

Caerphilly County Borough Council

Consultation on budget proposals for 2023/24

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Background

Each year, Caerphilly, like all local authorities must approve proposals to set a balanced budget and agree a council tax rate. Ongoing budget pressures caused by a number of unprecedented factors means that Caerphilly (along with others), is facing significant financial challenges with a projected £48million gap in finances over the next two years.

The council prepared a set of draft budget proposals for 2023/24 for consideration by Cabinet on 18th February 2023. There were three key elements to the proposals:

- A one-off use of council reserves in 2023/24 totalling £15.051million. Caerphilly has healthy reserves at present, the majority of which are ring-fenced and ear-marked for specific schemes. However, an element of the funds can be used as a contingency for a 'rainy day'.
- Permanent and temporary savings totalling £12.421m have also been identified to help balance the budget for 2023/24. The one-off use of reserves and temporary savings in 2023/24 provides a short-term fix and will buy time to reshape services to address the significant financial challenges that lie ahead.
- A proposed increase in Council Tax by 7.9% for 2023/24. This would increase the Band D precept from £1,253.95 to £1,353.01 (an annual increase of £99.06 or £1.91 per week).

Cabinet agreed that the draft budget proposals for 2023/24 should be subject to a period of consultation prior to final proposals being presented to Cabinet/Council on 22nd/23rd February 2023.

The full budget report can be found here:

<https://democracy.caerphilly.gov.uk/ieListDocuments.aspx?Cid=128&Mid=13905&LLL=0>

'What matters' conversation

Through the council's ongoing engagement programme 'The Caerphilly Conversation' residents have given their views and helped the council to gain an understanding of the services that residents feel are most needed and valued and where residents feel the council should prioritise its budget spend. The most recent phase of engagement "What matters to you?", took place during November and early December 2022. The insights from this engagement were key in shaping the draft budget proposals for 2023/24.

Please visit www.caerphilly.gov.uk/caerphillyconversation for a detailed report on this phase of the engagement.

Purpose

The consultation was designed to seek the views of residents and key stakeholders in relation to the three key elements of the draft budget proposals, namely, the use of £15.051million reserves at this time, the proposed increase in council tax of 7.9% and the draft list of savings proposals (both temporary and permanent) totalling £12.421million.

Methodology (what we did)

The consultation period ran from 19th January to 8th February 2023 and was widely promoted via:

- A media release <https://www.caerphilly.gov.uk/news/news-bulletin/january-2023/have-your-say-on-budget-proposals>
- A dedicated web page linked directly from a banner on the home page of the Council's website
- Regular digital media posts throughout the duration of the consultation period including Facebook, Twitter and NewsOnline. 4 NewsOnline e-mail newsletters were sent during the consultation period. **Annex 4d** summarises feedback via social media.
- Posters and pull up banners displayed in libraries and other public facing Council venues
- Targeted e-mails to stakeholder groups and seldom heard communities in the borough

Residents were encouraged to give their views in a variety of ways:

Survey

A survey was made available on the Council's website. The survey could be completed online or printed if preferred. Hard copies of the survey were also available from all libraries across the borough and could also be returned via libraries or through the post. The survey focussed specifically on the three main aspects of the draft budget proposals as outlined. A copy of the survey can be found in **Annex 1**.

278 completed surveys were received by the closing date.

- 91% indicated that they were residents of the county borough whilst 4% were staff (n=272).
- 57% were female, 42% were male and 2 people (1%) described themselves as non-binary (n=246).
- 23% considered themselves to have a disability (n=244)
- Respondents ages ranged from 24 to 84 with 55% of respondents in the 50+ age group (n=233)

Face to face engagement

Drop-in sessions

A series of informal face-to-face drop-in sessions for residents were arranged at libraries across the borough. Three online face-to-face sessions were also scheduled. As far as possible, these sessions were held on different days of the week and different times of the day, including early evening, to enable as many people as possible to attend. They were also planned to coincide with times of highest footfall at individual libraries.

See **Annex 2** for the schedule of planned face-to-face engagement sessions.

