

REPORT REFERENCE NO.	DSFRA/17/30
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY
DATE OF MEETING	20 OCTOBER 2017
SUBJECT OF REPORT	PRECEPT CONSULTATION FOR 2018-19 BUDGET
LEAD OFFICER	Director of Service Improvement
RECOMMENDATIONS	<i>That, for the purposes of Council Tax precept consultation, the Authority approves Option B - to consult businesses and members of the public using a telephone survey - as set out in section 3 of this report.</i>
EXECUTIVE SUMMARY	A decision is required on how the Fire and Rescue Authority wishes to proceed for consultation on the 2018-19 Council Tax precept. The paper provides three options that offer different approaches to how the consultation is undertaken and who is consulted. The report also provides a summary of the requirement to consult and also a background of the Service's historical approach to the precept consultation.
RESOURCE IMPLICATIONS	There are no additional costs associated with this approach which is within budget.
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 Devon & Somerset Fire & Rescue Service (“the Service”).
- 2.3 Consultation regarding the 2018-19 Council Tax precept will assist Members in determining the level of precept to be applied based upon public and business opinion, thereby informing the 2018-19 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, which has been used satisfactorily since 2007, provides a guaranteed return of 400 participants taken across each constituent authority area.
- 2.6 The telephone surveys are conducted by a market research contractor. This method has proved to be the most practical and cost effective method of obtaining responses from a statistically valid sample size because of the time constraints involved with completing the surveys, analysis and reporting in time for papers to be agreed and distributed for the February Resources Committee.
- 2.7 Outsourcing has also been practical because it enables limited internal capacity 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 extended its precept consultation to include members of the public. The contract the Service had to provide the business consultation enabled the survey to be extended to include members of the public. The public consultation followed the same format as the telephone survey method described above for business consultation, i.e. to provide a results sample based on 400 members of the public taken across each constituent authority area.
- 2.9 Since 2012, the Authority has included consultation with the public to inform its budget setting considerations. The telephone survey method was used to conduct this consultation apart from years 2014 and 2015 when face to face street surveys were used.

2.10 The face to face street survey provided results from consultation events held in each constituent authority. The face to face surveys were conducted by community safety advocates and members of support departments.

2.11 A comparison summary of the two survey methods is provided in Table 1.

Table 1: Comparison of survey telephone and face to face survey methods

	Telephone survey	Face to face survey	
Criteria	As available from contract for 2012, 2013 and 2016	2014	2015
Responses	400	183	212 (plus 42 online survey to reduce risk of a low response rate)
Cost	£5,250 (includes analysis and report)	£4,500 estimate (includes direct and indirect staff costs)	£7,800 estimate (based on recorded hours, includes direct and indirect staff costs)
Quality	Standardised survey approach provides more reliable results from a statistically relevant sample size	Less reliable due to the potential of less experienced staff researchers influencing the interviewee and for interviewees giving a more positive answer when face to face. Smaller sample size (resulting from inability to get the requisite number of responses in the time available) significantly reduces the statistical confidence level of the results.	
Effort from support department	1 week FTE	7 weeks FTE	
Impact on support department	Low	High	

3. OPTIONS

3.1 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 is 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 £5,500 + estimated street and online survey costs of £8000 (includes opportunity costs, staff and non-staff costs) – organisational cost £13,500

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 at Exeter, Plymouth, Taunton and Torquay, within each of the four constituent authorities.

4. LEVELS OF COUNCIL TAX

- 4.1 This paper does not set out options for the level of Council Tax to be consulted on. Options for Council Tax levels will be discussed with Members of the Authority later in the year once budget considerations have been developed. This paper only seeks to establish an early position on the desired consultation approach to assist with planning preparations.

5. REPORTING OF RESULTS

- 5.1 The results of the survey will be reported back to the Authority’s Resources Committee on 8 February 2018 to inform the considerations in relation to budget setting for 2018-19 and any associated precept level.

6. WIDER CONSULTATION

- 6.1 The Authority is required to consult with the public on proposed major changes to services or service level provision, e.g. changes within the Integrated Risk Management Plan. In addition, understanding the needs and demands of service users plays an important part of effective service planning and improvement.

6.2 Whilst the nature and timing of such consultation is likely be different to that of the precept consultation, there is some limited scope to add additional questions to the precept consultation that could provide useful information and evidence for external assessment and future inspection. This aspect can be explored further within whichever consultation methodology as may be determined.

7. CONCLUSIONS

7.1 Including consultation with the public as part of the precept consultation has provided a reliable assessment of public opinion on both the level of funding ordinary people are prepared to pay for the fire service and the extent to which the fire service provides value for money.

7.2 There is an opportunity to include some limited additional questions as part of the Council Tax precept consultation to provide useful information and evidence for external assessment and future inspection.

7.3 On the basis that the Authority is operating within budget pressures and the additional work and statistical confidence level considerations associated with the face to face survey method, the recommendation is that the Authority approves Option B - to consult businesses and members of the public using a telephone survey.

GLENN ASKEW
Director of Service Improvement