Local Government and Regeneration Committee

Public Services Reform inquiry – Strand 3 – developing new ways of delivering services

Local Authorities’ savings plans – summary of responses – revised

Introduction and background

As part of its evidence gathering to support strand 3 of the Public Services Reform inquiry, the Committee agreed to write to all local authorities, requesting details of the approaches they had taken budget planning. Specifically, the Committee asked four questions—

1. Can you describe the approach that your local authority has taken to both short-term and long-term budget planning since the onset of the financial crisis? For example, has your local authority taken a “zero-based” approach, or has it set out a range of options for savings? Please supply any relevant supporting documentation, for example copies of any budget planning exercises etc.

2. Can you describe the consultation that your local authority undertook on your budget plans, both with stakeholders, and the general public?

3. How have the outcomes of your consultation fed into and influenced your budget plans?

4. What involvement has there been from external consultants/advisers in your budget planning, and what influence has this involvement had on your final plans?

The Committee’s letter to local authorities is included as an annex to this paper.

As well as feeding into the Committee’s public services reform inquiry, the submissions received from local authorities will also help inform the Committee’s forthcoming work on the budget.

Submissions received

The Committee wrote to all local authorities on 5 February 2013, setting a deadline of 5 March for a response. Submissions were received from 14 local authorities, a 44% response rate, namely—
• Argyll and Bute;
• City of Edinburgh;
• East Dunbartonshire;
• East Lothian;
• East Renfrewshire;
• Eilean Siar;
• Falkirk;
• Fife
• Glasgow;
• Highland;
• North Ayrshire;
• Scottish Borders;
• South Lanarkshire, and
• West Lothian.

On 17 May 2013, the Committee wrote again to all those local authorities who had not responded to the initial call for evidence. Nine additional submissions were received (raising the overall response rate to 72%), from—

• Aberdeen City;
• Aberdeenshire;
• Angus;
• Clackmannanshire;
• Dundee City;
• Midlothian;
• Renfrewshire;
• South Ayrshire, and
• West Dunbartonshire.

Summary of submissions

This remainder of the paper summarises the main points from all of the submissions received, and is an amended version of the paper produced in April. As with previous summary documents, it is structured along the lines of the questions asked by the Committee.

Allan Campbell

SPICe Research

Note: Committee briefing papers are provided by SPICe for the use of Scottish Parliament committees and clerking staff. They provide focused information or respond to specific questions or areas of interest to committees and are not intended to offer comprehensive coverage of a subject area.
1. Can you describe the approach that your local authority has taken to both short-term and long-term budget planning since the onset of the financial crisis? For example, has your local authority taken a “zero-based” approach, or has it set out a range of options for savings? Please supply any relevant supporting documentation, for example copies of any budget planning exercises etc.

This question received the most detailed level of comment from local authorities, many of which also included copies of relevant documentation (also enclosed with submissions). Councils set out a range of different approaches to budgetary planning. In general terms, there is a trend towards councils making their financial plans on a longer-term basis than in the past. Some mentioned specific methodologies – “service reviews”, “zero-based budgeting) and “Priority-Based-Planning.”

**Aberdeen City Council** described in some detail its “Priority Based Budgeting” approach, which “enables the council to set service priorities and prioritise spending towards achieving these objectives - rather than ‘salami-slicing’ all budgets which has, in the past, resulted in less being provided across a vast range of non-prioritised and potentially unnecessary services.” The five key elements of the PBB approach are to:

- Understand the significant areas of spend and to forecast the cost and demand pressures.
- Understand how services contribute to the organisation’s strategic priority outcomes.
- Develop transformation, efficiency and stop/reduce options for reducing expenditure.
- Test the feasibility and benefits of each option throughout the PBB process.
- Agree a directorate package of transformation, efficiency and stop/reduce options to take forward which are then prioritised against outcomes.

