

Finance and Resources Committee

2.00pm Thursday 18 August 2016

Budget and Transformation Engagement Approach 2016

Item number	7.2
Report number	
Executive/routine	
Wards	All

Executive summary

This report includes the approach planned to engage our citizens, people and partners with this year's Council budget and transformation programme. In the past two years, almost 8000 people have participated in the Council's Budget Challenge via different methods and a citywide communications campaign has reached over 600,000 people. It is proposed the budget messaging reaches as many people this year but participation will involve qualitative methods to provide richer data for embedding transformation. The key objectives are:

- to keep people engaged about the Council's budget position, range and cost of services, and the shape of transformation;
- to encourage and enable all sections of the population and the Council's partners to have their say, using digital and non digital engagement methods, for wide accessibility; and
- to facilitate meaningful conversations with people in a positive and collaborative way, in order to develop solutions with them for transforming services and identifying priorities within localities, based on their needs and ideas.

Links

Coalition pledges	All
Council outcomes	All
Single Outcome Agreement	All

Budget and Transformation Engagement Approach 2016

Recommendations

- 1.1 To approve the objectives and proposed methodology.

Background

Financial position

- 2.1 Over the next 20 years, Edinburgh is projected to be home to the fastest-growing population of any local authority in Scotland. By 2027 the city's population is forecast to rise to almost 566,000 people, an increase of 83,000 (17%) over the level estimated in 2012. Most of this increase will be amongst the youngest and oldest age groups – those who receive the greatest proportion of local authority services. By way of illustration, the number of primary school pupils is forecast to increase by a quarter between 2010 and 2020 and those aged 65 and above to grow by almost 65% from current levels by 2035.
 - 2.1.1 The Council faces on-going financial challenges from these increases in demographic-led demand, alongside inflationary pressures, welfare and pension reform, increased citizen expectations and reduced income from Government Grant.
 - 2.1.2 Taking all of these factors into account, to maintain expenditure in line with income, by 2019/20 the Council needs to deliver at least £148m of recurring annual savings from its 2014/15 baseline. To date, £132m of the required savings have been identified, with some £76m approved for delivery in 2016/17 alone.

Main report

Purpose of engagement

- 3.1 This report outlines methods for a meaningful conversation open to all Edinburgh people and stakeholders on the Council's budget and transformation. It is based on the strengths of previous exercises and responds to feedback from residents, Council employees and partner organisations.
- 3.2 The approach is designed to encourage as many people as possible, including partners and equalities groups to participate. However, this year a

more qualitative approach, involving a series of focus group discussions and workshops, is appropriate to involve communities and stakeholders in shaping the future of services within the savings proposals.

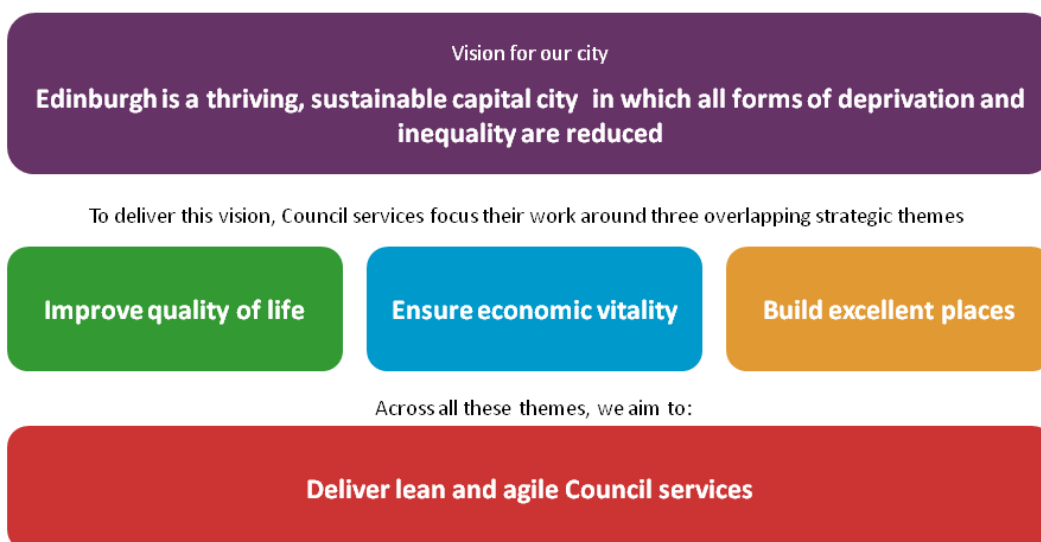
3.3 The campaign will still set out to reach as wide an audience as possible, as in previous years. Dynamic engagement tools, supported by traditional channels, so that all citizens have the opportunity to feedback even if they do not participate in the focus groups and workshops.

