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## APPENDIX 16 – Phase Two Budget / MTFP(15) Consultation

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### Background

- 1 Between 6 December 2024 and 17 January 2025, the council carried out a further consultation with its residents and partners regarding proposals to balance the council's budget for the next financial year (2025/26) and Medium Financial Term Plan 2026-2029.
- 2 During the period, presentations were made to the 14 Area Action Partnership Boards across 5 dedicated meetings and the council contacted its key partners including the County Durham Partnership (CDP) and County Durham Association of Local Councils (CDALC) for views.
- 3 The questions posed were as follows:
  - a) Considering saving proposals from the delivery of frontline services totalling £2.348 million for 2025/26 specifically, please tell us how these savings will impact you, your community or those you represent.
  - b) If you have any further comments to make, please provide your feedback. This could include:
    - i. views on any of the savings' proposals and activities
    - ii. views on our continued approach to budget savings covering back-office efficiencies, raising additional income and savings from how we deliver front line services
    - iii. additional ideas as to where we can raise further income or make further savings.

### Promotion

- 4 The consultation was promoted via press release; social media posts, the Council's consultations website page, posters displayed in libraries and CAPs, and targeted emails sent to a range of organisations and partners with a request to provide their feedback by the closing date.

### Participation

- 5 The approach enabled the council to engage with 387 people. 56 survey responses were received. 57% of residents responding to the survey provided equality data. We have no disaggregated equality data for other engagement methods. Feedback on the online survey was received most

protected groups, although rates were not always directly comparable with population data for the County.

- 6 There was more male (62.5%) and female (37.5%) responding to the online survey. In terms of age, 76.5% of respondents were between the age of 18-64, with 23.5% over the age of 65. Census 21 data releases show County Durham's 16-64 years population is 61.8%, demonstrating a disproportionately higher engagement rate with the 'working age' population.
- 7 The disability online respondent rate is 29%, which is higher than Census 21 population data of 22.4% (for the overall county population) and 20.5% (working age population, aged 16-65). The Disability Partnership were notified of the consultation alongside a range of partners and invited to take part. 6.5% of respondents were non-British which is higher than Census 21 ethnicity data for the County at 5.3%.
- 8 Respondents from the remaining protected groups were broadly representative of the population with 32% having no religion or belief. There was a slightly higher response rate from Christians (58.1%) compared to the County wide rate of 54.6%. However, there was no representation from the lesbian, gay and bisexual population.

<b>Method</b>	<b>Number</b>
Survey (online and paper returns)	56
AAP meeting attendance	83
Other meetings attendance	17
Partner letters/emails	2
<b>Total</b>	<b>158</b>
Additional: Social media engagement	Engagement including link clicks: 229 Reach: 7,535

The outcomes from across the consultation have been recorded and analysed and key messages are identified below.

### **Summary of survey responses**

- 9 56 people completed a survey either online or via a paper version.

### **The focus of the consultation**

- 10 The consultation was focused on additional savings proposals across the themes of:

- (a) **Savings from back office and efficiencies:** This includes a reduction in back office areas such as finance, legal and democratic services, human resources and employee services, transactional and customer services, digital services and the environment and design team. In addition, reductions in capital finance costs.
- (b) **Raising additional income and reducing our third party contributions:** Increasing value for money through joint procurement with other local councils, introducing charges for learning disability transport for some users who do not currently pay a charge, income from the Story through our Register Office, changes to our road permit schemes, court summon fees, charging for staff costs, reviewing council tax relief on empty homes, dividends from our companies.
- (c) **Changes in the way we deliver front line services:** this includes:
  - (i) the absorption of services in the adult social care team such as, substance misuse support, some learning disability and mental health support, the way adult with learning disabilities access support.
  - (ii) Early Help services for families
  - (iii) Environmental services such as the find and fix, weed spraying operations, pest control, civic pride, allotments, and community protection.
  - (iv) Reducing the operation of theatres on quieter days of the week
  - (v) Non staff budgets in Area Action Partnerships
  - (vi) Budget for temporary housing and homelessness.

### Overall responses

- 11 We asked for feedback on the likely impact of these proposals and if they had any additional comments.
- 12 In relation to **Back Office and Efficiencies**, some comments suggested that all services should be reviewed for efficiency.
- 13 In relation to **Raising additional income**, there were no negative comments regarding this approach.
- 14 In relation to **Changes in the way we deliver front line services**, more comments were received particularly about potential impact on vulnerable

people using the Care Connect service (8), a deterioration in community services (11) and some indicated a minimal or neutral impact (9).

- 15 In the additional comments question, we received the highest level of responses in relation to urging for overarching saving and efficiencies (23). There were a number of comments relating to transformation of delivery of services and enhancing partnership working (5), reduction in senior officer salaries (9), and concern about the management of the council (6). 5 comments to protect bin collections, the highway network, weed spraying and face to face contacts were also made.
- 16 The top five themes for each of the questions are detailed below.