**Aberdeenshire Council** stated that: “Since the start of the financial crisis the Council has moved from a three year budget to a five years budget. We have become more interested in the decisions being taken nationally and how these might impact on the Council’s revenue grant position. At the height of the crisis we were undertaking our own calculations on what we thought the financial settlement would be in future years and feeding this into the revenue budget.” The Council also mentioned recruitment difficulties in the local area, “due to the buoyant oil industry.”

**Angus Council** described its medium term financial strategy, which covers a rolling 4 year period. In terms of revenue spending “the main purpose of the Strategy is to estimate our income and costs and the resulting funding gap which will need to be bridged by savings. In preparing the Strategy we look at
demand pressures, likely future grant settlements, new burdens, etc. to try to get as complete a picture as possible. The revenue budget projections in the Strategy are dominated by assumptions on government grant allocations and pay pressures. We apply sensitivity testing to the assumptions to identify the impact and to inform our budget savings strategy choices.” And for capital, the Council takes “a long term look at the affordability of proposed investment plans and we tie this in with our revenue budget assumptions.”

**Argyll and Bute Council** highlighted its “substantial change programme which was designed to co-ordinate and challenge activity across the whole Council. … The main theme within the change programme, referred to as our Transformation Programme, was a programme of service reviews. The service reviews were designed to look radically at each service of the Council over a three year period with a target for services to identify a range of options to reduced costs by a minimum of 15%. The first 2 rounds of service reviews resulted in savings within the 2010-11 and 2011-12 budgets, at which point the target savings were increased to a minimum of 20% in response to the financial outlook. … Each service review followed Prince2 methodology and the Council developed comprehensive service review guidance which included a number of reporting templates that each review followed, to ensure consistency in approach.”

**Scottish Borders Council** also noted its use of service reviews, and that “in order to identify sufficient savings, a shift in focus and behaviours to longer term financial management has been adopted by the Council’s Corporate Management Team to create a corporate programme of work to meet the anticipated future gap from increasing costs over the period 2017-18.”

**Clackmannanshire Council**’s submission set out a number of actions it had taken, building on its “medium term budget strategy”, which was agreed in August 2010, in particular its “strategic framework”, which “was facilitated operationally by the development and implementation of a Corporate Budget Challenge process at the same time. These Challenge sessions are led by the Council's Director's Group, comprising the Chief Executive and two Corporate Directors.”

**Dundee City Council** stated that while its approach is incremental, it is undertaking a series of “key strategic reviews”, within the framework of its “Changing for the Future Board”, which is “part of a strategy to achieve the level of savings required to deliver future balanced budgets.”

**East Dunbartonshire Council**’s “Transformation Programme is the major organisational and cultural change programme. As well as supporting outcome delivery, the Programme is aimed at achieving efficiencies through developing new ways of working and more effective ways of working across services and across organisational boundaries. The revised Organisational Planning arrangements approved by Council in February 2013, based around six strategic remits will strengthen the impetus on integrated approaches to delivery as well as maximising the resources deployed to early intervention and prevention.”

**East Lothian Council** stated that it works on the basis of a three year-revenue budget and that “When we consider the more detailed budgets a
mixture of approaches have been taken. A number of units and departments have undertaken ‘zero-based’ budgeting approaches. In addition, each year, the Council will consider a range of options for savings.”

**Glasgow City Council** also stated that its current budget planning cycles are linked to the Scottish Government’s spending review plans, but that it is also involved in longer term planning, using briefings from the Centre for Public Policy for Regions (CPPR). In terms of specific budget cycles, “a Financial Forecast for the planning period that details the spending gap is produced. As the process is initiated by the Council Strategic Plan and Financial Forecast, a clear set of priorities emerge. Services are then asked to identify a range of service reform options which, along with any corporate reform projects, demonstrate how we can make the best use of our resources to meet Council priorities and address the spending gap.”