3.4 The principles of the approach are to:

- support creative problem solving, rather than just accepting or opposing a position that is put forward;
- ensure meaningful engagement for all amounts of time invested – it should be possible to influence the budget and submit/or submit ideas for service development in one minute on your phone as well as two hours in a workshop;
- demonstrate how positive action by people can reduce budget pressures without negative impact on service delivery;
- work with partner organisations to achieve a more collaborative approach to budgeting and service development; and to;
- be up-front about what we can't change and why.

3.5 The aim is to engage communities with reshaping services across the Council's three strategic themes (summarised below) in the [Council Business Plan](#) for 2015-18.

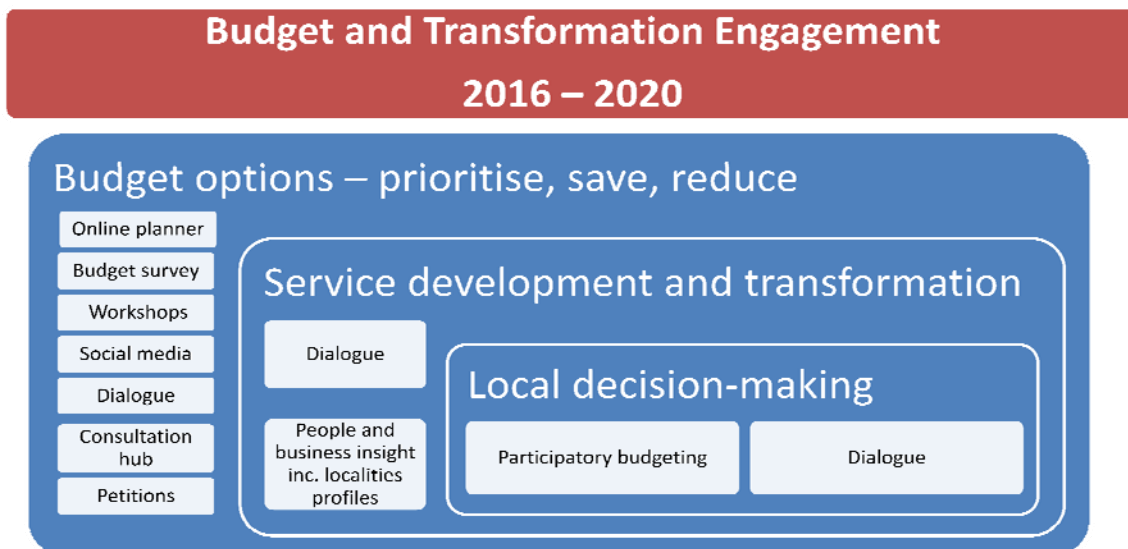
Council's strategic vision and purpose



Insight and Engagement framework

3.6 The proposed framework (see diagram below) was launched in August 2015 and promotes a continuous engagement programme over a four year period.

It includes digital and non-digital methods to ensure wide accessibility and high participation rates.



3.7 These insight and engagement methods are described below.

3.7.1 **People and business insight** - up to date data on the city's population and make up. Locality Profiles provide a baseline of up to date information which will help to forecast demand, allocate resources and develop locality improvement plans.

3.7.2 **Dialogue app** – an online ideation tool designed to encourage creative thinking and conversation around identified themes for saving the Council money or raising revenue. Participants can post their ideas and also comment and vote on other people's ideas.

3.7.3 **Offline engagement** – workshop sessions with community groups and partner organisations to explore budget themes in more depth. These sessions will aim to facilitate a collaborative approach to developing solutions for service delivery within the savings proposals for transformation.

3.7.4 **Standard engagement methods** - the Council will maintain channels for budget feedback such as an online form, paper forms in Council and non-Council venues, feedback by telephone and face-to-face engagement co-ordinated with locality engagement.

3.7.5 **Consultation hub** – the budget engagement channels, meetings, events and the outputs of engagement will be publically available on the Council's [consultation hub](#).

3.7.6 **Participatory budgeting** – is an approach that empowers communities to make decisions on the priorities and allocation of public budgets. Participatory

budgeting has been used as a method of meaningful engagement in the democratic decision making process in the city since 2010 using a variety of delivery models. This activity is set out in the Participatory Budgeting Development Plan, which is delivered by a multi-agency group comprising representatives from Council Directorates, the Edinburgh Voluntary Organisations' Council, Police Scotland and the Scottish Government. Information on current activity is contained within the Participatory Budgeting Progress report to Communities and Neighbourhoods Committee on 10 May 2016. There are significant opportunities to build on this existing successful practice and to embed participatory budgeting as an approach to involving citizens at a city and locality level. The wider budget engagement could be used to identify priorities to be explored by participatory budgeting.

