

Committee: Cabinet

Date: 12 December 2016

Wards: All

Subject: Council tax and Council spending consultation

Lead officer: Ged Curran, Chief Executive

Contact officer: Kris Witherington, Consultation and Community Engagement Manager

Recommendations:

- A. That Cabinet note the results of the Council tax and council spending consultation and the feedback that the Council has received.
 - B That Cabinet agrees to take the Council consultation and feedback into account in developing a budget strategy for 2017/18 and the medium term financial strategy. The strategies to be informed by: the financial position of the council; the consultation results; the administration's manifesto; the pressure on services and the impact of decisions on residents.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The report sets out the results from the consultation on future arrangements for setting council tax levels and the priorities for council spending.
- 1.2. The consultation took place between 9 September and 4 November 2016 and involved a survey included in the autumn edition of My Merton and available online. 2,203 responses were received although this included 230 with no information provided by respondents in addition to their postcode.
- 1.3. The results show a clear majority support the July Principles as agreed by Cabinet in July 2011 and a clear majority of respondents favoured an increase in Council Tax with 22% supporting a continued freeze.

2 DETAILS

- 2.1. A questionnaire and covering information was included in the September edition of My Merton and distributed to more than 80,000 homes in Merton. This is included in Appendix 1. The survey was available on the Council's online consultation database and promoted on the Council website and social media channels. The consultation was also highlighted at the autumn meetings of the five Community Forums.
- 2.2. In total 2,203 valid responses were received to the consultation; a response was counted as invalid if it failed to include a valid postcode. 1,435 (65%) were completed online and 768 (35%) paper copies were received. Of the online responses 230 included no information other than the postcode so should be considered a nil response.

- 2.3. An additional 13 returns were received without a valid postcode and so were excluded from the results. To date four responses have been received more than a week after the deadline and therefore have not been included.
- 2.4. A detailed analysis of these results is set out in Appendix 2 with the main findings listed in this report.
- 2.5. The first question asked to what extent respondents agreed with the set of principles agreed by the Council in July 2011. There was a clear majority in support of these principles with 24% strongly agreeing and 55% agreeing. Only 13% disagreed with the principles. There were 842 comments on the priorities and these are analysed in Appendix 2.
- 2.6. Respondents were asked to select up to three service areas that they felt should be protected most of all. There were 1782 responses to this question and three service areas emerged as the highest priority:
- Care services for older or disabled people including homecare and residential care 81%
 - Protecting vulnerable children and young people including support for children with disabilities 65%
 - Rubbish collections, street sweeping, litter and fly-tip removal 55%
 - All other services areas received less than 22% of responses
- 2.7. Respondents were asked to select up to three service areas that they felt needed protecting least of all. There were 1393 responses to this question and the five remaining service areas received the highest proportion:
- Activities for young people 49%
 - Leisure centres, playgrounds and sports facilities 39%
 - Repairs and improvements to roads and pavements 39%
 - Libraries 34%
 - Parks and open spaces 25%
- 2.8. There was also an opportunity to suggest ways the council could either reduce spending or increase income. There were 830 responses to this question and a detailed analysis can be found in Appendix 2.
- 2.9. Respondents were asked to select what they felt would be the best choice for Merton's Council tax in 2017/18 and 2018/19 from the four options available. There were 1870 valid responses to this question and the results were:
- Continue to freeze 22%
 - 1.99% increase 12%
 - 2% increase 17%
 - 3.99% increase 48%
- 2.10. In addition there were 27 paper responses where more than one option was selected and could therefore not be considered alongside the other results. Of these 14 selected all three options to increase council tax, 10 selected two of the options to increase council tax and three selected the option to freeze Council as well as one of the options to increase it.
- 2.11. Respondents were also asked if they had any comments about what should happen to council tax. There were 783 responses to this question and a detailed analysis is available in Appendix 2.