For the 2013/14 budget process, **Edinburgh City Council** “adopted a Priority-Based Planning (PBP) approach to development of its budget with the aim of aligning resources more closely to its priority outcomes and deploying them in a way that best contributes to their delivery. … The PBP process involved wholesale review of the full range of existing Council activity, with services mapped according to the extent to which they contributed to the Council’s strategic themes, thereby informing where additional savings and/or investment opportunities might be pursued. … Whilst adoption of a PBP approach has been helpful in focusing attention more closely on what the Council is seeking to achieve and how resources are best allocated within the confines of a reducing real-terms budget, it is acknowledged that the 2013/14 budget marks the beginning, rather than the end, of this process.”

**Fife Council** described its current process as “incremental in nature”, but also stated that it was “committed to introducing” PBP.

**Falkirk Council** also highlighted a new longer-term approach to budget planning, and noted that “this is deliberately being pursued in an evolutionary rather than “big bang” manner." In terms of zero-based budgeting, the Council stated that it “has certain attractions, particularly given the scale of the cuts that Councils are facing, but the practical and resources implications of its application in large multi-service organisations should not be underestimated.”

Another council to mention zero-based budgeting was **Highland Council**, who had used the procedure for targeted areas and newly developed services. That aside, Highland’s typical approach has been “a roll-forward budget approach”/incremental approach – i.e. based on previous year's budget levels.

**Midlothian Council** highlighted its “traditional incremental approach,” and that its “focus has been on how best to meet the budget challenge and Council has moved away from cuts in budgets across all services to the implementation of a Council transformation programme to deliver efficiencies and to minimise the impact of funding reductions on frontline service provision.”
North Ayrshire Council also reviewed its services in 2010. Services “were asked to identify proposals for a 20% reduction in discretionary services’ spend over the three year period to 2013/14. This was assisted by an ambitious Change and Reform Programme, supported by the engagement of a Strategic Partner.” In addition, in terms of capital spending, in January 2013, the Council approved a ten year capital plan for General Services. And the Council is also currently developing a ten year financial strategy.

Renfrewshire Council described in some detail both its long term financial planning models, which “have assisted in providing a perspective of how the Council’s baseline financial landscape is likely to develop in the absence of any mitigating measures and responses being put in place by the Council;” and its medium term financial strategy, which “is a critical document and provides a strategic medium term framework which establishes overall financial direction and parameters to support the Council to move forward and deliver against its key policy objectives and priorities.”

South Ayrshire Council has, like various other councils, used an “incremental based method of budgeting,” described as such by the Council: “This approach safeguards current service provision at the outset of each year and requires consideration of all contractual and other unavoidable increases to be identified. An integral part of this type of approach is to continually challenge and question what and how we provide services by seeking any and all possible efficiencies throughout each year.”

South Lanarkshire Council highlighted its long term financial strategy, which has been in place (with regular updates) since 2008.

West Dunbartonshire Council highlighted its ten year financial strategy, which “provides analysis at two different levels - short/medium term where for the next 3 financial years projections of costs and resources are provided with estimated funding gaps for General Fund services and HRA. For longer term the strategy identifies future issues which are likely to influence future funding and costs.”

West Lothian Council began its financial planning in 2010, through launching its “Tough Choices” budget consultation. Earlier this year it agreed a medium term financial strategy, through to 2017-18, which includes workstreams that are aimed to deliver efficiencies that will support the Council’s “eight corporate plan priorities and balance the budget.”

Finally, Comhairle nan Eilean Siar “took an options based approach to addressing its budget strategy for the next two years, and undertook a very extensive, two-stage, consultation process with members of the public directly, as well as Community Planning partners.”

Consultation is addressed fully under the next question.
2. Can you describe the consultation that your local authority undertook on your budget plans, both with stakeholders, and the general public?

Local Authorities again answered this question in detail, outlining a range of approaches to consultation. Typically, consultation on budget proposals appears to involve publication of some form of consultation document, followed by a series of meetings with the public and stakeholders, although some councils have pursued innovative methods. Both “traditional” and innovative forms of consultation are set out below.