### ***Views on front line savings proposals - impact***

- 17 We received 52 responses to this question for which an AI generated summary using the council's Co-Pilot tool has been produced, using the prompt: Identify common themes in order of prevalence and summarise. Do not deviate from the content of the (responses) document.
- 18 The AI report details the top five themes as follows:
- (a) **Lack of services and negative perception of the council:** Many respondents expressed that they could not identify services which are provided by the Council in their local community, therefore, the proposed saving would not impact communities, because, in their view, services are non-existent. Some responses suggested that the council is inefficient.
  - (b) **Impact on vulnerable people:** several comments highlighted concerns about the reduction in services like Care Connect, which are vital for vulnerable groups.
  - (c) **Financial burden of increased council tax:** There was significant concern about the impact of potential increase in council tax, particularly in less affluent areas.
  - (d) **Environmental and public realm concerns:** Respondents noted the decline in maintenance of public areas, such as grass cutting, weed control, and general upkeep of green spaces. There is a fear that further cuts will exacerbate this decline, making areas less attractive and potentially impacting the local economy.
  - (e) **Efficiency and restructuring:** Some comments suggested that all services should be reviewed for efficiency.

### ***Additional comments***

- 19 89 comments were received for which an AI generated summary using the council's Co-Pilot tool has been produced, using the prompt: Identify common themes in order of prevalence and summarise. Do not deviate from the content of the (responses) document.
- 20 The report details the top five themes as follows:
- (a) **Criticism of Council Efficiency and Spending:** Many responses highlight perceived inefficiencies within the council and call for a reduction in senior officers' pensions and wages.
  - (b) **Council Tax and Public Spending:** Several comments suggest stopping all council tax discounts. The allocation of funds to events like Lumiere, were criticised suggesting these are no longer popular. There are calls to re-evaluate capital expenditures on projects deemed unnecessary, such as arts, the DLI centre and new council offices.
  - (c) **Public Services and Facilities:** concerns were expressed about reducing essential services like highway maintenance and bin collection. Some suggestions to outsource or transfer services to local parish councils or volunteer groups to improve efficiency and community involvement.
  - (d) **Social Care and Children's Services:** A significant number of comments would like to see additional savings in social care and children's services by eliminating the use of private companies. There are suggestions to replace private taxi firms with council-run minibuses for school transport and to reassess the support system for children with special needs.
  - (e) **Property and Resources Management:** Several responses propose reducing or eliminating funding for environmental projects, questioning their effectiveness. There are mixed views on the switch to electric vehicles and the installation of solar panels on council buildings to reduce energy costs.
- 21 No additional analysis was undertaken via the AI tool as the response figures did not warrant further investigation.
- 22 The summary has been cross referenced for due diligence through a process of manual coding of the open text comments and has found the AI summary to be accurate. This process also found that the main responses could be grouped into the following most prevalent categories:

### **Variation in survey responses**

<b>Are you responding as:</b>	<b>Number of people</b>
County Durham resident	49
Durham County Council Employee	5
Elected Member	5
A business	2
An organisation	1
Other	0
<b>Total</b>	<b>62</b>

- 23 Respondents were able to select multiple responses to this identifier question. Residents provided the majority of the responses to the survey (90.7%).
- 24 Known organisational survey responses were received from County Durham and Darlington Fire and Rescue Service and Believe Housing. Specific comments from these respondents are noted within the feedback from partners section of this report.
- 25 Durham County Council employee responses highlighted areas where additional savings and efficiencies could be made to improve front line services including children and young people services. Other efficiency areas include spend on large scale projects, the use of council buildings, equipment and staff working arrangements, as well as areas for potential income generation.
- 26 Elected Members responses were limited however highlighted areas of additional savings and efficiencies including staffing.

### **Summary of additional feedback – AAP Board Meetings**

- 27 A presentation was delivered to each AAP Board across five bespoke meetings where they could ask questions and provide feedback. The key areas of feedback which are detailed below.

#### ***Views on front line saving proposals - impacts***

- 28 Feedback highlighted the need for full impact assessments as many proposals impact vulnerable people. Direct queries regarding front line impacts related to a number of services including the Substance Misuse Team, AAP, libraries, theatres and sport centres, neighbourhood related services. There was a sentiment that discretionary services mean a great deal to residents and could also affect access to wider support. There was

also a comment that the rising costs around looked after children should involve a review of the root causes of this.

### ***Additional comments***

29 Additional feedback brought a variety of responses covering:

#### *Understanding of financial pressures and key concerns*

30 Comments included recognition that the task of making savings is extremely difficult in the light of significant savings having already been made and concern that this will impact performance and long-term sustainability of services.

#### *Back office and other efficiencies, value for money*

31 Comments included potential for efficiencies across the Northeast councils by combining services, the use of AI and technology as a route to further savings, procurement practice and external contracting related efficiencies value for money imperatives regarding adult social care, the use of agency staff and ideal staffing levels across the council.

32 Comments were also made regarding the details of capital projects as a large area of spend and queries regarding the new Local Networks role in creating efficiencies linked to the AAP boundary review. It was also noted that Town and Parish Councils could potentially support some council duties if their grants were sufficient.