Demographic Profile

- 2.12. Respondents were asked to provide their gender, age, ethnicity and if they consider themselves to have a disability. These questions were voluntary and completed by 75%-80% of respondents. With a more complete dataset it would be possible to apply a weighting scheme to improve the statistical validity of the results but with the data available this would not be sufficiently reliable.
- 2.13. We are able to compare the demographic profile of the respondents to the population estimates for Merton. From this we can conclude that the respondents are more likely to be female (54% female to 46% male), more likely to be over 65 (30%) and more likely to be White British (79%) than the population at large. They are also less likely to report they have a disability (10%). More detail is provided in Appendix 2 including a comparison against the Merton population.
- 2.14. We are also able to analyse the responses by different groups to assess what impact the overrepresentation of some groups would have on the results. From this we can conclude that male respondents were more likely to prefer a freeze in council tax; respondents aged 25-44 were more likely to prefer a freeze; and disabled respondents were more likely to prefer a freeze and less likely to want to see a 3.99% increase. Due to the low base for the different ethnic groups it is not possible to assess the impact of different ethnicity on the responses. More detail is available in Appendix 2.
- 2.15. An analysis of the postcodes provided by respondents shows that more responses were received from SW19 postcodes than would be proportionate for the borough as a whole whilst fewer than would be proportionate were received from CR4 postcodes. This is also reflected in the responses from each electoral ward. Levels of response were lower in the eastern wards, particularly Pollards Hill, Lavender Fields and Longthornton. In comparison responses were much higher from Merton Park ward than anywhere else. More detail is available in Appendix 2.
- 2.16. There was some variation in responses by post code with CR4 and SM4 more likely to prefer a continuing freeze than in other areas; and SW19 and SW20 more likely to prefer a 3.99% increase than in other areas. The responses by ward also showed four wards saw the option to freeze council tax preferred by more than one third of respondents: Ravensbury, St Helier, Pollards Hill and Lavender Fields. The 3.99% increase option was selected by 60% or more of respondents in Abbey, Hillside, and Raynes Park wards. In all wards, there was a majority in favour of increasing council tax in some form. More detail is available in Appendix 2.
- 2.17. There was some evidence of small numbers of multiple responses from single individuals and evidence of structured responses with groups of individuals completing the survey in exactly the same fashion. In both cases these activities were not sufficient to have had an impact on the overall results.

Organisational responses

- 2.18. Although not specifically invited there were five responses received from organisations, one through the online survey from the RNIB, three in the

form of statements from Merton Centre for Independent Living, Merton Clinical Commissioning Group and Merton Lib Dems. These are included in Appendix 3.

- 2.19. The fifth response was from Mitcham and Morden Labour Party and included the results of their own survey of residents in that constituency. They received 2,760 responses to the survey with 1,943 (73%) agreeing there should be no increase in council tax. Of the 645 (24%) who said their should be an increase in council tax 185 said this should be 1.99%; 268 said it should be 2%; 192 said it should be 3.99%. A letter from Mitcham and Morden Labour Party detailing these results can be found in Appendix 3. In it the Leader states: "On an issue such as Council Tax – a regressive form of taxation that impacts more heavily on the less well-off – I felt that it was important that the voices of all residents were heard. I believe that the results of the Labour Party consultation will be helpful as we seek to represent all the residents of the borough, and will go some way towards balancing the Council's consultation."
- 2.20. In recommending the budget for 2017/18 and in settling the medium term financial strategy for future years the Cabinet has a duty to take into account all relevant matters and to exclude irrelevant considerations. These matters will include the financial position of the council; the consultation results; the administration's manifesto; the pressure on services and the impact of decisions on residents.

3 ALTERNATIVE OPTIONS

- 3.1. The results are to note and consider as part of the decision setting council tax for 2017/18, therefore there are no alternative options.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. The report sets out the consultation that was undertaken.

5 TIMETABLE

- 5.1. The consultation took place between 9 September and 4 November 2016.
- 5.2. The decision on Council Tax levels for 2017/18 will be recommended at Cabinet on the 13 February for full Council on the 1 March 2017.
- 5.3. The Overview and Scrutiny Commission has asked to receive the results of this consultation at a future meeting to be agreed.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. The administration of the consultation involved significant officer time but limited costs. Including the survey in My Merton and posting it online did not incur any additional costs, whilst the postage cost for the responses returned currently stands at £313. This will be met through Departmental budgets.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. Members are asked to consider responses from residents and other groups to the Council's consultation on council tax and council spending. Members should be satisfied that the Council's consultation was undertaken at an early stage of the decision making process and ensure that the views

expressed are conscientiously taken into account when making decisions on the Business Plan for 2017/18. Members should also be satisfied that the Council consulted persons considered likely to have an interest in and affected by the proposals; that there was ample time and means for consultees to express their views; that there was sufficient information made available to enable consultees to make informed comments and that the consultation was carried out effectively.

- 7.2. Members have also been provided with submissions from organisations, which are provided as additional information received by the council. The material expresses the views of organisations and results of exercises undertaken by them and should be noted in that context
- 7.3. The individual responses to the survey will not be made available publicly without ensuring anything that could identify individuals is removed in order to assure compliance with the Data Protection Act.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. Appendix 2 includes a detailed analysis by demographic factors to address equalities considerations.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. There are no crime and disorder implications

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. There are no risk management and health and safety implications

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix 1 Copy of the survey published in My Merton
- Appendix 2 Analysis of the responses received to the consultation
- Appendix 3 Responses received from RNIB, MCIL, Merton Lib Dems, Merton CCG and Mitcham and Morden Labour Party.

12 BACKGROUND PAPERS

- 12.1. None

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