**Aberdeen City Council** again provided a very detailed rundown of all of its activity in this area, which included a public and third sector business briefing, a “city voice survey”, briefing trades unions, ensuring all websites (including partners) were kept up to date, and various other pieces of work.

**Aberdeenshire Council** stated that “Meetings were held with the local communities to provide information of the difficulties facing the Council and how the Council planned to respond to these difficulties. All political parties were given access to the savings schedules well in advance of the Council meeting so they could discuss and consider the savings.”

**Angus Council’s** 2012-13 budget consultation was based around a survey questionnaire, which covered citizens panels, residents, staff and focus groups. For 2013-14 the Council employed a market research company for a specific project, described as such: “A representative group of 250 residents were required to choose between competing areas of service for finite resources thus mirroring the type of difficult choices Councillors have to make when setting budgets. The results gave a clear indication of where the public would be more and less accepting of budget savings being applied and areas where they wished more money to be spent than at present. These results are being used to shape our budget strategy for future years.”

**Argyll and Bute Council’s** approach, which has run on a similar basis since 2010, “started with the publication of a document entitled ‘Difficult Choices for Difficult Times’. Consultation events and activities took place to promote the consultation and to encourage participation across Argyll and Bute. The consultation was led by the Council and received support from Community Planning partners.” Its consultation methods “included paper and web based questionnaires, press briefings, public meetings, community planning meetings, employee meetings, third sector partnership meetings, advertorials in the local press and the Citizens’ Panel. During the consultation the service review options that had a direct effect to the public were published.” The Council also noted that its service review process also “required engagement with employees and trade unions, customers and the community, suppliers and the third sector.”

**Scottish Borders Council** published savings proposals for 2013-14 on its website in December 2012, following consideration by the Council. The Council also gave presentations to its area forums, which were followed by meetings with the “media, opposition, Community Planning Partners and staff prior to approval of the budget.”
Clackmannanshire Council’s “extensive consultation exercise” in Autumn 2010 was called “Money Matters”, which “incorporated a wide range of activity including an online survey, engagement with community groups and partners, staff consultation and surveys in local supermarkets.” This has now been built on and embedded into year round engagement work by the Council.

Dundee City Council stated that although savings proposals are discussed with relevant stakeholder groups, “there is no formal public consultation exercise, although this is something we have undertaken in the past (with little feedback) and may consider again in the future.” Savings proposals are put into the public domain and covered in the press, which subsequently results in public feedback.

East Dunbartonshire Council explained its stakeholder programme in detail, which was “based on the principle that the level of engagement had to be as inclusive as possible with participants provided with a wide range of information and support in order to make their contributions as effective as possible.” Its objectives were—

1) “To identify the key principles which should underpin the corporate budgetary strategy
2) To consider options for savings and the potential impact on service users
3) To identify potential alternative delivery models
4) To identify any other areas for income generation or other budgetary options the Council should be considering”

To fulfil these objectives, East Dunbartonshire stated that “Council wide Stakeholder Working Groups comprising over two hundred representatives from community and voluntary sector organisations and local Elected Members were established. These Working Groups met during August and September to consider savings options proposed by services covering the following areas: Education; Caring for Children and Families; Caring for Adults and Older people; Waste and Recycling; Infrastructure; Community Services; Customer Services.”

East Lothian Council stated that it “undertook an extensive public consultation as part of its 2012/13 budget preparation.” and enclosed their “You pay now: have your say” document, which sets out the budgetary context facing the Council, and a series of questions for residents to address.

East Renfrewshire Council also produced a detailed “Budget Pack”, setting out the context, and dividing its proposed savings into five key areas, as set out below—

- **“Service redesign savings”** – this is where we have looked at how we deliver a service to see if we can do it more efficiently e.g. can we do it with fewer staff or do it in a different way. The aim is to maximise efficiencies and in many cases the changes will be invisible to the public. However, in some cases there may be significant changes in how the service is delivered.
• **Asset savings** – this is where we have identified buildings that we either no longer use or which are not used as well as they could be. It has then been decided that we can continue without holding on to a particular building.