#### *Income generation and additional, longer-term funding*

33 Comments highlighted optimism for an increased and/or longer-term government settlement to support longer term forecasting of budgets, queries regarding the role of the Regional Mayor and North East Combined Authority in positively impacting budgets. There were also comments regarding income raising potential via housing of multiple occupancy and student accommodation regarding council tax payments.

#### *Importance of consultation and communication*

34 Comments queried how far the consultation would be considered within the decision-making process. Within this the importance of this consultation, encouraging responses as well as communicating outcomes and decision-making regarding service changes was noted.

### **Summary of additional feedback**

35 Overall feedback from partners showed appreciation for the challenging financial situation the council faces, agreement regarding the council's continued approach to savings proposals and council tax increase and

empathy and awareness of the impact of savings on communities. Partners also highlighted areas to explore to make efficiencies including a transformational approach to service delivery, collaborative and integrated approaches to service provision through a continued partnership approach.

### ***Town and Parish Councils***

- 36 A meeting with the County Durham Association of Local Councils highlighted the following areas of feedback:
- (a) Ability to raise further income through areas such as council tax, business rates, devolution, redevelopment of Aykley Heads
  - (b) Clarity and understanding regarding the council's responsibilities for the provision of Home to School Transport.
  - (c) Concern for local residents regarding pressure on household finances, inequity in council tax banding system, reduction in service including neighbourhood and community services.
  - (d) Opportunities for the council to work more closely with Town and Parish Councils regarding the provision of services in terms of increased communication regarding service change, exploration of transfer of certain service provision to avoid complete withdrawal.
  - (e) Appreciation of the reality of the financial forecasts and understanding the need for fundamental and transformational change in how the council delivers services.

### ***Trade Unions***

- 37 At a meeting with Trade Unions, representatives focused on the impact on council employees regarding budget savings where staff directly impacted. They also sought reassurance regarding the council's ongoing robust financial management, the council's continued approach to Net Zero and school funding and budget management.

### ***Believe Housing***

- 38 Feedback highlighted the detrimental impact of frontline related savings proposals on their customers confirming it is crucial that necessary information is communicated to their teams, services and customers to ensure they understand any new processes and structures and full impact assessments considered.
- 39 In line with this they encourage continued communication and partnership working with the council regarding a broad range of service delivery aspects to understand impact on their organisation and their customers. Furthermore, Believe Housing note the financial impact in respect of



council tax increase for their customers and members of staff and welcome analysis the council has already carried out on how this would affect people broadly across the county.

### ***County Durham Care Partnership***

- 40 Although no collective response was received from the CDCP, a forum member highlighted their continued support for raising council tax to protect services and an appreciation for the pressures facing the council from the likes of national insurance contribution increases and rises to national living wage.

### ***North East Chamber of Commerce***

- 41 Feedback from the North East Chamber of Commerce recognised the challenging set of financial circumstances the council face. They stressed the importance of strong public services as a central component of a healthy North East economy including the work of the council and Business Durham in supporting business growth. In respect of this their members prioritise the visitor economy and the need to retrofit existing housing.
- 42 They support the council's savings approach whilst maintaining a commitment to deliver a high level of basic services. Proposals such as using joint procurement arrangements with other local councils through the North East Procurement Organisation, they believe will help increase value for money and support a balanced budget. They will continue to work in partnership with the council to secure the best possible conditions for business and employers in Durham and the wider North East.

### ***County Durham and Darlington Fire and Rescue Service***

- 43 Feedback from the Service regarding the impact of front-line related savings proposals noted the significant increase in the number fire deaths which has been linked to individuals with health issues, highlighting the proposed further savings in adult social care and care connect in particular require careful consideration to minimise the impact on the most vulnerable.
- 44 Furthermore, the Service noted the financial position the council faces and is broadly supportive of the savings approach. The Service is however mindful of the impact that further budget pressures could have on the incidence of fire and the number fire fatalities in the County. The Service firmly believe that by working in partnership to provide more joined up services we can deliver improved outcomes with integrated working is a key priority.

## ANNEX 1

### Equalities Breakdown

Approximately 57% of residents responding supplied protected equality monitoring information as set out in the tables below:

#### Are you:

	Frequency	Percent
Male	20	62.5%
Female	12	37.5%
<b>Total</b>	<b>32</b>	<b>100.0%</b>

#### What is your age?

	Frequency	Percent
25-34	4	11.8%
35-44	5	14.7%
45-54	7	20.6%
55-64	10	29.4%
65-74	7	20.6%
75+	1	2.9%
<b>Total</b>	<b>34</b>	<b>100.0%</b>

#### Do you consider yourself to be a disabled person?

	Frequency	Percent
Yes	9	29.0%
No	22	71.0%
<b>Total</b>	<b>31</b>	<b>100.0%</b>

#### What is your religion or belief?

	Frequency	Percent
Christian	18	58.1%
Buddhist	1	3.2%
None	10	32.3%
Atheist	1	3.2%
Generic (higher power)	1	3.2%
<b>Total</b>	<b>31</b>	<b>100.0%</b>

#### What is your ethnicity?

	Frequency	Percent
White British	29	93.5%
White non-British	2	6.5%
<b>Total</b>	<b>31</b>	<b>100.0%</b>

#### How would you describe your sexual orientation?

	<b>Frequency</b>	<b>Percent</b>
Heterosexual/straight	28	100.0%
<b>Total</b>	<b>28</b>	<b>100.0%</b>

## **ANNEX 2**

### **AI generated reports**

#### **Summary of common themes in response to question 1 in order of prevalence**

**Question 1:** Considering saving proposals from the delivery of frontline services totaling £2.348 million for 2025/26 specifically, please tell us how these savings will impact you, your community or those you represent.

