



Brighton & Hove City Council

Analysis of Budget Simulator results for Brighton & Hove City Council November 2011

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Background

Introduction

The Brighton and Hove budget simulator enabled respondents to allocate expenditure to council services grouped under six broad themes. These are:

Childrens Services

Adult Services

City Infrastructure

Housing Services

Communities

Resources and Finance

Respondents were asked to make adjustments to expenditure that represents a marginal, small, moderate, large or major increase or decrease to each service. Respondents could also choose to leave expenditure unchanged. The starting point for the exercise was that spending is six per cent over target with a potential council tax rise of 17 per cent. The objective of the exercise was to allocate expenditure so that the maximum council tax rise is 3.5 per cent.

The respondents

The budget simulator went live on 1st October 2011. By 1st November 437 people had completed the exercise. The report is based upon these responses.

The collection of demographic details such as age and gender was not mandatory and a number of people did not provide details. It has not been possible, therefore, to compare how the characteristics of people completing the budget simulator compare with the population as a whole.

A breakdown of respondents by age is shown in the tables overleaf. Age details are known for three quarters of respondents.

Table : Age of respondents

	Number	%
Under 18	17	4
18-24	21	5
25-34	51	12
35-44	100	23
45-54	87	20
55-64	41	9
65 and over	14	3
Not known	106	24

If 'not knowns' are excluded the resulting sample under-represents people aged 55 and over and over-represents younger age groups when compared with the population of Brighton and Hove as a whole.

Gender information was provided by 72% of respondents (40 per cent men, 32 per cent women).

The results

The report presents results for each budget heading. It shows the mean average budget expenditure chosen by respondents, the difference between the chosen budget and the starting budget and the percentage difference from current expenditure.

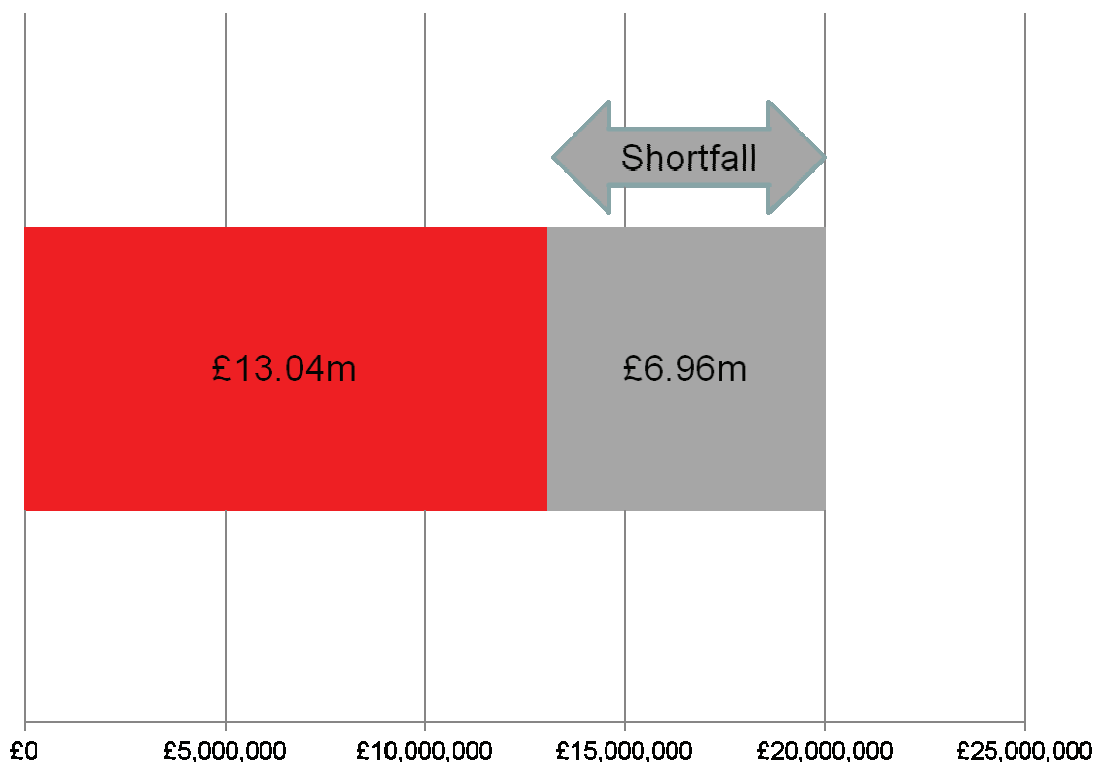
Headline analysis

From where will the £20m savings come?

The budget simulator proposed at starting point of a budget of £362.42m, which is six per cent over the target budget and would result in a council tax increase of 17 per cent. This set the challenge to respondents of reducing the authorities spending by £20m.

The headline findings from the budget simulator show that respondents were unable to meet this challenge and the mean average reduction in authority spending was £13.04m. A shortfall of £7m against the set target (figure 1) of £20m. This equates to an average annual spend of £349.4m for Brighton and Hove City Council.

Figure : Progress towards £20m reduction in spending target



Calculations based on the current Brighton and Hove expenditure of c.£341m, shows that on average, respondents were proposing an increase of on average £7.4m to current spending.

This is an overall increase to current expenditure of 2.2 per cent and equates to an average a Council Tax increase of 6.2%. This is above the suggested target of a 3.5 per cent increase and shows the difficulty respondents had in making the required savings. Figure 2 shows a breakdown of the percentage increases against current budgets¹.