• **Financial savings** – this is where additional income could be achieved by increasing income streams, reducing the demand on council funding. This type of saving also reflects the reduced costs of financing the Council’s loan debt taken out to help fund necessary investment in capital assets.

• **Procurement savings** – this is where we save money by renegotiating contracts with external suppliers. Where possible this will be done in collaboration with other councils to maximise savings.

• **Other savings** – this category is used to identify other savings which do not sit in the 4 categories listed above.”

City of Edinburgh Council noted that its process for 2013-14 was a different to its previous practice: “for the first time, the Capital Coalition set out a range of proposals that, together with previously-approved decisions, resulted in a balanced budget and provided indicative figures for the remaining years of the five-year framework. This draft budget was issued for public consultation and stakeholder engagement in mid-November, with an opportunity to lodge comments until early-January. It was acknowledged that this comparatively short timescale may have contributed to the modest public response and providing an increased opportunity for public and stakeholder consultation is therefore the key driver in publishing the draft 2014/15 budget by the end of September 2013.”

Falkirk Council highlighted its “bi-annual questionnaire,” issued alongside council tax billing, and that “views are also encouraged via the Council’s periodic public newspaper. It has also formed a “Citizens Panel.” It also noted that it will be reviewing its approach to consultation in future.

Fife Council produced a detailed summary of its consultation process, which lasted 6 weeks and was designed to involve “as wide a cross section of residents, services users, service providers and stakeholders to be given the opportunity to contribute their views as possible.” It used an Online dialogue app, Area meetings and a Paper survey. To raise awareness of the budget consultation Fife Council used:

• “media campaign using press releases targeted at local media
• social media channels – Facebook and Twitter
• Stakeholders and interest groups – email and letter
• Councillors – email briefing note
• People’s Panel – email and letter
• internal communication channels for employees – email and intranet
• A5 printed flier
• Plasma display screens at main council buildings and Local Offices
• Online banners on homepages of Council’s website FifeDirect and intranet FISH
• Online mini-site”
**Glasgow City Council** highlighted the consultation and engagement on its Council Strategic Plan. In terms of budget-specific consultation, it noted work done in 2010 for the 2011-13 budgets, “with the business sector, the voluntary sector, community councils and citizens, including young people. At each of these events the Council Leader presented the proposals and challenges for consideration and discussion. Findings from these events were reported to senior officers and elected members and informed the shaping of the budget options presented to Council in February 2011.”

**Highland Council** undertook “extensive budget consultation”, including consultation events, stakeholder meetings, meetings with specific vulnerable groups, a budget blog and a paper survey.

**Midlothian Council** set out its approach to consultation in each year since 2012-13, for 2013-14 the Council “ran an online budget simulator asking the community to engage with the Council to firstly understand the budget and also for them to make choices on the prioritisation of services.”

**North Ayrshire Council** highlighted its “straight-talking” events and online sessions, and that “Further consultation has taken place with stakeholders in connection with the Council’s Social Care personalisation agenda, as well as those affected by other areas of the Council’s transformation programme.”

**Renfrewshire Council** stated that it “has put in place significant communication arrangements to support engagement with the general public in the context of the scale of financial challenge which the Council has faced and the difficult choices that have required to be taken. In addition, the Council’s budget decisions have been significantly policy driven, reflecting the core priorities and key outcomes identified in its Council Plan and Community Plan, which are underpinned by a significant level of consultation and engagement with the general public, key community groups and key public sector partners.”

**South Ayrshire Council** highlighted its major public consultation in 2010, called the “Big Budget Challenge”, which was “multi platform and was focussed on setting out the financial challenges facing the public sector and garnering views on what services really matter to people and what ideas members of the public had for savings.”

**South Lanarkshire Council** noted its annual public “face to face” consultation events, on both an area basis and with specific groups “representing the demographics of the Council area.”