##### **1. Lack of Services and Negative Perception of the Council**

Many respondents expressed that they could not identify services which are provided by the Council in their local community, therefore, the proposed saving would not impact communities, because, in their view, services are non-existent. Some responses suggested that the council is inefficient.

##### **2. Impact on Vulnerable Populations**

Several comments highlighted concerns about the reduction in services like Care Connect, which are vital for vulnerable groups, such as the elderly and those with health issues. Reducing these services is seen as detrimental to the community's most vulnerable members.

##### **3. Financial Burden**

There is a significant concern about the potential increase in council tax, which many feel would be unaffordable and burdensome, especially in less affluent areas. Many believe that paying more for fewer services is unfair.

##### **4. Environmental and Public Realm Concerns**

Respondents noted the decline in maintenance of public areas, such as grass cutting, weed control, and general upkeep of green spaces. There is a fear that further cuts will exacerbate this decline, making areas less attractive and potentially impacting the local economy.

##### **5. Efficiency and Restructuring**

Some comments suggested that all services should be reviewed for efficiency. There were specific calls for restructuring within early help services and better management practices that could lead to potential savings.

##### **6. Digital Access and Automation**

Concerns were raised about the push toward digitization of services, which could create barriers for individuals who rely on face-to-face interactions with the council. There's worry that digital automation might exclude some residents and require more support from other teams.

## **7. Specific Service Concerns**

A few respondents mentioned specific services such as library access and staffing in critical areas. There were calls for detailed plans and transparency regarding how savings will be achieved and what specific impacts would be.

## **8. Criticism of Government Policies**

Some responses attributed the financial issues to broader governmental mismanagement and policies, both at the national and local levels, affecting local government funding.

Overall, the themes reflect a mix of dissatisfaction with the council's current service delivery, concern for vulnerable community members, and the financial strain of increasing taxes with decreasing services.

## **Summary of common themes in response to question 2 in order of prevalence**

**Question 2:** Please provide any additional comments you have on our savings proposals for 2025/26.

### **1. Criticism of Council Efficiency and Spending**

Many responses highlight perceived inefficiencies within the council and call for a reduction in senior officers' pensions and wages.

### **2. Council Tax and Public Spending**

Several comments suggest stopping all council tax discounts and criticize the allocation of funds to events like Lumiere, suggesting these are no longer popular. There are calls to re-evaluate capital expenditures on projects deemed unnecessary, such as arts, DLI centre and new council offices.

### **3. Public Services and Facilities**

Respondents' expressed concerns about reducing essential services like highway maintenance and bin collection. There are also suggestions to outsource or transfer services to local parish councils or volunteer groups to improve efficiency and community involvement.

### **4. Social Care and Children's Services**

A significant number of comments argue for savings in social care and children's services by eliminating the use of private companies. There are suggestions to replace private taxi firms with council-run minibuses for school transport and to reassess the support system for children with special needs.

### **5. Property and Resources Management**

Suggestions include selling off unused council land and buildings, better utilization of existing properties, and criticism of the construction of new buildings

perceived as unnecessary. There are also calls for better management of council-owned equipment and resources.

## **6. Environmental and Green Projects**

Several responses propose reducing or eliminating funding for environmental projects, questioning their effectiveness. There are mixed views on the switch to electric vehicles and the installation of solar panels on council buildings to reduce energy costs.

## **7. Employment Practices**

Comments include calls to reduce the number of staff, particularly in management and HR roles, and to re-evaluate employee benefits such as subsidised canteens and parking services. Some suggest stricter criteria and means testing for services, especially for those on benefits.

## **8. Public Engagement and Transparency**

There is a call for greater transparency and public engagement in council decisions, including face-to-face interactions and consultations. Some respondents feel the current consultation process is merely a formality and not genuinely considered by the council.

## **9. Miscellaneous Suggestions**

Various other suggestions include improving local transportation and enhancing support for local charities to mitigate council expenditure.

These themes reflect a broad range of concerns and suggestions from the public, emphasizing the need for the council to address inefficiencies, re-evaluate spending priorities, and improve transparency and public engagement.