Figure : Percentage reductions against current budgets by service area

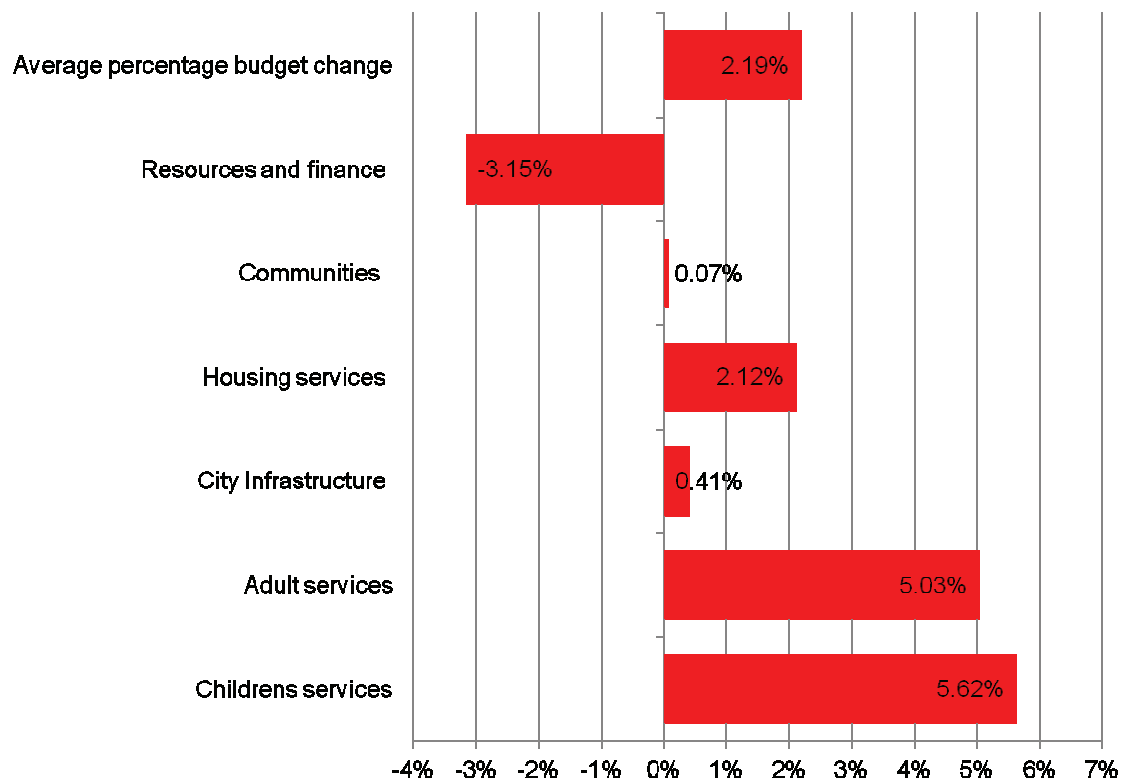


Figure shows how respondent's decisions on proposed changes to budgets vary by service area. Respondents found it difficult to make significant reductions in the Adult and Childrens Services budgets. Again using the calculation against current budgets, respondents actually proposed a 5.0 per cent increase to Adult Services spending and a 5.6 per cent increase to spending on Childrens Services. Resources and Finance was

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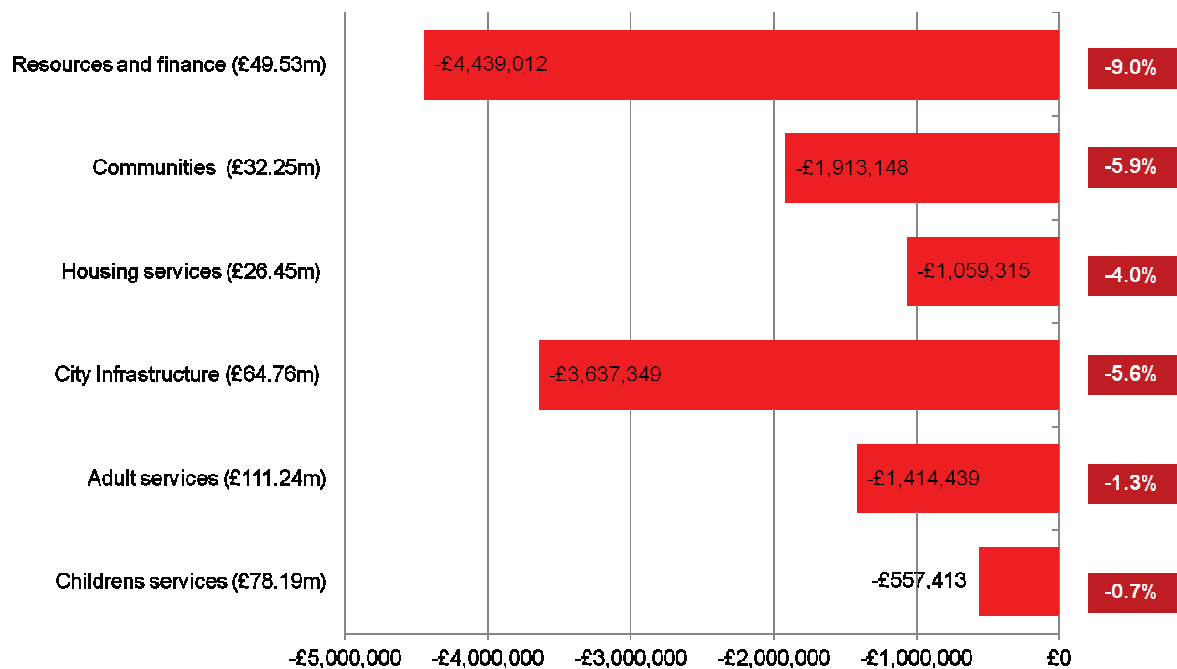
[□] Current budgets are calculated by subtracting 6% from starting budgets in the simulator