**West Dunbartonshire Council** consulted on the 2013-14 budget process through “a public meeting, an online consultation and a mobile approach via the use of a "budget bus" to seek views.” The council also consulted with trades unions and tenants groups.

**West Lothian Council** ran a 9 week consultation process, based on its “Delivering better outcomes” document. This contained a set of 8 priorities, which respondents were asked to respond to and was targeted at employees, community groups, members of the public and CPP partners.
Eilean Siar's consultation involved “either the Leader or Convener, accompanied by either the Chief Executive or Director of Finance and Corporate Resources, attending two series of public meetings in Barra, Uist (two meetings, one for North Uist and one for South Uist), Harris, Stornoway and rural Lewis (two meetings, in different places at each stage of the consultation). The meetings were exceptionally well attended, and consisted of a presentation of savings which the Comhairle was "minded to make" and other proposals for discussion but which the Comhairle was, at the stage of consultation, not so minded. There was also, of course, the opportunity to respond to the consultation documents in writing, by e-mail etc and an on-line facility was set up to enable members of the public to create their own Comhairle budget, based on the options set out for discussion.”
3. How have the outcomes of your consultation fed into and influenced your budget plans?

Councils had a wider variety of approach in terms of how they used the outcomes of their consultation than the format of that consultation. Some councils demonstrated specific examples of where consultation had changed their budget plans, but others did not see consultation having a significant level of influence.

**Aberdeen City Council**’s submission stated that “Feedback received through the communication and engagement activity is used to inform the business planning process. All feedback is summarised in a communications and engagement report which is shared with the council’s Corporate Management Team and elected members prior to setting the budget.”

**Aberdeenshire Council**’s view was that “Councillors know the issues that the local communities are raising and this combined with information collected from the consultation events are fed into the revenue budget process. The most recent examples being a commitment to fund Broadband (£18 million), additional funds for road maintenance (£1 million) and grounds maintenance (£750,000).

**Angus Council** ensures that its “consultation process is concluded in time to be shared with all elected members prior to final plans on the budgets for future years being made. Consultations in recent years have resulted in proposals for savings in road maintenance and visiting specialist teachers in primary schools being dropped because of strong public opposition to these. These themes came forward in both the 2012/13 and 2013/14 consultations despite us taking a different approach to consultation in these years.”

For **Argyll and Bute Council**, “a report on the outcome of the budget consultation is submitted to the Council when it considers the budget.”

**Scottish Borders Council** stated that “outcomes of the consultation have had little direct impact on the Council’s budget plans, other than to verify that there was widespread understanding of the financial situation facing the council and that the status quo was not an option.”

The feedback from **Clackmannanshire Council**’s “money matters” consultation “was compiled in a database and in the first instance used to inform the savings proposals submitted to Council for consideration. Elected members were provided with a presentation and briefing on the responses received prior to the Budget setting process at Council.”

**Dundee City Council** stated clearly that: “Feedback from stakeholder groups has, in the past, resulted in savings proposals being amended or even withdrawn completely.”

**East Dunbartonshire Council** set out that “The findings from the Programme were initially reported to the all party Budget Stakeholder Monitoring Group which had been established by Council to inform the corporate budgetary strategy with formal reporting to full Council in November. The Council valued the widespread engagement of all stakeholder groups and feedback sessions...”
took place with all groups to provide detail on the Programme findings and the scheduled implementation of the corporate budgetary process during November and December.”

**East Lothian Council** felt unable to answer the question “as the final say on the specific budget savings are decided by elected members.”

**East Renfrewshire Council** attached its full, detailed report on how its budget consultation influenced its plans, responding to concerns raised by residents, including a range of specific points, for example—

“We will proceed with the reduction in teaching staff in all our pre-five establishments by a total of 12, replacing them with Child Development Officers working towards improving their qualifications. However we are committed to retaining at least 1 teacher per centre. This will ensure that in East Renfrewshire Council nurseries, we still have one of the highest ratios of teachers in nurseries across Scotland whilst utilising the excellent skills of our Child Development Officers.

