



## **Budget Consultation 2022/23 – Have Your Say**

### **Background information and questions for Zoom discussions**

The budget consultation 2022/23 is focused on supporting post-covid recovery in Herefordshire and informing the council's transformation journey to deliver our services and facilities in the most effective, affordable and environmentally friendly way.

What you tell us will help us to get the best value for every pound we spend, so we can continue to serve all residents according to their needs and support the most vulnerable in our community as we plan for the future.

All local authorities have faced significant funding cuts to budgets over recent years. This has been made worse by the Covid-19 pandemic which has left the council with large budget shortfalls as well as hitting businesses and families hard. Last year's budget consultation invited residents to consider which services they prioritised and where they felt savings could be made as the council looked to make around £11million of savings.

While the council budget remains constrained, this year the council is not facing such a significant funding gap. Therefore, the focus of this consultation is to look at how the council can support post-covid recovery and transform the way council services are delivered to ensure they are modern, effective, efficient and environmentally friendly.

This year's budget consultation builds on what residents told us last year about council priorities with a particular focus on these key areas:

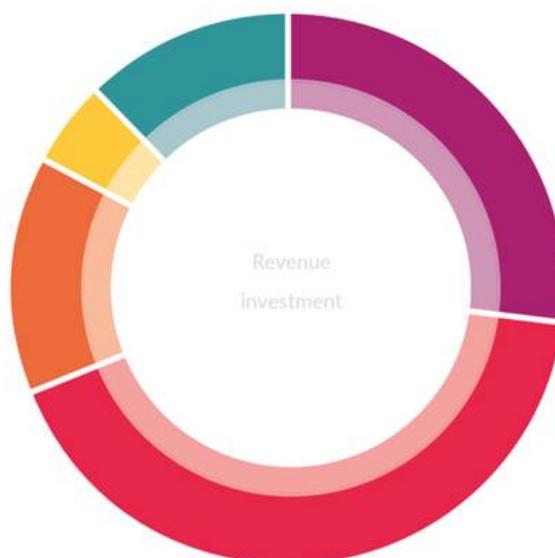
- Raising additional revenue, through a community lottery scheme and a voluntary contribution scheme for example, for the purpose of raising funds to benefit the residents of Herefordshire
- Consideration of accessing the finance/borrowing available to councils for investment for social, environmental and economic benefit in the county
- Supporting low-income households and local businesses in need of support post-covid

## How Herefordshire Council currently allocates its budget

### Revenue investment

- Adults & Communities £101.6m / 27%** Wide range of services supporting communities including many of the most vulnerable individuals in the county
- Childrens & Families £159.2m / 42%** Responsible for education services, safeguarding and family support
- Economy & Place £53.7m / 14%** Highways, regulatory services, waste and economic development
- Corporate £18.2m / 5%** Finance, human resources, legal, communications and strategic transformation and delivery
- Central, treasury management, capital financing & reserves £48.7m / 12%** Pension and financing costs

In 2021/22 the council has a gross revenue budget of £381.4 million to invest in the community. This is the money we use to pay for your day to day services - such as educating children, caring for vulnerable people and recycling and waste.



### What you told us last year

From last year's (2021/22) budget consultation we have taken into account what you said:

- You were dissatisfied with highways and roads more than any other service (72%)

The council is investigating large scale investment in highways and roads, which will require additional borrowing. We are seeking your views on increased borrowing within this year's budget consultation.

- You were dissatisfied with bus services

The council is seeking grant funding for significant investment in electric buses

- One of your highest priorities was to build publicly owned, sustainable and affordable houses

We aim to deliver 1,000 additional affordable homes by 2024. The council has brought in specialist expertise to help deliver new affordable housing more quickly.

- A large number of you raised concerns about the size of the proposed increases council tax

2021/2022 was an exceptional year financially for the council having to find just over £11million savings. Despite this we increased support to households in financial

difficulties, including reducing council tax to zero for those hardest hit during the covid pandemic.

Council tax increases are expected to be capped at inflation for the coming year.

We are seeking your views on the council tax reduction scheme for 2022/23 – please see link below under question 4.

- You were willing to consider potential schemes to raise additional revenue to support local good causes and projects to benefit local residents:
  - A Lottery Scheme
  - A Voluntary Additional Contribution Scheme

We are consulting on these two schemes in this year's budget consultation.

- 50% of you thought that the council did not provide value for money

The council has worked with its auditors to develop a new Value for Money Strategy and Value for Money Policy which will come to Cabinet shortly for approval. The strategy and policy tackle gaps and weaknesses in the council's approach to project management and service delivery. They will ensure we provide financial social, economic and environmental value and are able to show the positive impact our actions have on our residents and communities.

- You wanted us to make services more affordable to run, and your top two priorities are:
  - Making more efficient use of council assets such as land and buildings
  - Changing working practices to make better use of technology and more efficient ways of working

The new Chief Executive has initiated a two-year transformation programme for the council, led by experts. Feedback from last years and this year's budget consultations will help us shape this council-wide transformation programme.

## **Zoom Consultation Session**

The following questions will form the basis of the Zoom consultation session. Like last year there is a mixture of poll-based questions and open questions for discussion. Where appropriate, links to relevant strategy documents, or plans, have been included as further background information to enable people to have more informed discussions.

The on-line budget consultation will run until **Monday 4 October 2021** and can be accessed via this link: [www.herefordshire.gov.uk/budgetconsultation](http://www.herefordshire.gov.uk/budgetconsultation)

Please note this link goes live on **Friday 27<sup>th</sup> August**.