the one service area where on average respondents proposed a reduction to current budgets, totalling 3.1 per cent or £1.45m.

Analysing the data against current budgets (without the 6% increase) highlights the challenge that respondents had in making significant reductions in spending levels. However, this analysis does not highlight the reductions that respondents did make against the starting budgets² (figure 3).

Respondents made the largest reduction in spending (9.0 per cent) in the Resources and Finance starting budget. Other areas of saving were £1.9m from the Communities budget and £3.6m from the City Infrastructure budget.

Figure 3: Percentage reductions against starting budgets by service area



²

Starting budgets are the figures used in the simulator which apply a 6 per cent increase to current expenditure

Childrens services

Introduction

In this section the views of respondents in relation to Childrens Services are presented. Areas of council responsibility covered by this service heading include:

- Early years
- Youth Services
- Supporting children in education
- Statutory education services
- Social work and child protection
- Services for looked after children
- Childrens Disabilities

Childrens Services choices

Respondents only made slight adjustments to most of the budget fields within this overall service heading (see table 2). The main exceptions to this is with 'Supporting children in education' where just under half (49 per cent) choose to make a cut to the budget. All but the 18-24 age group chose to decrease this budget heading.

Conversely, respondents used the simulator to propose slight increases in the budget for 'Youth Services and Social Work and Child Protection'. The age group most likely to increase the budget was the under 18s and the 18-24 group. The 45-54 age group chose to make a slight budget increase in Youth Services but all other age groups either left the budget unchanged or decreased it.

Table : Proportion who chose to increase, decrease or maintain spending in each area

	% who want to decrease spending	% who want no change in spending	% who want to increase spending
Early years	36	41	23
Youth Services	30	39	31
Support for children in education	49	36	15
Statutory education services	37	49	14
Social work and child protection	23	47	30
Services for looked after children	29	48	23
Disabled Childrens Services	25	49	26

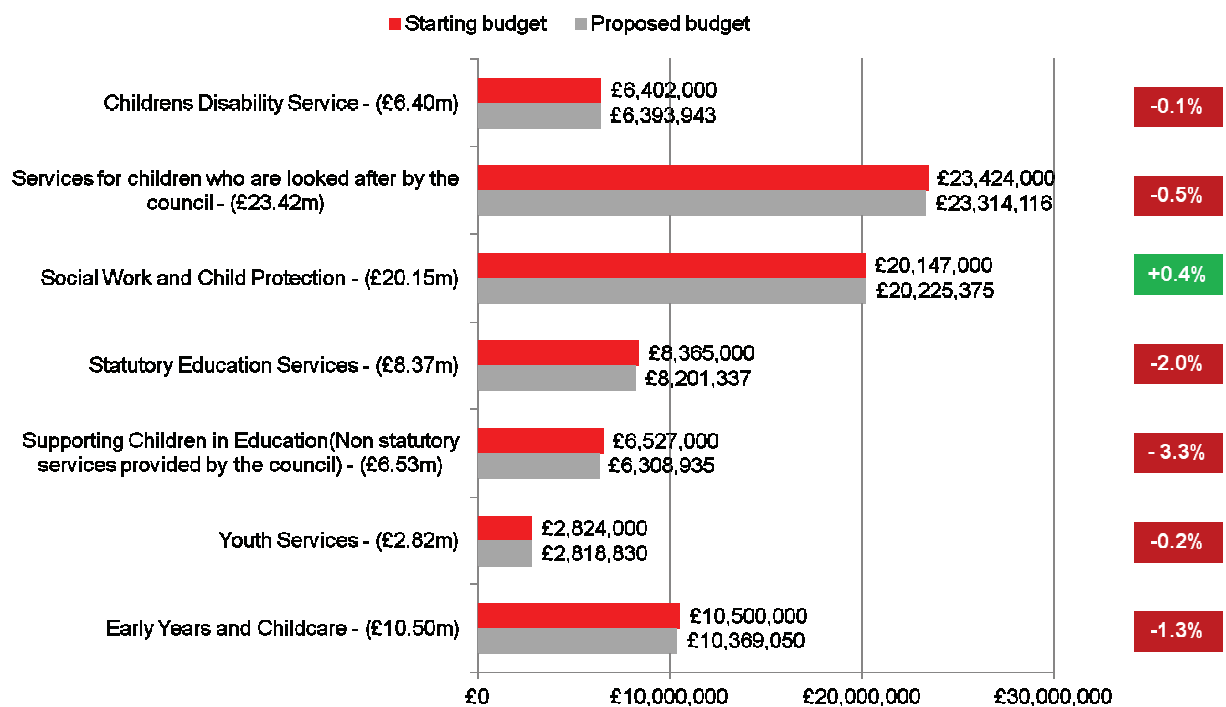
The figure overleaf shows the mean budget allocation for each of the fields under Childrens Services. It also shows the mean percentage increase or decrease from the starting budget.