## ANNEX 3

### Budget consultation: Phase 2 Survey responses

#### Format of response

	Frequency	Percent
PC	31	55.4%
Mobile	23	41.1%
Tablet	2	3.6%
<b>Total</b>	<b>56</b>	<b>100.0%</b>

**Considering saving proposals from the delivery of frontline services totalling £2.348 million for 2025/26 specifically, please tell us how these savings will impact you, your community or those you represent.**

Impact	Frequency
Impact minimal/neutral	9
Negative impact: Reduction/deterioration in services/communities/environment	11
Negative impact: Council tax/financial burdens	6
Negative impact: On vulnerable and elderly (Care Connect)	8
Negative impact: Back-office savings impacting front line	2
Positive impact: On environment (diversifying clean and green areas, reduction in grass cutting, pesticides)	2
Further internal restructure ideas (CYPS)	1
Additional income generation ideas	2
Council mismanagement	8
National government policies impact on DCC/residents	2
Needed integrated/partnership working/collaboration and communication with DCC	1
<b>Total</b>	<b>52</b>

**Please provide any additional comments you have on our savings proposals for 2025/26.**

<b>Comment</b>	<b>Frequency</b>
Further savings/efficiencies: Senior officer salaries/pensions/Cllrs payments/sickness	9
General agreement with savings proposals	2
Concern over impact of proposals: Financial burden, service reduction, impact on other organisations	3
Further savings/efficiencies: Culture/events (Lumiere, cycling events, Gala)	3
Further savings/efficiencies: Via broader transformation/transfer of services/enhanced partnerships	5
Service protection: Bin collections, highway network, weed spraying, face to face contacts	5
Additional income generation ideas: Various	7
Further savings/efficiencies: Capital/large scale expenditures/projects savings (DLI, council offices/CH/Rivergreen)	2
Further savings/efficiencies: Children services/home to school transport/education service concerns (re modelling)	5
Consultation process	3
Council mismanagement/improvement management	6
Further savings/efficiencies: Use of council buildings and equipment/staff working arrangements	3
Further savings and efficiencies: Overarching	23
Further savins/efficiencies: Adult social care/services	3
Further savings/efficiencies: Neighbourhood/environmental services (reduce weed killing, bin collections)	3
National government policies change	4
Further savings/efficiencies: Reduce spend on climate change emergency activities/initiatives	1
Further savings/efficiencies: Automated services	1
Further savings/efficiencies: Use of empty buildings to reduce cost of temp accommodation	1
<b>Total</b>	<b>89</b>

**Are you responding as:**

<b>Comment</b>	<b>Frequency</b>	<b>Percentage of respondents</b>
A County Durham resident	49	90.7%



Comment	Frequency	Percentage of respondents
A Durham County Council employee	5	9.3%
An elected member	5	9.3%
A business	2	3.7%
An organisation	1	1.9%
<b>Total</b>	<b>62</b>	<b>114.8%</b>

**If other, a business or an organisation, please specify.**

	Frequency
Believe housing	1
County Durham and Darlington Fire and Rescue Service	1
<b>Total</b>	<b>2</b>

**Are you:**

	Frequency	Percent
Male	20	62.5%
Female	12	37.5%
<b>Total</b>	<b>32</b>	<b>100.0%</b>

**What is your age?**

	Frequency	Percent
25-34	4	11.8%
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**What is your religion or belief?**

	Frequency	Percent
Christian	18	58.1%
Buddhist	1	3.2%
None	10	32.3%
Atheist	1	3.2%
Generic (higher power)	1	3.2%
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**What is your ethnicity?**

	<b>Frequency</b>	<b>Percent</b>
White British	29	93.5%
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<b>Total</b>	<b>31</b>	<b>100.0%</b>

**How would you describe your sexual orientation?**

	<b>Frequency</b>	<b>Percent</b>
Heterosexual/straight	28	100.0%
<b>Total</b>	<b>28</b>	<b>100.0%</b>

## **ANNEX 4**

### **AAP Feedback**

#### **10 December 2024 Meeting: Durham, Stanley, Mid Durham, Derwent Valley and Chester-le-Street AAPS.**

6 attendees

Summary of questions/feedback/observation:

- The task of making savings is extremely difficult in the light of several millions of pounds of savings having already been made - the council must be severely stretched.
- The use of AI and technology is encouraged as a route to potential savings.
- Could there be an attempt to make savings across the North East councils by combining services to be regional or for one council to run a service for multiple other North East councils at the same time recognising there is also costs attached to this?
- What are the potential savings other than from the services highlighted in the presentation?
- There has been mention of longer-term government settlement for local authorities over 3 years or so, are you optimistic this will happen and will it make it easier to forecast council budgets?
- How does the Regional Mayor and combined authority help or impact on our local council budgets?

#### **11 December 2024 Meeting: East Durham AAP**

19 attendees

Summary of questions/feedback/observation:

- Will procurement processes be looked at to make council purchasing practices more value for money?
- What will happen with the Substance Misuse Team and AAP Team changes?
- Town and Parish Councils could potentially absorb some of the duties if their grants are not cut.
- The savings mean cuts. These will affect people. Some of the services being streamlined are statutory services. Some of the discretionary services mean the most to people. This could also affect people's access to support.

- The performance of the council will be affected, so how will this be managed? Any degradation of services could drive more front-line contact – how will this be managed?
- It is encouraging that is being recognised that councils need longer term government settlement grants which would make a difference to planning.
- Work is being done in the back office to try and make the delivery of services more efficient.