## **Consultation Questions**

### **Preventative Services**

1. In last year's budget consultation preventative services were identified as an area in need of more prioritisation. What preventative measures would you like to see in any of the following service areas? Or another service area? (Open discussion)
  - a. Children's services
  - b. Adult social care
  - c. Support for vulnerable people

For example, providing earlier intervention and help to children and their families to avoid children going into care, supporting adults to live independently and safely in their own homes, supporting people to be more active e.g. providing free leisure facilities such as swimming, support for vulnerable people e.g. cross-service prevention work with Health, partners and local and voluntary organisations to prevent homelessness and drug/substance misuse

### **Environmental measures - Net Zero & Nature Rich Herefordshire**

Since 2003, the council has been looking at ways to reduce its carbon footprint and also leading countywide carbon reduction. In recognition of this it declared a Climate Emergency in March 2019. The Council has set itself a target of reaching carbon neutrality by 2030 and are aiming for a 75% reduction by 2025/26. To achieve this the Council are undertaking a number of energy efficiency projects e.g. installation of solar panels on some Council owned building, hybrid and electric pool cars, use of renewable energy and initiatives to influence behaviour change.

Alongside these changes Herefordshire Council are also working with partners, businesses and residents on a journey to get the county to net zero and nature rich by 2030. Considerable findings will be required from a wide range of sources and some difficult decisions may have to be made on this journey. To succeed it will need the support of local residents and communities.

More information on the Council's plan can be found at <https://www.herefordshire.gov.uk/downloads/file/20530/carbon-management-plan-2020-21-to-2025-26>

and the corresponding action plan:

<https://www.herefordshire.gov.uk/downloads/file/22295/carbon-management-action-plan-2021>

A link to the county's Zero Net website can be found here:

<https://zerocarbon.herefordshire.gov.uk/>

2. Do you agree that Herefordshire Council is doing enough towards achieving its ambition of a net zero and nature rich county? (Poll)

Yes, enough
No, not enough
Don't know
I don't agree with Herefordshire Council working towards this ambition

3. What are the key things you would like to see done differently in the county to help mitigate the climate emergency? (Open discussion)

### **Pandemic Recovery**

4. Families on low incomes receive a discount on Council Tax (the council tax reduction scheme), however due to the pandemic low-income families currently receive an additional discount on their Council Tax. Do you think the Council should remove this additional discount? (Poll)

Yes
No
Not yet
No opinion

5. What would be the most effective way to help your community recovery from the pandemic? (Open discussion)

### **Council Tax options for 2022/23 Proposed Council Tax increase**

Last year for 2021/22, due to the large-scale savings required amounting to £11.205million, council tax was increased by 4.99% (1.99% general council tax and 3.00% social care precept) which raised an additional £3.2 million. For next year, 2022/2023 savings of this magnitude are not anticipated, and the council would like your views on the level of Council Tax that the council should consider for 2022/2023. Further information about Herefordshire Council Tax can be found using this link <https://www.herefordshire.gov.uk/downloads/file/21942/your-council-tax-explained-2021-22>

*Please note: the council has no control over the Council Tax collected on behalf of the police, fire service, or parish and town councils. Each of these bodies will make their own independent decisions.*

Option A: To increase Council Tax in 2022/23 by 2.99% general Council Tax This would be an increase of £49.40 per year (or £4.12 per month) for a band D household. This would raise an additional £3.4 million.

Option B: To increase Council Tax in 2022/23 by 1.99% general Council Tax This would be an increase of £32.88 per year (or £2.74 per month) for a band D household. This would raise an additional £2.2 million.

Option C: To increase Council Tax in 2022/23 by 0.99% general Council Tax This would be an increase of £16.36 per year (or £1.36 per month) for a band D household. This would raise an additional £1.1 million.

6. Which of the following options would you prefer?

Option A: increase Council Tax by 2.99%
Option B: increase Council Tax by 1.99%
Option C: increase Council Tax by 0.99%
No preference
None of the above
Don't know

## Raising additional finance

Last year we consulted on two new ideas for raising money:

- Looking into the establishment of a **lottery scheme** for the council for the purpose of raising funds to support good causes, benefitting the residents of Herefordshire (through local consultation)
- Looking into the establishment of a **voluntary contribution scheme** for the council for the purpose of raising funds to support good causes, benefitting the residents of Herefordshire (through on-line consultation)

In general, participants were in support of the two schemes and officers have looked into the merits of these schemes. If these were actioned it would be useful to understand how residents would like to see that money spent?

7. If a Herefordshire Lottery Scheme or Herefordshire Voluntary Contribution Scheme was to go ahead, how would you like to see the money spent? (Poll followed by discussion)

Geographical priority areas
Thematic areas such as children, vulnerable adults, climate emergency
Specific charities or local groups

Allocated to Parish and Town Councils to decide with local residents for their area
Other

8. Local authorities have the opportunity to borrow money from central government and other sources, and currently Herefordshire Council has not borrowed as much as it is able to. Do you agree that Herefordshire Council should in principle borrow more money to achieve the wider aims of the Council? (Poll)

The County Plan can be accessed via this link;

<https://www.herefordshire.gov.uk/downloads/file/1500/county-plan-2020-24>

Yes
No
Don't know

9. If additional money was borrowed in which area/s would you like to see it spent? (Poll)

I don't support borrowing
Measures to address the climate emergency
Road maintenance
Adult social care e.g. care homes, day care services, mental health support
Children's services (not education) e.g. children in care, respite care, support for children with disabilities
Providing affordable housing
Other

## Public Realm

The public realm is commonly defined as any space that is free and open to everyone. Further information on how the Public Realm is managed by Herefordshire Council is available in the document below:

<https://councillors.herefordshire.gov.uk/documents/s50088921/Public%20realm%20service%20annual%20plan%20202122%20main%20report.pdf>

10. Where would you like greater control / influence over the public realm in your local area? (Open discussion question only for P&TC's).