The figure shows that, on average, respondents made a decrease of 3.3 per cent to the Supporting children in education budget. This is equivalent to a £218,000 reduction in

expenditure. The next largest decrease is in Statutory education services (2.0 per cent of the starting budget). This equates to a decrease of £163,000.

On average, respondents chose to make a decrease to Early Years spending of 1.3 per cent or £130,000 of its starting budget.

Figure 4: Expenditure on Childrens Services



Overall council expenditure in relation to Childrens Services is currently £78.2m. Users of the budget simulator allocated £77.6m which represents a decrease of £0.5m or 0.7 per cent. It is clear from this analysis that Childrens Services is not an area that respondents in Brighton and Hove believe should be subject to all but minor spending cuts.

Adult Services

Introduction

In this section the views of respondents in relation to spending on Adult Services. Areas of council responsibility covered by this service heading include:

- Residential and Nursing Care
- Home Care
- Day Options
- Equipment and Adaptations
- Supported Employment
- Assessment and Care Management

Adult Services choices

Respondents were in favour of maintaining the budgets or reducing spending in most of the budget fields within this overall service heading (see table 3). The exception to this was 'Home Care', where slightly more respondents proposed an increase (28 per cent) than a decrease (27 per cent) in spending. The 45-54 group (36 per cent) and the 55-64 group (37 per cent) were the most likely to suggest an increase to the 'Home Care' budget.

Conversely, respondents used the simulator to propose the highest decreases in the budget for 'Assessment and Care Management' (54 per cent) and 'Supported Employment' (51 per cent). Both young and old age groups were consistent in their view of a reduction in spending in 'Assessment and Care Management', with 71 per cent of both 18-24 year olds and the over 65's proposing a reduction in spending in this area.

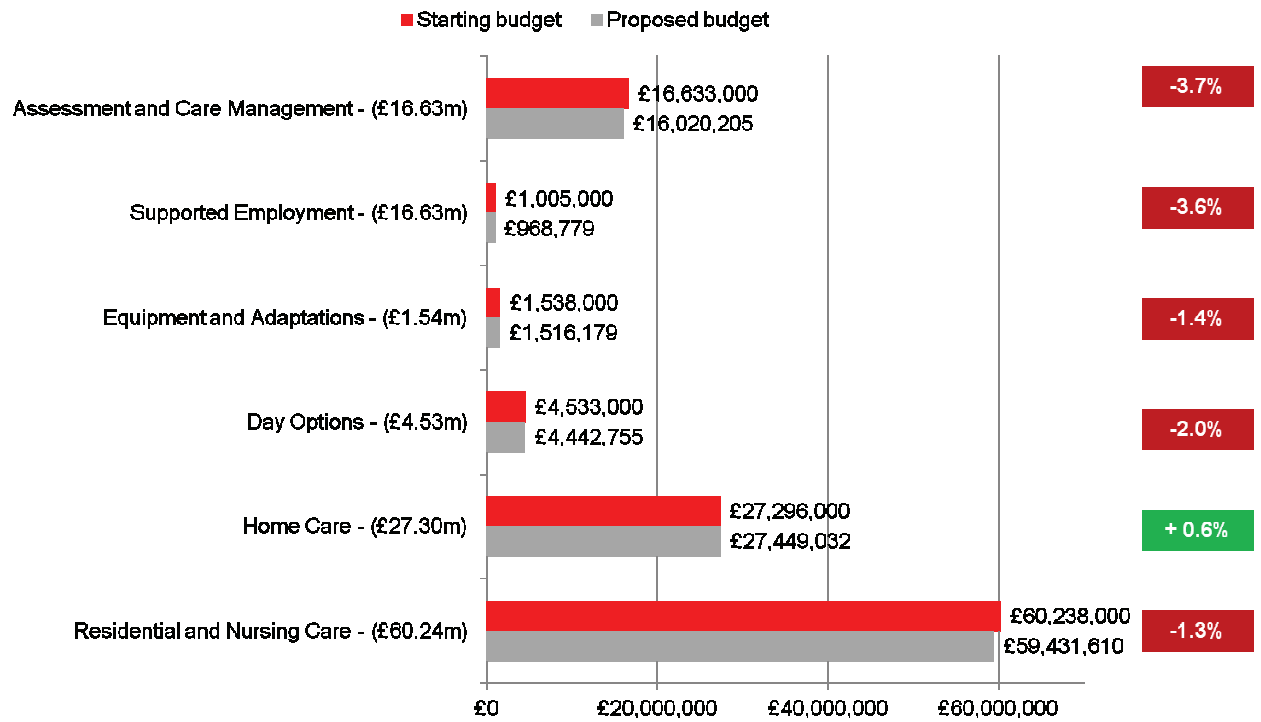
Table 3: Proportion who chose to increase, decrease or maintain spending in each area

	% who want to decrease spending	% who want no change in spending	% who want to increase spending
Residential and Nursing Care	39	41	20
Home Care	27	44	28
Day Options	42	41	17
Equipment and Adaptations	39	42	19
Supported Employment	51	32	16
Assessment and Care Management	54	34	12

Figure 5 shows a breakdown of respondents proposed changes to the Adult Services budget by area. Reductions in the budget are proposed in all areas except 'Home Care' where respondents propose a small increase to the starting budget of 0.6% or £153,000.