The purpose of the face-to-face sessions was to clarify details around draft budget proposals for residents, answer any questions relating to specific areas within the proposals and gather feedback, either through conversation and through encouraging those spoken with to complete the survey (either in hard copy) or online. Please refer to **Annex 4a** for a summary of key points raised during the face to face conversations at libraries.

Viewpoint Panel meeting

The Viewpoint Panel is a group of residents who are regularly invited to get involved in the council's engagement and consultation activities. Anyone who is resident of the borough can join. Having not met face-to-face since before the pandemic, members of the Viewpoint Panel were invited to attend a meeting on 2nd February at Penallta House.

In total, 10 members of the Viewpoint Panel and 5 young people from the Youth Forum attended the meeting and were welcomed by the Leader of the council. In focus groups, attendees then discussed whether they agreed or disagreed with the proposed increase in council tax, the proposed use of reserves and any savings proposals they particularly agreed or disagreed with. The groups then went on to discuss how the council could do things differently moving forward to enable the council to prioritise the services that are considered most important to residents. A summary of the Viewpoint Panel discussion can be found in **Annex 4b**.

Targeted engagement with stakeholders and seldom heard groups

Key individuals, groups and organisations across the borough were contacted directly via e-mail and asked to promote and share details of the engagement with their contacts/members. Local community groups were also invited to attend the Viewpoint Panel meeting.

Annex 3 details resident and stakeholder groups contacted and notes where there was face-to-face engagement. **Annexes 4e-g** include written and e-mail responses received directly from residents.

Voluntary Sector Liaison Committee

A meeting of the Voluntary Sector Liaison Committee was held on 2nd February 2023. **Annex 4c** provides a summary of the discussion and key points raised.

Key Findings

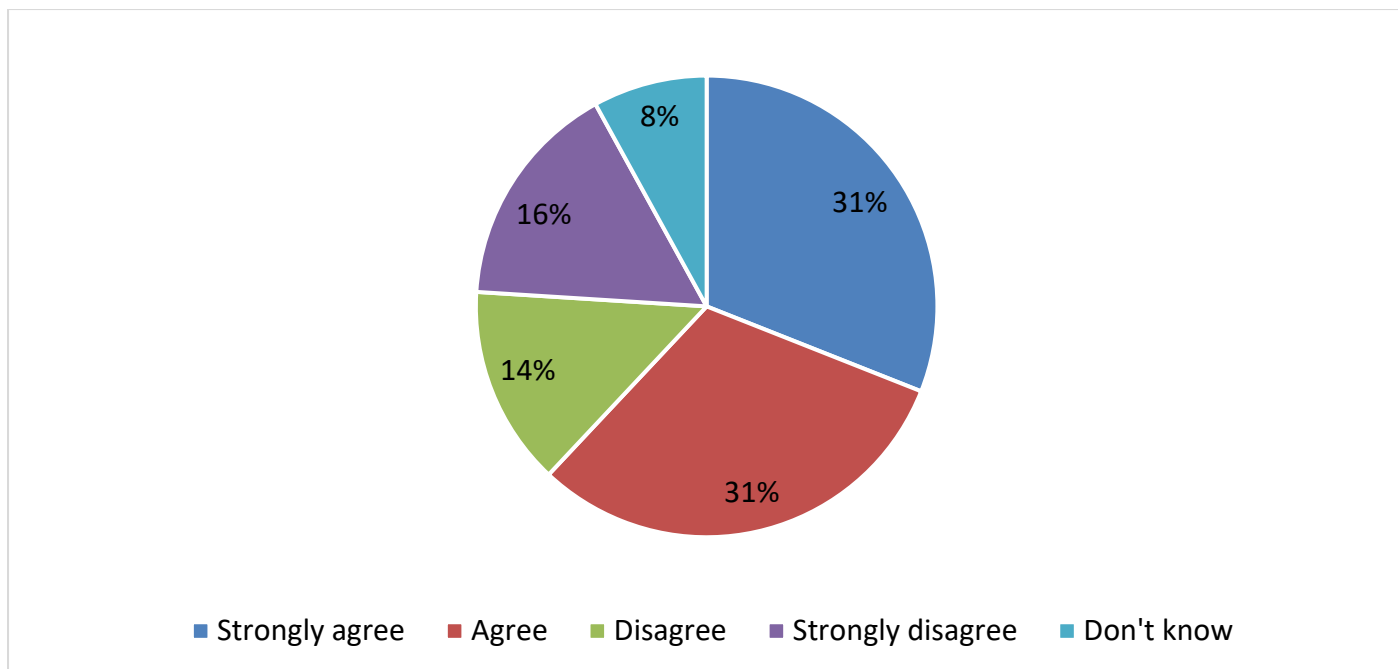
Note: The statistical data (percentages) presented within this report relates to survey responses and not the qualitative feedback from conversations. The number of responses received for individual questions may be lower than the total number of completed questionnaires returned. Percentages are therefore based on the number of responses to individual questions (n=number of responses).