**12 December 2024 Meeting: 3 Towns Partnership, 4 Together Partnership, Bishop Auckland and Shildon AAP, Great Aycliffe and Middridge Partnership, Spennymoor AAP, Weardale AAP**

28 attendees

Summary of questions/feedback/observation:

- How much money does DCC have in reserves and why don't we use these rather than borrowing?
- How much would it cost to purely deliver statutory services?
- Full impact assessments (not just high level) are important, and many issues impact vulnerable people therefore it's difficult to comment without this information – where is the more detailed evidence and the mitigation around the savings to inform the consultation?
- What are the details regarding the financing of external contractors. what savings have you against this expenditure?
- What efforts are being made to recruit permanent staff and not use agency staff that require a premium such as in areas such as social work?
- Housing of multiple occupancy and student accommodation not paying council tax – should we be pushing landlords and change regulation to ensure they pay council tax as a lobbying issue?
- What does this mean for the charity grants in the communities?
- Capital projects – what is included in this as it covers a large amount of money?
- How far is the consultation considered against the decision-making process as to whether the savings happen?
- Street/road lighting – need to ensure essential neighbourhood services are available especially near major routes. (e.g. A167 lighting)
- Importance of responding to the consultation – circulation of information important after the meeting and encouraging people to take part.
- Can you advise what impact there will be on Libraries, Theatres and Sport Centres. If so, can the effects be limited as these are precious services?

- Will AAP boundary changes to Local Networks make a saving? In terms of the Boundary Changes, I believe we are losing two County Councillors – does this save DCC in terms of what they give to us?

### **15 Jan Meeting: Teesdale AAP**

16 attendees

Summary of questions/feedback/observation:

- End users be notified about any short-term changes to services, such as the Care Connect service, which is crucial for many older people in Teesdale.
- How much the settlement has been increased by and what is the net improvement?
- Relying on council reserves is not sustainable, as they will eventually run out, and asked what measures will be taken to address the budget shortfall?
- The presentation primarily focuses on central budgets and core finances and inquired whether there was specific information available for Teesdale.

### **15 Jan Meeting: East Durham Rural Corridor**

14 attendees

Summary of questions/feedback/observation:

- There are no figures on inflation; is this being taken into account?
- What is DCC's approach on staffing; is that employees who want to go or will there be redundancies?
- In relation to Adult Social Care, is there an option to see if we are getting value for money and delivering a service we want?
- A comment was made in relation to the rising costs around looked after children. We should be looking into why the root causes are happening.

### **Themes**

*Understanding and key concerns re: the financial pressures and its impact*

Feedback covering this theme highlighted recognition that the task of making savings is extremely difficult in the light of significant savings having already been made, concern that this will impact on performance and the reality of long-term sustainability with queries as to how this will be managed given degradation of services could drive more front-line contacts.

*Back office and efficiencies, value for money*

Feedback covering this theme suggested efficiencies across the Northeast councils by combining services to be regionally, the use of AI and technology as a route to potential savings, procurement practice and external contracting related efficiencies value for money imperatives regarding adult social care, the use of agency staff in areas such as social work and questions regarding ideal staffing levels across the council. Comments were also made regarding the details of capital projects as a large area of spend, queries regarding the new local networks regarding their role in creating efficiencies linked to their boundary review. It was also noted that Town and Parish Councils could potentially absorb some council duties if their grants were sufficient to provide support.

#### *Income / increased income and funding*

Feedback covering this theme highlighted optimism for an increased and/or longer-term government settlement for local authorities over 3 years or so, querying whether this will make it easier to forecast budgets, queries regarding the role of the Regional Mayor and North East Combined Authority in positively impacting budgets. There were also comments regarding income raising via housing of multiple occupancy and student accommodation regarding council tax with a need to change regulation in this area as a lobbying issue.

#### *Front line impacts*

Feedback covering this theme highlighted the need for full impact assessments many issues impact vulnerable people therefore it's difficult to comment without this information. Direct queries regarding front line impacts related to a number of services including the Substance Misuse Team, AAP, libraries, theatres and sport centres, neighbourhood related services such as street and road lighting. There was a sentiment that the discretionary services mean the most to people and could also affect people's access to support and there as concern for charity grants within communities. There was also a comment that the rising costs around looked after children should involve a review of the root causes of this.

#### *Importance of consultation and communication*

Feedback covering this theme highlighted queries regarding how far the consultation would be considered within the decision-making process. Within this the importance of the circulation this consultation and encouraging responses was noted as well as communicating outcomes and decision-making regarding service changes.

## **ANNEX 5**

### **Partner feedback**

#### **County Durham Association of Local Councils**

Meeting, 4 December 2024

Presentation delivered by Head of Corporate Finance and Commercial Services.

Q Have we considered going to referendum to raise CT to a higher amount permitted?

It is likely government will announce we can increase CT to 5% - some LA's may be able to increase to a higher amount but it is not likely that DCC will meet the threshold to enable us to do that. CT is only one element of the solution, simply raising CT will not solve the budget deficit.