The largest percentage reductions in spending are proposed in 'Assessment and Care Management' (-3.7%) and 'Supported Employment' (-3.6%).

Figure 5: Expenditure on Adult Services



On average, respondents chose a reduction in the budget for Adult Services from £111.24m per year to £109.83m. This equates to a saving of £1.41m and an average reduction of 1.3 per cent against the starting budget, indicating that Adult Services is not an area in which respondents would like to see strong reductions in spending.

City Infrastructure

Introduction

In this section the views of respondents in relation to spending on City Infrastructure.

Areas of council responsibility covered by this service heading include:

- Development Planning and Building Control
- Trading Standards, Environmental Control and Licensing
- Highways and Transport
- Parking Services
- City Clean
- City Parks

City Infrastructure choices

Respondents were strongly in favour of reducing spending in all of the budget fields within this overall service heading (see table 4). The strongest proposals were to reduce spending on 'Parking Services' (85 per cent) and on 'Development Planning and Building Control' (75 per cent). All age groups were consistent in their view that spending of 'Parking Services' should reduce. For 'Development Planning and Building Control', the 35-44 age group were most in favour of a reduction in spending, with 86 per cent of this group backing this change.

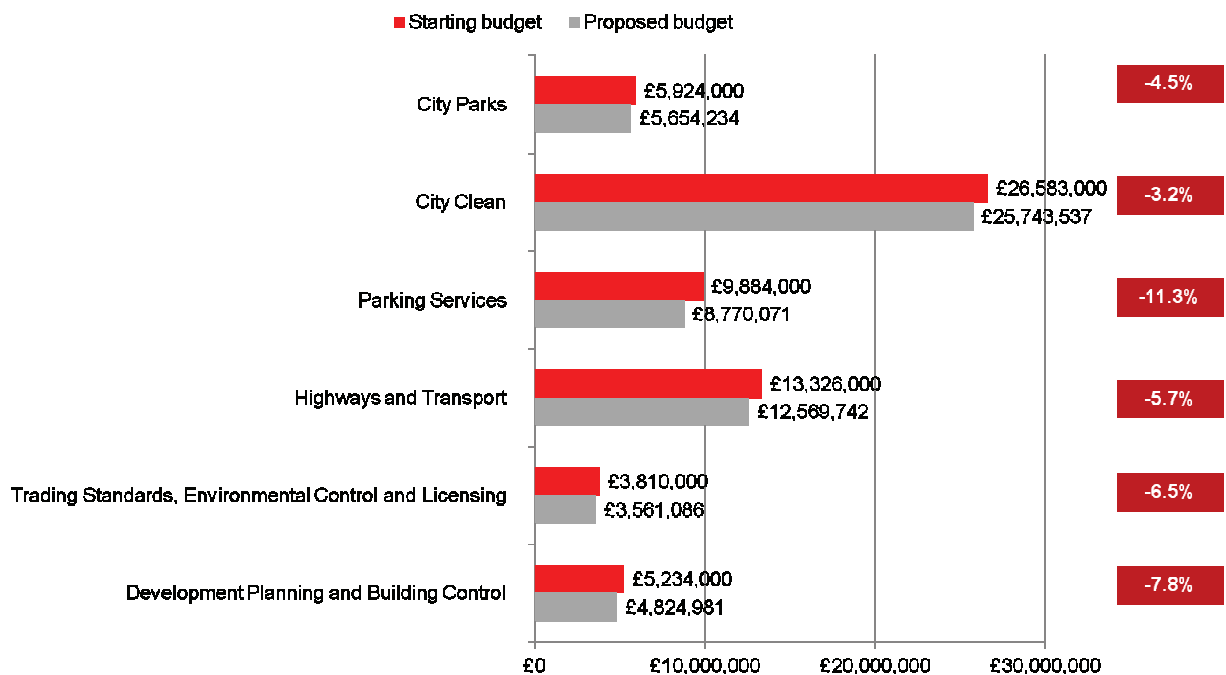
Conversely, while respondents used the simulator to propose decreases in all budget areas, 'City Parks' and 'City Clean' were the two areas where a lower majority favoured budget reductions. The younger respondents were more in favour of increasing spending on 'City Parks' than any other group, with nearly a quarter (24 per cent) of 18-24 year olds proposing an increase in spending.

Table 4: Proportion who chose to increase, decrease or maintain spending in each area

	% who want to decrease spending	% who want no change in spending	% who want to increase spending
Development Planning and Building Control	75	18	7
Trading Standards, Environmental Control and Licensing	68	25	7
Highways and Transport	65	23	11
Parking Services	85	12	3
City Clean	50	36	14
City Parks	59	27	14

Figure 6 shows a breakdown of respondents proposed changes to the City Infrastructure budget by function. Reductions in the budget are proposed in all areas. The largest percentage reductions in spending are proposed in Parking Services (-11.3%) and Development Planning and Building Control (-7.8%).

Figure 6: Expenditure on City Infrastructure



No significant differences exist between the views of males and females, with both consistently proposing a reduction in spending in all areas.