We will continue to help as many of our Child Development Officers as possible to work towards a degree in Childhood Practices. The degree takes a holistic view of children’s development, learning and well-being and covers areas such as: protecting and caring for children; working with parents and carers; encouraging children to become healthy, active and achieving.”

And—

“We had proposed introducing a charging scheme for our garden assistance and Mr Diggit schemes. However, we have decided not to proceed with charging for next year only. We have asked officers in our Environment Department to look again at how we deliver this service and what is the best way forward for it.

At the moment we are still looking to introduce charging the year after next. However, this will depend on what recommendations our officers bring forward.”

**City of Edinburgh Council** noted, in terms of its consultation, that “in most cases, this has reaffirmed the emphasis on exploring savings opportunities through back-office functions, management de-layering and Council-wide analysis in areas such as property and procurement. In the context of the 2013/14 budget, feedback from the public consultation exercise played a significant role in reinstating funding to third sector organisations and continuing investment in the Edinburgh Guarantee (a programme of investment in job opportunities and associated training for school leavers) and employability functions. Public consultation feedback also influenced the decision in 2012/13 to lessen the level of funding reduction to be applied to library and public conveniences within the city.”

However, **Falkirk Council** noted that “Consultations, even with a relatively good response rate only capture a very small proportion of the electorate. Moreover, they may be skewed by, for example, age, gender, location or
possibly by active interest groups and in consequence need to be interpreted with care. They, therefore, provide a reference point and context in considering budget options.”

**Fife Council** stated that “Reports on the outcomes of the consultations have been submitted to councillors of all parties to be used in the development of their budget proposals.”

**Glasgow City Council** noted that “the outcome of our regular annual survey of residents is taken into account in the budget process. Survey findings are considered by the Operational Delivery and Scrutiny Committee and by senior officers at the Extended Corporate Management Team and these inform proposals for reform and improvement. For example:

- The Voluntary sector raised concerns about the ability to plan for the medium term when grant funding is allocated annually. The Council agreed to fund organisations for two years and this was built into the Council’s budget proposals for 2013-2015.

- Residents highlighted concerns about roads and pavement maintenance in the spring 2011 survey and additional resources of £18million were allocated to roads infrastructure from June 2011 to date. We have continued to track residents’ satisfaction in this area and since spring 2011 satisfaction with roads maintenance has increased by 16%. We plan to increase the level of investment to £18million each year over the next two financial years.”

**Highland Council** also provided specific examples of how the outcomes of its consultation process influenced budget plans, in terms of those proposals receiving particularly high or low levels of support. The question “would you be supportive of your council providing more services through the post office or other local outlets” received a 92% positive response and was included in its plans. But proposals to reduce the school day by 30 minutes met with a large level of opposition and were not taken forward.

**Midlothian Council** stated that while it was “difficult to be specific on the impact and influence” of its consultation work, “In the main the consultations have assisted elected members by giving them a fuller insight into the communities’ views.”

**North Ayrshire Council** stated that: “The outcome of these consultation exercises was considered in the final proposals in respect of investment and efficiencies.”

**Renfrewshire Council** explained that “budget plans have been significantly driven by its agreed policy objectives and priorities, the development and agreement of which are underpinned by significant consultation and engagement with the public, stakeholders and partners. This link between agreed policy objectives and priorities and budget plans has directly influenced a wide range of key budget decisions.”

**South Ayrshire Council** stated that “The findings have been taken into account as budget work has progressed.”
South Lanarkshire Council stated that the outcomes of its public consultation were advised to all elected members. It also had a direct email facility to allow the public to pose questions and suggest solutions on budgets.

West Dunbartonshire Council noted that “Outcomes of consultations were reported to Members via a report to the Council meeting at which the budget was being set, identifying the views of both the public and employees.”

West Lothian Council highlighted that there was widespread support from employees, individuals and organisations for its eight priorities and therefore the Council has agreed a Corporate Plan for the next four years based on these priorities.

