

REPORT REFERENCE NO.	DSFRA/15/30
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY
DATE OF MEETING	14 DECEMBER 2015
SUBJECT OF REPORT	PRECEPT CONSULTATION FOR 2016-17 BUDGET
LEAD OFFICER	Treasurer to the Authority
RECOMMENDATIONS	<i>That the options as set out in this report be considered with a view to adopting a similar approach to last year (i.e. Option C - consulting more widely with the public on the proposed level of 2016-17 council tax precept via street level face to face surveys, in addition to discharging the statutory requirement to consult the business community on the proposed level of Authority expenditure in 2016-17 via telephone survey).</i>
EXECUTIVE SUMMARY	A decision is required on how the Authority wishes to consult on the 2016-17 Council Tax precept and proposed level of Authority expenditure. This paper sets out options on different approaches to consultation, summarises the requirement to consult and outlines the historical background of the Authority's approach to the precept consultation.
RESOURCE IMPLICATIONS	Costs associated with consultation will be contained from within existing budgets.
EQUALITY RISKS AND BENEFITS ANALYSIS (ERBA)	The contents of this report are considered compatible with equalities and human rights legislation.
APPENDICES	Nil.
LIST OF BACKGROUND PAPERS	Nil.

1. **INTRODUCTION**

- 1.1 The Authority has a requirement to consult on its level of precept in setting its budget for the forthcoming financial year. The purpose of this paper is to outline the rationale regarding the desired approach to consultation so that the Authority can meet its legal obligation and commence planning.

2. **PRECEPT CONSULTATION**

Requirement to consult

- 2.1 Section 65 of the Local Government Finance Act (1992) requires precepting authorities to consult non-domestic ratepayers on its proposals for expenditure.
- 2.2 Whilst there is no statutory duty to consult Council Tax payers (the public) on the level of Council Tax, it is considered good practice to engage with those who contribute towards the funding of the Devon & Somerset Fire & Rescue Service ("the Service").
- 2.3 Consultation regarding the 2016/17 Council Tax precept will assist the Authority in determining the levels to be applied based upon public and business opinion, thereby informing the 2016/17 revenue budget setting process.

Consulting businesses

- 2.4 The Authority complies with its legal obligation, to consult with business groups, annually.
- 2.5 A telephone survey has been the Authority's preferred method to consult with businesses. This method of consultation has been used satisfactorily since 2007 to provide results from a guaranteed sample of 400 participants taken across each constituent authority area.
- 2.6 The telephone surveys have been outsourced to a research contractor. This method has been the most practical due to the time constraints between understanding the impact of the Government Grant announcement and completing the fieldwork, analysis and reporting during January in time for papers to be agreed and distributed for the February Resources Committee.
- 2.7 Outsourcing has also been practical because it enables resources to focus on other work associated with the annual corporate planning cycle and the development of the Corporate Plan, Department Plans and Local Community Plans.

Consulting the public

- 2.8 In 2012 the Authority recommended that its precept consultation be extended to include members of the public and a sample was achieved from each of the constituent authorities.
- 2.9 The Authority has previously undertaken two different approaches to consulting the public:
- In 2012 and 2013 the Authority used a telephone survey
 - In 2014 and 2015 the Authority used face to face street surveys

2.10 The contract the Authority has to provide the business consultation enables the survey to be extended to include members of the public. Budgetary provision also exists to undertake a telephone survey of the public. This survey would follow the same format as the business telephone survey and provide a results sample based on 400 members of the public across all constituent authorities.

2.11 The face-to-face street survey provided results from consultation events held in each constituent authority (Devon County Council; Plymouth City Council; Somerset County Council; and Torbay Council). The face-to-face surveys were conducted by community safety advocates and members of support departments and in addition to consulting on the precept were also used as an opportunity to promote community safety messages.

3. COLLABORATIVE CONSULTATION OPPORTUNITIES

3.1 The Authority has previously explored the potential to share consultation arrangements. While combining consultation requirements could offer benefits in terms of economies of scale and the potential to reduce costs, there are also disadvantages including:

- practicalities involved in securing sufficient consistency in approach in such a way as to avoid confusion and enable meaningful and reliable 'fire only' feedback to be secured, given that some authorities may be seeking no increase in council tax whereas others (e.g. Devon & Cornwall Police) may be considering a referendum to breach Council Tax capping guidelines;
- the potential for the public perception of and support for the fire and rescue service as being the type of service for which an increase in spending might be supported, being lost in a combined consultation where, as constituent authorities are multi-service with correspondingly larger budgets, the actual financial impact of even a small percentage increase in Council Tax could be significant.

3.2 These disadvantages raise real and significant risks to the quality and reliability of consultations results. Consequently, on balance, it is felt that stand-alone consultation represents the best option for securing appropriate, meaningful and reliable data.

4. OPTIONS FOR CONSULTATION ON THE 2016-17 BUDGET AND PRECEPT

4.1 To assist with planning preparations it would be beneficial to establish an early position on the desired approach. It is suggested that one of the three following options are agreed.

Option A: Business (telephone survey) consultation only (cost: £5,500)

Summary:

- to consult with businesses;
- to utilise the existing contract to conduct a telephone survey for businesses;
- to ask a small group of key questions plus demographic information;
- to collect answers to both "closed" and "open" questions;

- to provide a representative sample of 400 business by constituent authority area (Devon County Council; Plymouth City Council; Somerset County Council; and Torbay Council).

Option B: Business and public consultation (telephone survey) (cost: £11,000)

Summary:

- to consult with businesses;
- to consult with members of the public;
- to utilise the existing contract to conduct a telephone survey for both businesses and public;
- to ask a small group of key questions plus demographic information;
- to collect answers to both “closed” and “open” questions;
- to provide a representative sample of 400 business and 400 members of the public by constituent authority area (Devon County Council; Plymouth City Council; Somerset County Council; and Torbay Council).

Option C: Business (telephone survey) and public (street survey) consultation (cost: as per business only telephone survey [£5,500]. Costs associated with face-to-face street surveys, to be undertaken by Service employees, are opportunity costs)

Summary:

- to conduct a telephone survey with businesses as described in Option a;
- to consult members of the public by conducting face-to-face street surveys within each of the four constituent authorities at Exeter, Plymouth, Taunton and Torquay.

5. REPORTING OF RESULTS

- 5.1 The results of the survey will be reported back to the Resources Committee and Authority budget setting meetings in February 2016 to inform the considerations in relation to budget setting for 2016-17 and any associated precept level.

KEVIN WOODWARD
Treasurer