens and communities;
 - b) Considering what services would be better delivered at a local, City and regional level; and
 - c) Changing the balance between internal and external delivery of services in key areas, such as legal advice.
- 3.1.2 Effective and efficient services, for example;
 - a) Focusing services on proactive, preventative design and delivery;
 - b) Using technology more effectively, including enhanced online experience for citizens to engage with the Council, report problems and make more transactions online; and
 - c) Redesigning services to improve efficiency, such as route management for waste collection;
- 3.1.3 Maximising income – this includes proposals to setting fair and competitive prices for events and services such as a workplace parking levy, charging for garden waste collections, and roundabouts and verge advertising.
- 3.1.4 Workforce management – this includes improving the way we work together to deliver a one Council approach, managing employee performance, and better supporting the health and wellbeing of employees. This are also includes reviewing the costs of delivering some services and seeking to further reduce overtime and agency worker expenditure.
- 3.1.5 Commercial excellence and contract management - taking opportunities to review contracts with major third-party suppliers and ensuring that these deliver maximum value for money. For example, re-tendering our property insurance arrangements and delivering better value from our ICT contracts.
- 3.1.6 Asset optimisation ensuring we achieve best value from the Council's capital assets, including buildings and the vehicle fleet. This includes, for example, reviewing our fleet financing approach, rationalising further the number of buildings, sharing office space and letting space on a commercial basis.
- 3.2 The engagement will focus on the long-term issues facing the Council seeking input from citizens and service users to better understand how we can minimise impacts of budget reductions as well as develop creative solutions to reimagine services.
- 3.3 In this context, the Council continues to engage citizens, staff, partner organisations and all other stakeholders in a conversation about what shared priorities are and feedback on the change themes. The engagement will take place over 6 weeks, starting on 8 November and closing on 19 December.

Engagement methods

- 3.4 Participants will be able to participate through:
- 3.4.1 Online survey (www.edinburgh.gov.uk/playyourpart) hosted on the Council's consultation hub, paper survey, telephone, email and letter for responding to the Council's budget proposals;
 - 3.4.2 A series of face to face meetings and events will take place in each locality to reach local community groups, organisations and individuals. Over 900 groups and organisations (including the voluntary sector and organisations representing people with protected characteristics) will be asked to engage their members and participate in the form of group discussions and/or workshops. In recent years, this approach has provided a constructive and meaningful way of understanding the potential problems with savings proposals and identifying solutions;
 - 3.4.3 An extensive social media campaign will take place, encouraging people to take part in the online engagement tools and public events. This includes Facebook and Twitter adverts in addition to frequent posts and budget related themed conversations. Those who complete the online survey can share the information through their own Twitter and Facebook networks;
 - 3.4.4 A webcast Question Time Event will take place again. Last year, this event was attended by 80 people, 250 watched it live and 1648 watched the archive. It has been well covered by the media and drew a lot of interest and lively debate. Members of the public are invited to submit questions using #playyourpart, in advance and on the night. These will be discussed on the night by a panel of councillors in front of a live audience;
 - 3.4.5 Leaflets will be distributed to all libraries, community groups and centres, Council offices, sports and leisure facilities and to partner organisations, for example, GPs; and
 - 3.4.6 We will work with the Evening News and other media to outline our financial position as well as spending and saving proposals to encourage people to engage with them.
- 3.5 The principles of the approach are to:
- 3.5.1 Support creative problem solving and open discussions rather than just accepting or opposing a position that is put forward;
 - 3.5.2 Ensure meaningful engagement for all amounts of time invested – it should be possible to give feedback and ideas in one minute on your phone as well as two hours in a workshop;
 - 3.5.3 Ensure inclusivity at all levels so everyone who wishes to participate is able to understand and access information and engagement channels; and to;
 - 3.5.4 Be up-front about what we can't change and why.

Other sources of citizen insight and involvement in local spending

- 3.6 The Council's annual residents satisfaction survey (Edinburgh People Survey) will be carried out from mid-September to end of November reaching a representative sample of 5200 residents. This survey asks residents about their satisfaction with services, their quality of life and priorities for investment in their local area. This information will be used along with operational insight and complaints data to further support the budget planning process by highlighting areas for investment and resourcing.
- 3.7 Residents will also be able to have a say on how a proportion of the Council's budget is spent locally through participating in the Council's participatory budgeting programme.

4. Measures of success

- 4.1 Ensure every Edinburgh resident and other stakeholders have the opportunity to take part in the engagement activities, by making the engagement questions available in suitable formats and channels.
- 4.2 The number of individuals reached by the budget messages and the number of respondents will be monitored in real time, to check the coverage of location and demographic characteristics. Effort will be increased during the engagement period to target any under-represented areas or groups.
- 4.3 Feedback on the approach will be recorded in a lessons learned log to refine the approach and inform future engagement exercises.

5. Financial impact

- 5.1 Printing of budget information materials for engagement on the 2018/19 budget will be around £10,000, this is in-line with previous years' costs for this activity. It is further estimated that around 200 hours of staff time would be required to run and report on the engagement – shared between Strategy & Insight, Communications and Finance.

6. Risk, policy, compliance and governance impact

- 6.1 There is a general acceptance that a local authority has a responsibility to meaningfully engage with stakeholders on its budget. An open, transparent budget engagement process is a key part of several corporate strategies and local community plans. This process reduces the overall risk of legal action and reputational damage for the Council.

7. Equalities impact

- 7.1 The Council will take all reasonable steps to ensure wide awareness and access to the engagement process. Any citizen who has any additional needs will be fully supported to engage in the process.
- 7.2 Services and partner organisations will be consulted on the overall approach to engagement and appropriate methods for making consultation accessible to all.

8. Sustainability impact

- 8.1 Impacts of this project are positive and it is expected that this project will contribute to the development of skills and provide experience to participants, while generally increasing community engagement.

9. Consultation and engagement

- 9.1 Elected members, services and partner organisations will be consulted on the overall approach and appropriate methods, ensuring that every effort is made to maximise reach and participation. The approach will also be informed by lessons learned and good practice from previous budget engagement exercises.

10. Background reading/external references

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11. Appendices

None.