Participation in the consultation was self-selecting. The data should be considered within this context.

Proposed use of reserves

As shown in **Graph 1**, 62% of survey respondents agreed or strongly agreed with the one of use off reserves at this time. Feedback received through face-to-face conversations and survey comments highlighted that in many cases, where residents disagreed with the proposal, it was because they felt that the council should be using more of its reserves at this time. A number commented that a greater understanding about what the reserves are ringfenced for would be useful.

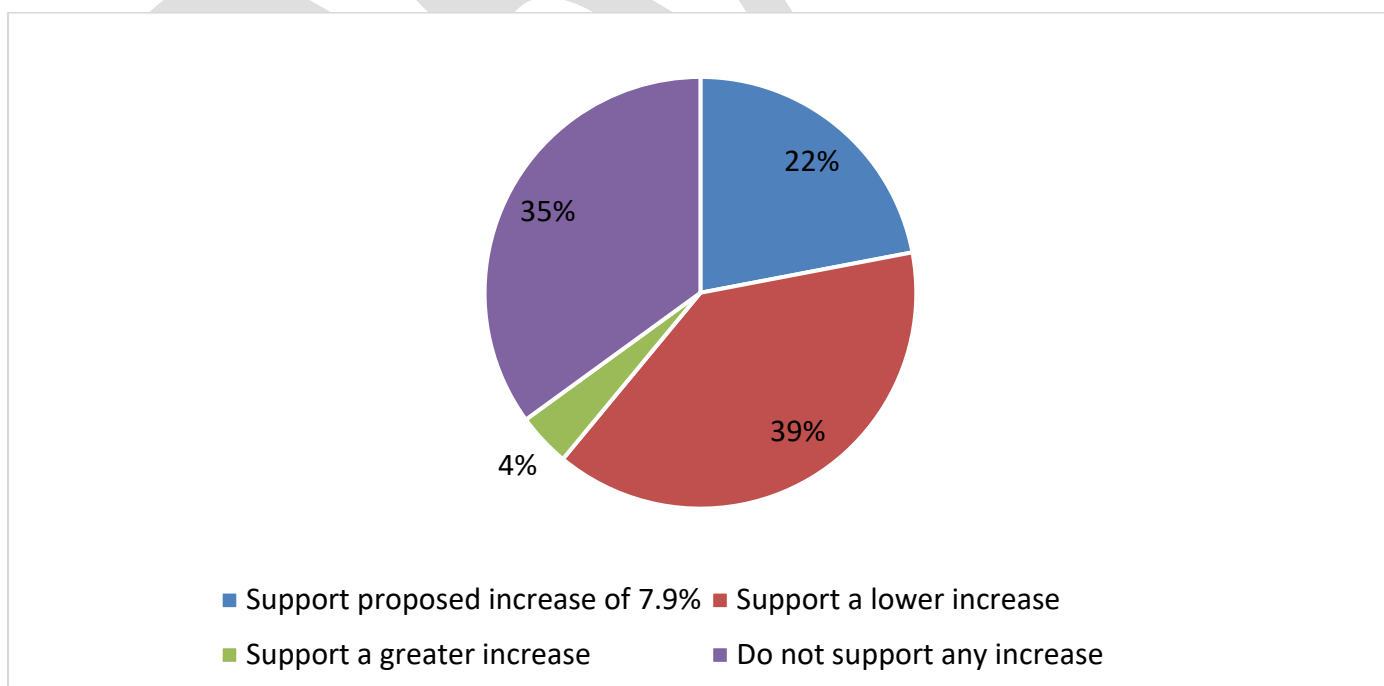
Graph 1: Percentage of respondents (n=271) who agree/disagree with the one-off use of council reserves of £15.051m for 2023/24