On average, respondents chose a reduction in the budget for City Infrastructure from £64.76m per year to £61.12m. This equates to a saving of £3.64m and an average reduction of 5.6 per cent against the starting budget, indicating that City infrastructure is an area in which respondents would like to see reductions in spending.

Housing Services

Introduction

In this section the views of respondents in relation to spending on Housing Services.

Areas of council responsibility covered by this service heading include:

Housing Strategy and Advice

Homelessness

Supporting People

Housing Services choices

Respondents were less consistent in their views on reducing spending in the budget fields within this overall service heading (see table 5). The strongest feeling was in reducing spending on 'Housing Strategy and Advice' (69 per cent). The older age groups were more in favour of maintaining or increasing spending on 'Housing Strategy and Advice', with 34 per cent of 55-64 year olds and 43 per cent of the over 65's favouring this. Conversely, 24 per cent of 18-24 year olds and 20 per cent of 25-34 years olds were in favour of maintaining or increasing spending on 'Housing Strategy and Advice'.

Respondents were less clear with regards to the budget spent on 'Homelessness', with 36 per cent proposing no change in spending. The 25-34 year old group were more forthright in their views, with just 22 per cent favouring no change and 53 per cent proposing a reduction in spending on 'Homelessness' Older age groups were more likely to favour no change in spending on 'Homelessness'.

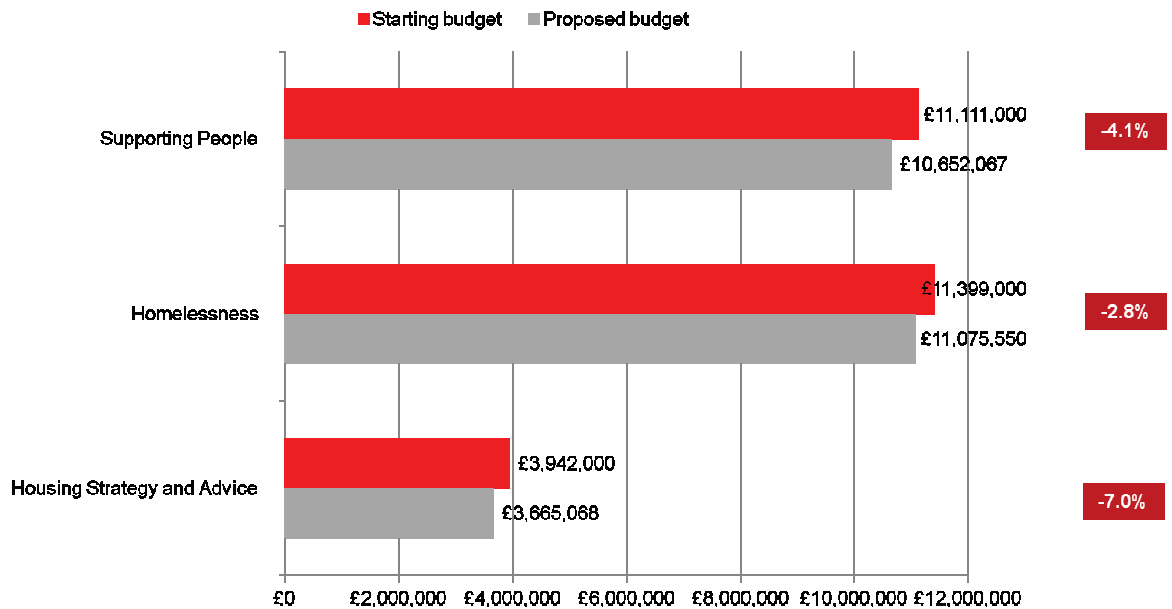
Table 5: Proportion who chose to increase, decrease or maintain spending in each area

	% who want to decrease spending	% who want no change in spending	% who want to increase spending
Housing Strategy and Advice	69	21	9
Homelessness	42	36	22
Supporting People	55	29	16

Figure 7 shows a breakdown of respondents proposed changes to the Housing Services budget by function. Reductions in the budget are proposed in all areas. The largest percentage reductions in spending are proposed in Homelessness (-7.8%) and Housing Strategy and Advice (-7.0%).

Both males and females are consistent in their views of a reduction in spending on Housing Services. Males however, proposed larger reductions in spending in all areas.

Figure 7: Expenditure on Housing Services



On average, respondents chose a reduction in the budget for Housing Services from £26.45m per year to £25.39m. This equates to a saving of £1.06m and an average reduction of 4.0 per cent in spending on Housing Services. This indicates that while residents would like to see reductions in spending in some areas of Housing Services, for the service area as a whole the spending reductions are below the 6% required.

Communities

Introduction

In this section the views of respondents in relation to spending on Communities. Areas of council responsibility covered by this service heading include:

- Communities and Equalities
- Community Safety
- Sports and Leisure
- Libraries and Information Services
- Tourism, Royal Pavilion, Museums and Venues

Communities choices

The majority of respondents were in favour of reducing spending in all but one of the budget fields within this overall service heading (see table 6). With the exception being 'Community Safety' where just under half (49 per cent) of respondents favoured a reduction in spending.

The strongest feeling was in reducing spending on 'Communities and Equalities' (71 per cent), 'Tourism, Royal Pavilion, Museums and Venues, (67 per cent) and 'Sports and Leisure' (65 per cent). The 18-24 age group were the least in favour of reducing spending on Communities (52 per cent proposing a reduction and 20 per cent an increase). All age groups were consistent in their desire to see spending on 'Sports and Leisure' to be reduced.