Q Is there any funding relief likely from the regional mayor's office?

Funding from this avenue is more for capital programme (e.g. transport projects) than revenue.

Q Why is it the LA's responsibility re: HTST when it could be looked as more an NHS issue/remit?

It is DCC's responsibility as an extension of our educational requirements / responsibilities. A student's educational health care plan will also dictate the requirements for transport which may be sole transportation to suit their needs, or they may need to travel accompanied which will add to the costs. HTST is also not means tested. A policy change is likely needed to bring any real relief to spending in this area especially in consideration of the academisation of schools and the impact this has had.

Q Does DCC compare themselves to a relevant LA? Are CD residents paying more for example to comparative areas for CT?

There is CT inequity. Band D paying CD residents likely pay more than others in richer counties. Most residents in CD live in Band A-C which means the majority pay below national average CT which then impacts/lowers our income. A correction in government policy is needed.

Q County Hall, why are staff still working there?

DCC are liaising with bidders re: the redevelopment of the CH site into an innovation district. CH will be demolished as part of this development and staff dispersed to other offices such as Corten House and Rivergreen.

Q Given the squeeze on householders e.g. food and bills, salaries and benefits not keeping up with inflation how can the council be looking to withdraw services that people need and promote more deprivation as a result e.g. Neighbourhood Services?

DCC provide council tax support to those who most need it and provide this at 100%. Equality impact assessments are carried out on all service changes / withdraws to ensure we have considered and mitigated against this.

Q Will DCC please let T&PC know ahead of time when a service is to be withdrawn so that we can manage this in the communities, share appropriate info and even look at ways that we can support the continuation of these services in some form – we have repeatedly made this plea to DCC that we can do more to support services and would like to be heard. Often asset transfers are very complex and difficult when things should be easier to achieve.

We will take that onboard as we do want to empower communities to do more for themselves. It's important that this is done in a consistent way and there is security / longevity.

Additional comments from T&PC:

We appreciate this information and the realities of what has been shared with us in that fundamental change is required. DCC need to focus on the essential services before turning to the desirables. We would rather you speak to us before withdrawing a service as we may be able to support this, albeit in a reduced form but prevent things from being lost altogether.

If the budget deficit comes down to the figures presented, then the picture may not be so bleak as CT increase will cover up to £5/£6 million and some extra hoped for government spending may cover the rest and additional business rate could also contribute.

## **Trade Unions**

Meeting 4 December 2024

Verbal overview provided delivered by Head of Corporate Finance and Commercial Services.

Key dates re: consultation and reporting to Cabinet and Full Council – Feb 2025  
Key figures provided re: budget deficit and savings requirements for 2025/26 and next four years.

Overview of savings proposals covering back-office services, raising income and front-line delivery.

Impact on budgets outlined re: government's autumn statement – National Insurance contributions, pay awards and cost pressures elsewhere (adult social care etc)

Overview of comments and questions from Trade Unions:

- DCC's willingness to undertake a wholesale job evaluation as significant changes and impact of influx of restructures to services and individual JDs at this point have meant that overall evaluation is needed. It has been 12 years since there was an exercise of this nature carried out and a lot has changed since then.



- Any job evaluation at desktop level needs to involve TUs to ensure fit for purpose.
- DCC must realise that they are coming to the end of those who are able to take voluntary redundancy and supply of this will be exhausted in the near future leading to compulsory redundancy.
- Schools funding and school budgets impact e.g. impact on pay increases for non-teaching staff and budgeting for head teachers around school meal provision leading to home to school transport costs for DCC.
- How is DCC working towards Net Zero for the working environment and the workforce.
- How worrying in the position of DCC – are we comparative to the likes of Birmingham City Council.

#### Responses and comments:

Vacant posts will be looked at as priority re: efficiency and savings. DCC still feel we have other opportunities for savings and a number of voluntary redundancy opportunities before considering compulsory redundancy given staff demographics. In terms of workforce recruitment and retention, DCC are in a good position. DCC is not heavily reliant on agency staff and the high cost that brings, we have good retention of staff and staff that want to be here and work for the organisation. Our position is not comparable to Birmingham City Council. A wholesale job evaluation would cost a significant amount to undertaken and is not planned at this time.

School funding allocations are a separate element of the Budget Setting Process. DCC has led the way re: good practice for auto-enrolment for free school meals to ensure extra income but appreciate there are funding gaps for schools. Provision in one area can lead to negative impacts of others e.g. breakfast club example in providing free provision this takes away from other paid for providers of childcare etc.

Regarding Net Zero, DCC recently won a national award re: the reduction of our carbon footprint as greenest council in the North East. We are seeking funding from government to invest in heating systems for our schools, leisure centres etc and we are investing in LED lighting. Our new development at Rivergreen will consider Net Zero and this is built into our procurement processes. We are replacing our vehicles gradually with electric vehicles and park and ride buses are electric. Within communities we are moving to sustainable planting and there is a lot of biodiversity work happening re: wildflower meadows. There is still a cost to Net Zero that often is forgotten e.g. wild meadows still need maintenance, still need people doing jobs and alongside that we have to spend money when confronted with the challenges of climate change e.g. flood risk planning and provision.