Proposed Council Tax increase

Overall, 26% agreed with the proposed council tax increase or would be prepared to pay more. A further 39% would support a lower level of council tax increase whilst 35% would not support any increase in council tax. This is highlighted in **Graph 2**.

Graph 2: Percentage of respondents (n=271) who agree/disagree with the proposed council tax increase of 7.9% for 2023/24



Feedback from conversations with residents reflected this view. Whilst many said that they understood the need to increase council tax to maintain services, there was concern that, at this time, any increase in council tax would impact on those least able to afford an increase. A number also commented that certain communities receive “less” and therefore did not agree with the increase across the borough.

"I know you must raise the Council Tax, but the only people this will affect is the working class who are struggling at the moment." (survey comment)

Draft savings proposals – temporary and permanent

The survey asked respondents to identify up to three draft proposals that they particularly agreed with and three that they particularly disagreed with.

A number of people said that they disagreed with all of the proposed savings. Conversely, a number indicated that there was nothing on the list caused them any concern.

Table 1 summarises the survey responses in relation to the proposals that respondents particularly agreed with.

Table 1: Proposals that respondents to the survey particularly agreed with

Agree	Count
CS2 All services - reduction in mileage budgets	46
CS1 All services - adjustment to gross pay - vacancy management	32
EE7 Community & Leisure Services Reduce Grass Cutting (bio diversity) through a reduction in agency workers	28
MF5 Miscellaneous Finance Removal of Carbon Reduction Commitment Scheme budget which has ended with no replacement scheme being implemented.	19
EE20 Regeneration Tourism Venues - Reduction in subsidy across the portfolio (total subsidy is currently £1.293m)	17
EE13 Community & Leisure Services Additional income from the sale of felled timber	14
CS10 Policy Deletion of the Community Empowerment Fund budget. Any underspend on the 2022/23 budget will be carried forward into the 2023/24 financial year and allocated on a first come first served basis. Once this underspend has been utilised there wi	13
EE4 Infrastructure Withdrawal of subsidy for the Blackwood to Ystrad Mynach Rail Link bus service	12
CS3 Director Budget realignment on various budgets	11
EE1 All Reduction in mileage budgets to reflect new flexible working models	11
CS6 Financial Services Deletion of vacant Grade 5 Housing Benefits Assessor post	8
EE17 Public Protection CCTV - Replace 9 4G cameras with a more cost effective option	7
ELL17 Schools - manage 50% energy increase	7
EE12 Community & Leisure Services Increase in current MOT fee by £10 to £45	6
EE21 Regeneration Deletion of Shop Administration Assistant post at Llancaiach Fawr following retirement	6
ELL10 Education Achievement Service (EAS) 10% reduction in contribution to EAS	6
CS8 Financial Services Deletion of vacant Grade 5 Accounts Assistant post in the Finance Support Unit	5
EE14 Community & Leisure Services Review of Leisure Fees & Charges	5