Eilean Siar noted that “all of the consultation responses, and the notes of the meetings, were reported in full to Budget Strategy Seminars, which consisted of all Members of the Comhairle, and a number of the proposals were changed and modified on account of views expressed by members of the public.” However, it also noted that “The response from Community Planning partners was less extensive, and one principal consultee did not respond in any detail until very shortly before closure of the consultation process. It should be noted, however, that the Outer Hebrides Community Planning Partnership meets frequently, and budget issues have been considered, both formally and informally, at recent meetings.”
4. What involvement has there been from external consultants/advisers in your budget planning, and what influence has this involvement had on your final plans?

Around half of the local authorities who responded to the consultation did not involve any external consultants or advisers in their budget planning (Aberdeenshire, Borders, Clackmannanshire East Lothian, East Renfrewshire, Falkirk, Fife, South Ayrshire, South Lanarkshire, West Lothian).

There are some examples of councils who did use external advice in some capacity, and these are set out below.

In **Aberdeen City Council** “External consultants supported the council’s PBB project team to establish the PBB approach and the communications and engagement workstream in 2010.

The project team formed in 2010 continues to manage and further develop the annual PBB exercise and the council’s Corporate Communication and Engagement Manager is responsible for the communications and engagement programme.”

**Angus Council**’s “only use to date of external advisers has been Research for Today who assisted us with our 2013/14 budget consultation exercise (see above). We have however also been in liaison with other Councils on their approach to budget setting and prioritisation as part of a review of our current approach – this work is ongoing.”

**Argyll and Bute Council** used consultants to manage some of their service reviews, “or to provide a challenge on the options coming out of the review”, but noted that “consultants/advisors have not been used in developing the overall strategy or management of the process.”

**City of Edinburgh Council** used external consultants “to help take forward the PBP initiative… given that it represented a distinct step change for the Council.” The Council noted though that “Now that the foundations of a PBP approach have been established, use of external consultants has reduced, with the Council co-ordinating work streams to deliver detailed operational plans in these areas. Given the extent of savings targeted from procurement, however, proposals in this area will continue to be developed in conjunction with external advisors as part of a gain-share arrangement. External advice will be utilised in other areas only where the requisite skills and expertise are assessed not to be available in-house and where it is therefore cost-effective to do so.”

**Dundee City Council** noted that it had engaged a consultant as part of its Service Prioritisation Exercise.

Also on PBP, **Fife Council** noted that under this question that “we are reviewing our budget process and considering a Priority Based Budgeting approach, modelled on Aberdeen City’s process. Within that we expect to carry out a form of zero based budgeting across elements of the Council’s budget.”
While **Glasgow City Council** did not use external consultants in the budget process, “IPSOS Mori is commissioned to conduct the annual household survey which is used to inform policy development and performance reporting more widely in the Council. As outlined above, we use available briefings from CPPR and the Improvement Service.”

**Highland Council** stressed that it only uses external advice “where particular specialisms could only be resourced externally e.g. specialist information technology support relating to IT system developments.”

**Midlothian Council** only used external support to host its budget simulator.

**North Ayrshire Council** uses a “strategic partner” who “has been involved over the last two years’ and has provided particular expertise in demand management within Social Services. The straight-talking sessions allowed the Council, via an external consultant, to gather feedback from local organisations and individuals, which was considered when developing our final plans.

**Renfrewshire Council** explained that “There has been no involvement of external consultants/advisors in the Council’s budget planning process. In the very recent past there has been limited high level engagement made with an external consultant as part of utilising a budgeting framework developed by the consultant. This framework was used as part of initiating a refresh of the Council’s shorter term budget strategy and was used specifically to assist in identifying a long list of options for the identification of potential areas of savings which were subsequently progressed internally within the Council.”

Although **West Dunbartonshire Council** did not use consultants in its budget process, it did use specialist advice for its capital planning and in reviewing its approach to procurement.