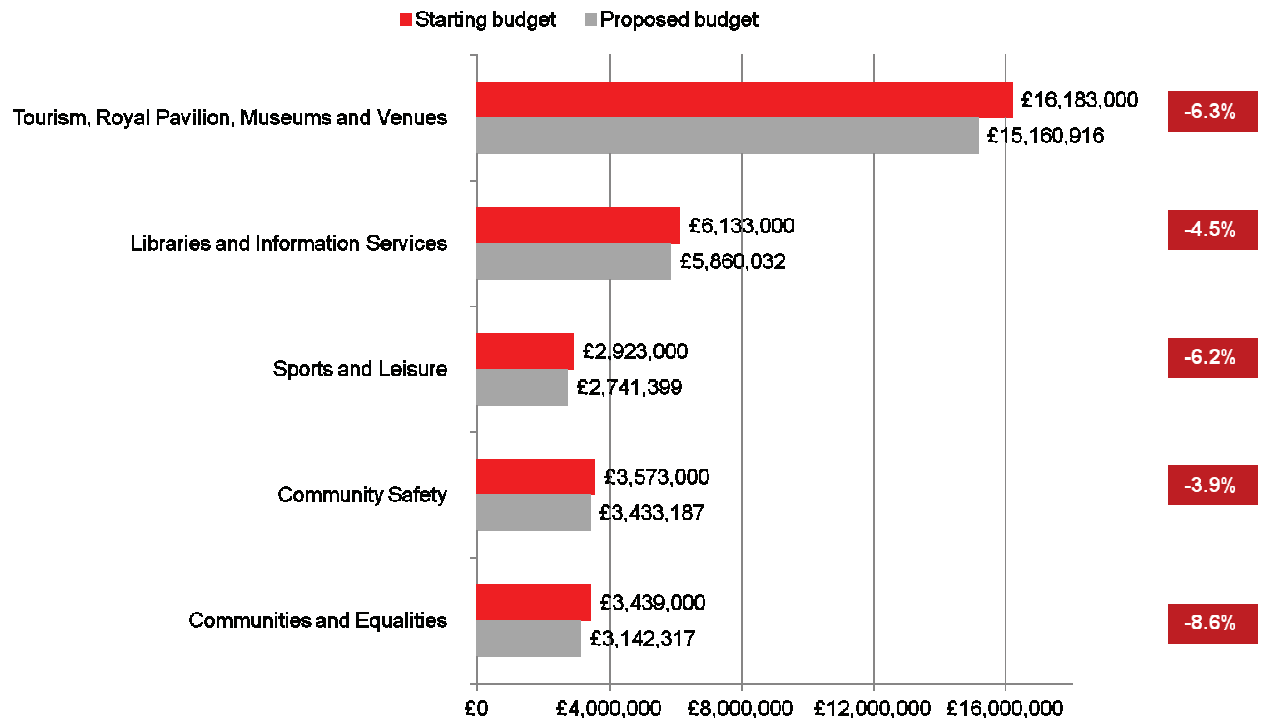
Conversely, 'Community Safety' as may be expected and 'Libraries and Information Services' were the two areas where there was less desire to reduce budgets. The 18-24 and 35-44 groups were most concerned about reductions in spending on 'Community Safety', with 57 per cent and 56 per cent respectively favouring maintaining or increasing current budgets.

Table 6: Proportion who chose to increase, decrease or maintain spending in each area

	% who want to decrease spending	% who want no change in spending	% who want to increase spending
Communities and Equalities	71	21	8
Community Safety	49	36	15
Sports and Leisure	65	26	9
Libraries and Information Services	53	38	9
Tourism, Royal Pavilion, Museums and Venues	67	23	10

Figure 8 shows a breakdown of respondents proposed changes to the Communities budget by function. Reductions in the budget are proposed in all areas. The largest percentage reductions in spending are proposed in Communities and Equalities (-8.6%) and Tourism, Royal Pavilion, Museums and Venues (-6.3%).

Figure 8: Expenditure on Communities



Both males and females are consistent in their views of a reduction in spending on Communities. There are however, differences in views on the degree of the proposed budgets cuts. Males, proposed larger reductions in spending on Supporting People, Communities and Equalities and Community Safety. Females favoured proportionally larger reductions in spending on Libraries and Information Services and Sports and Leisure.

On average, respondents chose a reduction in the budget for Communities from £32.25m per year to £30.34m. This equates to a saving of £1.91m and an average reduction of 5.9 per cent in spending on Communities. In comparison to other service areas this is a significant saving and indicates that the Communities budget is an area in which future saving can be made.

Resources and Finance

Introduction

In this section the views of respondents in relation to spending on Resources and Finance. Areas of council responsibility covered by this service heading include:

- Customer Services and Life Events
- Revenues and Benefits Service
- Human Resources and Organisational Development
- Communications
- Information and Communication Technology
- Legal and Democratic Services
- Property and Design
- Financial Services
- Policy, Performance and Analysis

Resources and Finance choices

The majority of respondents were in strongly in favour of reducing spending in all of the budget fields within this overall service heading (see table 7). The strongest feeling was in reducing spending on 'Human Resources and Organisational Development' (83 per cent), 'Property and Design', (82 per cent) and 'Policy, Performance and Analysis' (80 per cent). The 25-34 age group (92 per cent) and the 45-54 age group (93 per cent) were the most in favour of reducing spending on 'Human Resources and Organisational Development'.