## **Believe Housing**

### Survey response

As an organisation, we believe that proposed changes in service delivery for children and young people services would likely be detrimental to our customers. While increased automation in services may have a positive impact on simplifying systems, it is crucial that necessary promotion and information are communicated to customers to ensure they understand any new processes and full impact assessments are considered. We would welcome more information on how the local authority plans to guide and support our customers through digitisation of service delivery.

We anticipate that changes in front-line service delivery could impact our Urgent Support and Neighbourhood Teams by increasing the need for support. At present these teams are already managing a significant workload. It is essential that the Urgent Support Team is kept informed of any structural changes in support services to ensure we provide the appropriate provision to our customers, continuing to work closely in partnership with local authority teams. We would welcome information on how proposed changes would affect our most rural customers, as many live in locations with limited access to public services.

Regarding staffing reductions for locality teams, we would need to engage with our customers to understand the impact and identify any support we can provide. It would also be beneficial to understand if a review of customer access points may lead to increased demand for our calls and services, as customers would have fewer access points within the County Durham area. Similarly, the review of highlighted resources, despite mitigations, may lead to increased demand for our organisation.

We must consider the implications of Council Tax increases on our empty homes. If a review results in cost increases or discount cuts, we may need to reassess our internal processes for managing long-term empty properties. As an organisation, we believe that any changes impacting funding for community projects should involve dialogue with partners throughout the process. This would help us understand the impact on our customers and determine the necessary support measures.

If the Council Tax increase was to change from 2.99% to up to 5% there would be financial implications for our tenants and our members of staff, due to the ongoing cost of living crisis. We would welcome any analysis the council has already carried out on how this would affect people broadly across the county. Our annual rent increases will be communicated to our customers as usual, which have been impact assessed as part of the rent setting process.

We are in a position to review which services we provide based on our current and forecasted financial position. Any rent increase would not be in scope to provide additional services not already accounted for; therefore, we would not be able to fill any gaps that these savings proposals would create.

From an estates services perspective it would be beneficial to have discussions with our own teams to be able to see what, if any, reduction in services, including frequency of visits for grass cutting, looks like to manage customers' expectations; and if we could assist in any way. The proposed plans seem to imply that there will be cuts in grants that will directly affect our Community Investment Teams, and the impact of our grant programme. We will need to review our neighbourhood plans and identify how best we utilise existing funding to maximize the impact in our communities.

### **County Durham and Darlington Fire and Rescue Service**

#### Survey response

Recently County Durham and Darlington Fire and Rescue Service has seen a significant increase in the number fire deaths which has been linked to individuals with health and dementia issues. The proposed further savings in adult social care and care connect in particular, require careful consideration to minimise the impact on the most vulnerable members of our community.

County Durham and Darlington Fire and Rescue Service recognises the particularly difficult financial position the County Council faces and is broadly supportive of the approach the Council is taking towards making future savings. The Service is however mindful of the impact that further reductions in the Council's budget and spending could have on the incidence of fire and the number fire fatalities in the County. County Durham and Darlington Fire and Rescue Service proactively targets vulnerable people through our approach to home fire safety visits and more integrated working with partner agencies.

We firmly believe that by working together to provide more joined up services we can reduce demand and deliver improved outcomes to those individuals most at risk of death or injury as a result of fire. More integrated working is a key priority for the Service therefore we would welcome the opportunity to work with the Council to minimise the impact which further budget reductions may have on vulnerable adults living in the County.

### **The North East Chamber of Commerce**

#### Letter

The North East Chamber of Commerce represents more than 2,000 businesses employing 40% of the region's workforce. By supporting, connecting, and representing our members we ensure businesses and other employers are at the heart of building a thriving economy, continuing to make the Northeast the best

place to live and work. Our Stronger, fairer Northeast strategy is our plan for driving more inclusive economic growth: our comments reflect the tenets of that plan and our conversations with our members across your county.

We recognise that there are a challenging set of financial circumstances for the Council. The increased demand for social care as well as the increases in the National Living Wage and the rates of Employer National Insurance will have a significant impact on the Council's budget. We also recognise the increased borrowing costs for the Council to fund its capital programme.

Members have frequently highlighted the importance of strong public services as a central component of a healthy Northeast economy including the work of the Council and Business Durham in supporting business growth.

At our previous area meetings with Durham-based businesses, our members have highlighted the importance of the visitor economy in Durham and the need to retrofit existing housing. Members across different sectors have also highlighted recruitment as a key challenge.

The Council's focus on creating a balanced budget balance is welcome. Proposals such as using joint procurement arrangements with other local councils through the Northeast Procurement Organisation will help to increase value for money and support a balanced budget.

Overall, we are broadly supportive of the approach being taken to deliver a balanced budget whilst maintaining a commitment to deliver a high level of basic services. These services are essential in making Durham a great place to live and do business. The Chamber will continue to work in partnership with the Council to secure the best possible conditions for businesses and employers in Durham and the wider Northeast.