3.7.7 **Petitions guidance** - the Council has received large petitions for previous budget surveys. For this year it is proposed all petitions follow the Council's petitions process for credibility.

3.8 The table below summarises participant suggestions for improvement and our response.

Participant feedback	Response to feedback
Involve partner organisations at an earlier stage in the engagement process to shape the approach and to work together in reaching more groups.	Partners will be engaged prior to the engagement launch to shape the design and to work in partnership in undertaking the engagement.
Hold more workshops with partners and community groups to develop solutions for delivering services together within the savings.	This year we are proposing a more qualitative approach to involve partner organisations and communities in workshops and meaningful conversations for generating ideas and discussion around the savings proposals and transformation of services.
Make proposals more specific and easier for the public to understand and identify with.	Data visualisation and infographics will be used to show a complete guide to local spending in an easy to use format.
Be more open and transparent about how the findings influence decisions.	Other ways of demonstrating actions and reasons behind decisions to reach a wider audience will be explored.
Increase awareness of the engagement to reach the widest audience possible.	Ways of optimising reach through communications and work with partners will be considered.

Communications strategy

3.9 The communications campaign will support the engagement and consultation strategy using a range of digital and traditional channels. It will build on the

success of the 2015/2016 budget challenge campaign which adopted a cost effective approach to reaching a wide audience with communication activities and themes being tailored to specific audience groups. The campaign will include focused short-term plans to support the budget process leading up to the Council meeting in December in addition to long term plans to support the ongoing, engagement.

- 3.10 There will once again be extensive use of social media tools to target specific audience groups and new digital tools will be developed such as the use of video shorts. Other successful digital tools previously used, such as the webcast Budget Question Time session will be also be further developed. Traditional communications such as media, printed leaflets and lamppost wraps will also once again be used.
- 3.11 All communications will be accessible and inclusive and will encourage open-two way discussion, where possible. Activities will support the focus on partner and equalities organisations and will continue to be aimed at hard to reach groups.
- 3.12 Staff groups will continue to be an important audience group and messages and activities will be aligned with other transformation programme communications.

Project governance

- 3.13 Strategy and Insight will lead the project with support from the Communications service. The project will include a cross council team with service leads to manage engagement activities within service areas. The work of the group is sponsored by the Convener and Vice-Convener of the Finance and Resources Committee who are regularly updated on progress.

Measures of success

- 4.1 The key measures of success for the budget engagement process are:
 - whether the budget changes as a result of feedback received;
 - the number of individuals reached by budget messages;
 - the number of respondents to the budget process; and
 - feedback on the engagement process itself.

Financial impact

- 5.1 The budget engagement process will again seek to achieve a cost effective approach and will use digital formats where appropriate. Approximately £25,000 from existing budgets was spent last year on communications and the online planner. Approximately 2,000 hours of staff time were spent. The dialogue app costs £5,000.

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.

Equalities impact

- 7.1 The Council will take all reasonable steps to ensure wide awareness and access to the engagement process by people of all ages, abilities and backgrounds. Services and partner organisations will be consulted on the overall approach to engagement and appropriate methods for making consultation accessible to all equalities groups.

Sustainability impact

- 8.1 The approach to the budget engagement will aim to provide evidence on people and stakeholder perceptions and priorities which will enable services to adapt, to be delivered more efficiently and to understand customer and community needs. Through this improved understanding, it is expected that the budget engagement process will have a positive impact on social justice and economic wellbeing.
- 8.2 The Council will undertake carbon impact assessments to feed into the wider budget planning process. The approach to budget engagement will provide stakeholders with the opportunity to submit ideas for carbon emission reduction.

Consultation and engagement

- 9.1 To develop the approach for continuous budget consultation, elected members, services and partner organisations will be consulted on the overall approach and appropriate methods for engaging people and stakeholders, and to ensure that every effort is made within services to maximise reach. The approach will also be informed by lessons learned and good practice from previous budget engagement exercises.

Background reading / external references

[Budget Proposals: Overview of Feedback and Engagement](#)

[Council Transformation Programme – Status update, June 2015](#)

[Participatory Budgeting Update](#)

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Links

Coalition pledges All

Council outcomes All

Single Outcome Agreement All

Appendices