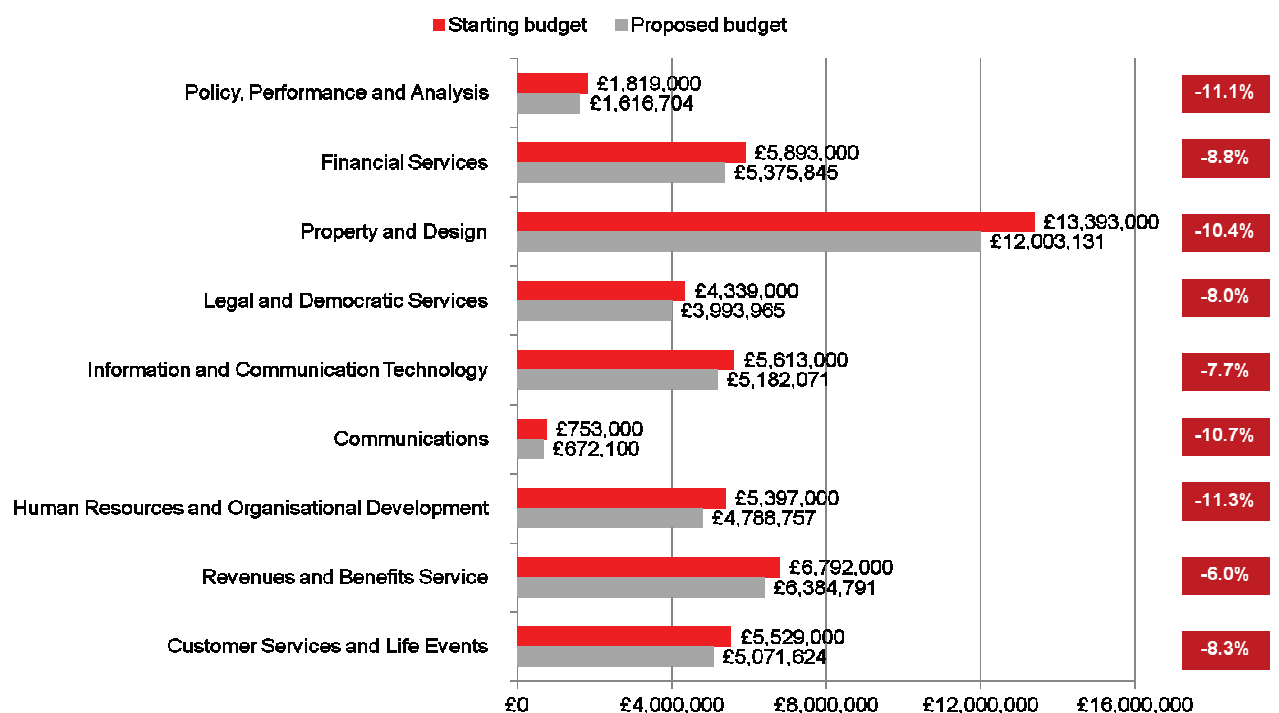
While still favouring a reduction in overall spending, respondents were less likely to propose reductions to the 'Revenues and Benefits' budget. The over 65's were most likely to favour maintaining or increasing spending on 'Revenues and Benefits', with 57 per cent proposing this. Younger age groups were much more likely to favour a reduction in this budget (71 per cent of 18-24 year olds and 73 per cent of 25-34 year olds).

Table 7: Proportion who chose to increase, decrease or maintain spending in each area

	% who want to decrease spending	% who want no change in spending	% who want to increase spending
Customer Services and Life Events	77	20	4
Revenues and Benefits Service	62	30	8
Human Resources and Organisational Development	83	14	3
Communications	77	20	3
Information and Communications Technology	71	19	11
Legal and Democratic Services	74	22	5
Property and Design	82	15	4
Financial Services	77	18	5
Policy, Performance and Analysis	80	16	4

Figure 9 shows a breakdown of respondents proposed changes to the Resources and Finance budget by function. Large reductions in the budget are proposed in all areas, with all functions on average seeing a proposed reduction of 6.0% or more. The largest percentage reductions in spending are proposed in Human Resources and Organisational Development (-11.3%) and Policy, Performance and Analysis (-11.1%).

Figure 9: Expenditure on Resources and Finance



Both males and females are consistent in their views of a reduction in spending on Resources and Finance. No significant differences exist between the views of males and females, with both proposing a reduction in spending in all areas.

On average, respondents chose a reduction in the budget for Resources and Finance from £49.53m per year to £45.09m. This equates to a saving of £4.44m and an average reduction of 9.0 per cent in spending on Resources and Finance. This is the highest proposed reduction in spending for a service area and clearly indicates that this is an area where respondents feel that significant savings can be made.

Open ended responses

The budget simulator allows respondents to make comments to help support and explain the decisions they made. We have not undertaken a full analysis of these open ended comments in the report. Figure 10 below displays a summary of the comments in the form of a Word Cloud. A larger word signifies that this word was mentioned more times in the comments.

Figure 10: Summary of open ended comments



This highlights how key words such as services and people appear regularly. But also indicates the need for further detailed assessment of the respondent comments to explore issues such as 'vulnerability', 'tax' and 'support'