MF2 Miscellaneous Finance No revenue contribution to Capital Programme for 2023/24 only	5
EE5 Infrastructure School Crossing Patrols - Withdrawal of funding where posts become vacant and ROSPA criteria is not met	4
ELL7 Music Service 10% reduction in budget	4
MF3 Miscellaneous Finance Uncommitted Free School Meals Grant transferred into the Financial Settlement in previous years. This is for one year only and will be reviewed for 2024/25.	4
SS3 Children's Services Reduction in mileage budgets to reflect new flexible working models	4
CS9 Financial Services Deletion of vacant Grade 5 Administrative Assistant post in the Cahiers Administration Team	3
EE2 Property Temporary 20% reduction in non-essential Building Maintenance budgets	3
EE22 Regeneration Temporary reduction in the Community Enterprise Fund (CEF) budget	3
EE6 Community & Leisure Services 20% increase in fees for Sports pitches	3
EE9 Community & Leisure Services Closure of Ty Fry Farm following end of the lease in March 2023 with staff relocated to Ty Bargoed	3
ELL1 All Reduction in mileage budgets to reflect new flexible working models	3
ELL3 Management & Support Services Reduction in equipment, computer and IT related expenditure	3
MF1 Miscellaneous Finance Budget realignment for External Audit fees	3
MF6 Miscellaneous Finance Budget realignment on the Council Tax Reduction Scheme (CTRS) budget	3
CS10 Policy Deletion of the Community Empowerment Fund budget. Any underspend on the 2022/23 budget will be carried forward into the 2023/24 financial year and allocated on a first come first served basis.	2
CS12 Policy Deletion of uncommitted Sustainable Development budget	2
EE16 Community & Leisure Services Withdrawal of the subsidy for Markham Community Leisure Centre	2
MF4 Miscellaneous Finance Additional investment income due to increases in the Bank of England Base Rate. This is for 2023/24 only at this stage due to the volatility of the Base Rate and will be reviewed for 2024/25	2
SS1 Children With Disabilities - Budget realignment to reflect demand	2
SS9 Adult Services Budget realignment - Shared Lives placements	2
CS11 Policy Deletion of uncommitted community projects budget	1
CS13 Policy Deletion of the uncommitted Technical Assistance budget	1
CS14 Policy Voluntary Sector Service Level Agreement (SLA) budget realignment	1
CS4 Legal & Governance SLA income from collaborative arrangements	1
EE11 Community & Leisure Services Additional Income from new Tennis facilities	1
EE15 Community & Leisure Services 50% reduction in the subsidy for Caretaker costs in Community Centres (we currently fund 11 hours)	1
EE19 Public Protection Increased Ceremony Income in Registrars - Temporary saving only as additional income is due to back-log following Covid-19	1
EE3 Infrastructure Temporary reduction in the Highways Maintenance budget	1
EE8 Community & Leisure Services Temporary reduction in the Cemeteries Maintenance Budget	1
ELL11 Other Direct School Related Expenditure Fund 50% Repairs & Maintenance contribution to schools from reserves for 2023/24 only	1
ELL15 Youth Service (temporary)	1
ELL16 Libraries 20% reduction in Book Fund	1

ELL8 Learning, Education and Inclusion Budget Realignment - WJEC and Subscriptions budgets	1
SS10 Business Support Reduction in mileage budgets to reflect new flexible working models	1
SS7 Adult Services Reduction in mileage budgets to reflect new flexible working models	1
	328

Similarly, **Table 2** highlights the survey responses in relation to the proposals that residents disagree with.

Table 2: Proposals that survey respondents particularly disagreed with

Disagree	Count
EE15 Community & Leisure Services 50% reduction in the subsidy for Caretaker costs in Community Centres (we currently fund 11 hours)	52
EE3 Infrastructure Temporary reduction in the Highways Maintenance budget	38
ELL17 Schools - manage 50% energy increase	30
EE5 Infrastructure School Crossing Patrols - Withdrawal of funding where posts become vacant and ROSPA criteria is not met	25
ELL16 Libraries 20% reduction in Book Fund	18
EE14 Community & Leisure Services Review of Leisure Fees & Charges	17
SS1 Children With Disabilities - Budget realignment to reflect demand	17
EE6 Community & Leisure Services 20% increase in fees for Sports pitches	14
EE12 Community & Leisure Services Increase in current MOT fee by £10 to £45	12
EE4 Infrastructure Withdrawal of subsidy for the Blackwood to Ystrad Mynach Rail Link bus service	12
ELL7 Music Service 10% reduction in budget	10
EE16 Community & Leisure Services Withdrawal of the subsidy for Markham Community Leisure Centre	9
CS10 Policy Deletion of the Community Empowerment Fund budget. Any underspend on the 2022/23 budget will be carried forward into the 2023/24 financial year and allocated on a first come first served basis.	8
MF6 Miscellaneous Finance Budget realignment on the Council Tax Reduction Scheme (CTRS) budget	8
EE20 Regeneration Tourism Venues - Reduction in subsidy across the portfolio (total subsidy is currently £1.293m)	7
SS9 Adult Services Budget realignment - Shared Lives placements	7
EE7 Community & Leisure Services Reduce Grass Cutting (bio diversity) through a reduction in agency workers	6
ELL15 Youth Service (temporary)	6
ELL6 SENCOM 10% reduction in contribution	5
MF5 Miscellaneous Finance Removal of Carbon Reduction Commitment Scheme budget which has ended with no replacement scheme being implemented.	5
SS2 Adult Services Budget realignment - Non-residential care income from service users	5
EE2 Property Temporary 20% reduction in non-essential Building Maintenance budgets	4
EE8 Community & Leisure Services Temporary reduction in the Cemeteries Maintenance Budget	4
ELL11 Other Direct School Related Expenditure Fund 50% Repairs & Maintenance contribution to schools from reserves for 2023/24 only	4
ELL13 Psychology Service Vacancy management due to staff turnover	4
ELL5 Additional Learning Needs Redesign of support for Health & Safety assessments	4

MF3 Miscellaneous Finance Uncommitted Free School Meals Grant transferred into the Financial Settlement in previous years. This is for one year only and will be reviewed for 2024/25.	4
CS6 Financial Services Deletion of vacant Grade 5 Housing Benefits Assessor post	3
EE17 Public Protection CCTV - Replace 9 4G cameras with a more cost effective option	3
ELL3 Management & Support Services Reduction in equipment, computer and IT related expenditure	3
SS4 Children's Services Budget realignment - foster care recruitment & retention	3
CS14 Policy Voluntary Sector Service Level Agreement (SLA) budget realignment	2
CS8 Financial Services Deletion of vacant Grade 5 Accounts Assistant post in the Finance Support Unit	2
EE1 All Reduction in mileage budgets to reflect new flexible working models	2
EE11 Community & Leisure Services Additional Income from new Tennis facilities	2
EE21 Regeneration Deletion of Shop Administration Assistant post at Llancaiach Fawr following retirement	2
ELL10 Education Achievement Service (EAS) 10% reduction in contribution to EAS	2
ELL2 LMS Contingency Reduction in the Local Management of Schools (LMS) Contingency budget	2
ELL4 Support Services & Resources - Deletion of vacant part-time post	2
SS3 Children's Services Reduction in mileage budgets to reflect new flexible working models	2
CS1 All services - adjustment to gross pay - vacancy management	1
CS11 Policy Deletion of uncommitted community projects budget	1
CS12 Policy Deletion of uncommitted Sustainable Development budget	1
CS2 All services - reduction in mileage budgets	1
EE13 Community & Leisure Services Additional income from the sale of felled timber	1
EE22 Regeneration Temporary reduction in the Community Enterprise Fund (CEF) budget	1
ELL1 All Reduction in mileage budgets to reflect new flexible working models	1
ELL14 Early Years Central Team Some existing posts to be funded through grants in 2023/24	1
ELL8 Learning, Education and Inclusion Budget Realignment - WJEC and Subscriptions budgets	1
MF1 Miscellaneous Finance Budget realignment for External Audit fees	1
MF2 Miscellaneous Finance No revenue contribution to Capital Programme for 2023/24 only	1
SS5 Children's Services Budget realignment - prevention budgets	1
SS6 Children's Services Reduction in contribution to regional Continuing Healthcare (CHC) post	1
SS7 Adult Services Reduction in mileage budgets to reflect new flexible working models	1
SS8 Adult Services Budget realignment - short-term placements	1
	380

Key themes

Through an analysis of both the survey responses and face to face conversations, the following key themes emerged.

Areas of the proposals that respondents particularly agreed with:

- A reduction in mileage budgets to reflect new ways of working
- Deletion of vacant posts and vacancy management across the organisation

- Grass cutting to improve biodiversity (where there was disagreement with this proposal it was through concern over the appearance of the borough)
- Budget realignment and cuts to grants/subsidies that will have no impact on residents (e.g. Carbon Reduction Commitment scheme, areas where funding could be provided by other sources)
- Income generation through felled timber, increase in charges for MOTs etc.
- A reduction in in the tourism subsidy, venues could generate income through visitor attendance

Proposals particularly disagreed with:

- A temporary reduction in the highways maintenance budget was considered to be short term thinking, particularly considering the poor condition of roads following recent inclement weather
- A reduction in voluntary sector support- at a time when charities and voluntary sector are being expected to support people more was considered to be counterproductive. In particular,
 - there was a strong response in the survey to the 50% reduction in caretaker support for community centres and the removal of the subsidy to Markham community centre. Further discussion with individual community centres was suggested as the impact would not be the same across all centres.
 - cuts to community grants, in particular the Community Empowerment Fund (before it has had a chance to become established)
- Any cuts to social services that will impact on the most vulnerable residents in our communities were considered unacceptable. This view strongly reflects the those expressed as part of the earlier 'What matters' conversation. Cuts to services for children with disabilities (and cuts to SENCOM) were of particular concern. It is felt that the current provision is inadequate and questioned that there is a lack of demand for these services. Many have been unable to access services due to a reduction in provision during the pandemic and there as an unknown demand for services moving forward.

"Children services - should not be cut. Children's services are struggling as it is. They cannot be supported appropriately without the correct resourcing" (comment from survey)

- Cuts that will impact on schools and education were not supported i.e. schools to manage 50% of increased energy costs, removal of school crossing patrols. This is reflective of the feedback received through previous engagement, where residents told us that we should prioritise education.
- Libraries – residents feel that libraries are a vital part of the community and could be used more. A reduction to the book fund was considered acceptable for one year only but longer term would have a greater impact on those who need the library service.
- Youth services were considered important in helping to support young people now and laying foundations for the future. Youth services can help tackle wider issues such as anti-social behaviour in the community.
- Whilst income generation was considered a positive way forward, there were mixed views regarding income generation through increased charges for services that are accessed by residents and the community (e.g. review of sports and leisure fees, an increase in sports pitch fees).

The removal of subsidy for the rail link service was met with a mixed response. Residents felt that the level of subsidy was too high to be maintained, but suggested alternative routes may be more viable (nearest train station to Blackwood is Pengam) and suggested that the service could be opened up to non-rail users.

A lack of public transport, in general, and more specifically, a lack of integration between public transport was an issue for many residents spoken to. This was a concern particularly in enabling those who do not drive/cannot afford a car to access essential services.

Doing things differently

The following themes were highlighted through conversations with residents:

- Asset rationalisation - through selling buildings that we no longer need. Many felt that we should be ensuring that Penallta House is fully utilised and look at selling other smaller buildings across the borough.
- Energy efficiency will help reduce costs e.g. ensuring buildings are fully occupied. Take advantage of the new agile way of working to close older, less efficient buildings.
- Run the Council as a business – efficiently – remove bureaucracy, look at the processes in place and consider how these can be changed to provide a better service more efficiently. Reducing staffing levels too much can impact on how services are delivered – residents would prefer to see the recruitment of frontline staff over more senior positions in delivering essential services.
- Income generation should be explored further, particularly if this can be done without charging residents more for services.
- There is a need to take a strategic overview of services, how they are delivered and how they work together rather than ‘salami slicing’ cuts.
- Ensuring social value and protecting the most vulnerable in our communities should be core to everything we do.
- Improve how the council engages and communication with residents. There was positive feedback from the face-to-face sessions. Residents were appreciative of the opportunity to gain a greater understanding of the proposals and give their views. The council could communicate more effectively about what it provides – in a way that residents can understand and not ‘council speak’.

List of Annexes

Annex 1: Survey

Annex 2: Face to face engagement

Annex 3: Stakeholder and seldom heard groups

Annex 4a: Comments from face-to-face conversations

Annex 4b: Viewpoint Panel meeting notes

Annex 4c: Voluntary Sector Liaison Committee notes

Annex 4d: Social media feedback

Annex 4e: Gelligaer Community Council response

Annex 4f: Llanbradach Community Centre response

Annex 4g: Additional comments received via e-mail or in writing

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