

Budget consultation: a survey of public sector organisations.

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Introduction

In 2005, e-democracy company Delib developed an online tool for consulting on local authority budgets called Budget Simulator. The tool was used by a wide range of public sector organisations across the UK.

Budget Simulator was successful wherever it was used, but e-democracy is most effective where is a complementary process to existing methods.

As part of an ongoing commitment to providing free consultancy and advice to the public sector, Delib conducted an online survey on all budget consultation practices in the UK and beyond with the aim of sharing best practice across participating authorities.

Key findings

- There appears to be differing approaches to budget consultation across authorities, some using it purely for limited statistical purposes, others using it as part of a wider on-going community engagement process.
- There is no apparent correlation between the money and resources spent on budget consultation and the level of responses received.
- Authorities appear to use predominantly conventional methods for budget consultation and promotion, but many are beginning to mix conventional methods with new technologies to great effect.
- Interactive and deliberative consultation methods are seen to gain the most useful information for budget consultation, as opposed to simple question and answer surveys.

Methodology

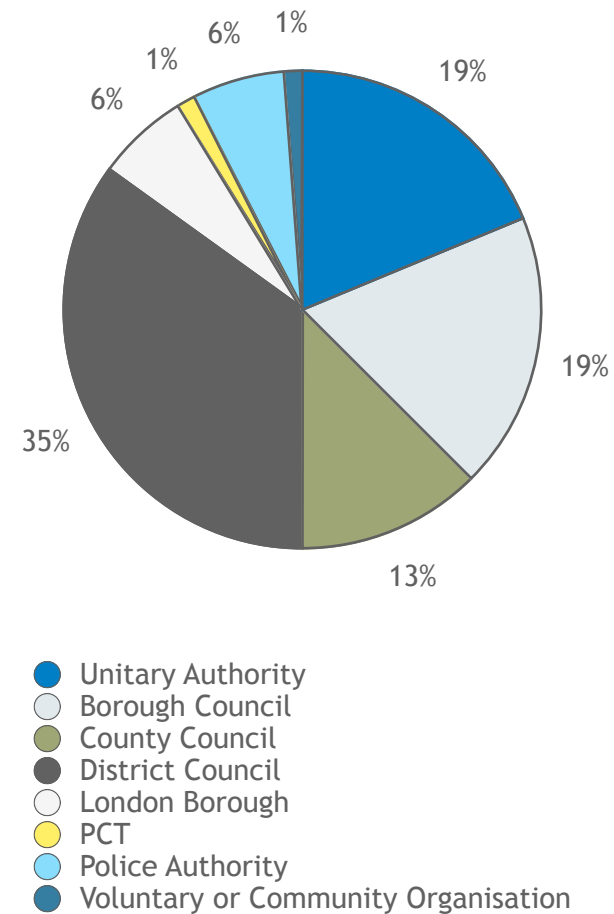
The survey process was run for one month from 19th May 2006 to 19th June 2006. Respondents were informed of the survey through an initial e-mail and then were sent a reminder e-mail two weeks into the process.

The survey was conducted using Delib's consultation software and was visited by 154 unique users during the consultation period, leading to a visit/completion conversion rate of 52%.

As such, this was a foreshortened consultation process, but one which still achieved a sizeable and varied response rate.

Who responded?

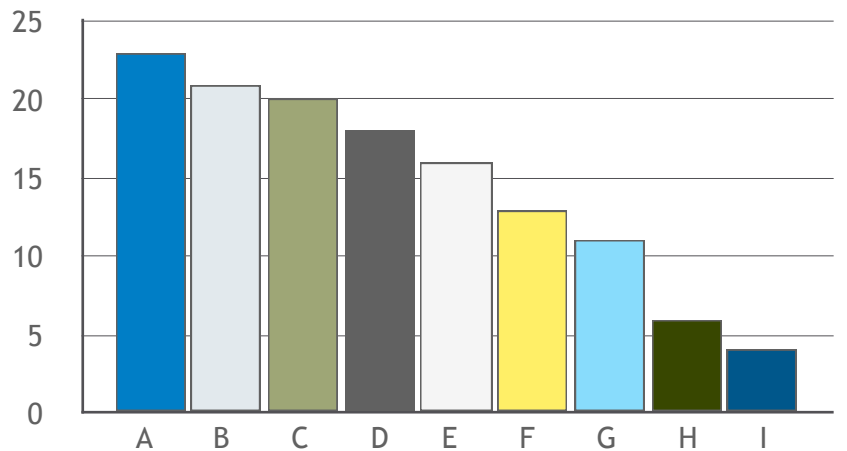
In total, 80 organisations responded with information about their budget consultation processes. These respondents were primarily from the local government sector, but with some representation from police, health and voluntary sectors. In terms of local government alone, this survey represents a sample of 17% of all UK local authorities.



Section 1: consultation methods

Survey respondents were asked a number of questions around the budget consultation methods they used in the last year, including what response rate they received from them and how useful the information gained was.

Consultation method(s) used during the last budget year



Base = 80

- A: Paper survey
- B: Focus group
- C: Public meeting
- D: Online survey
- E: Citizens' panel
- F: Other method
- G: Invitation for comment
- H: Telephone interviews
- I: None

The primary method for budget consultation reported by responding authorities was a paper survey (28.75%), followed closely by a focus group (26.25%) and a public meeting (25.00%). Online surveys were also popular (22.50%), as were existing consultation groups such as citizens' or viewpoint panels.

This is an interesting finding as it appears authorities are generally mixing consultation methods, using both static forms such as surveys and more interactive and deliberative forms, for example public meetings and focus groups. However, few seemed to have made moves to combine these methods through the use of deliberative surveys.

Other consultation methods used

For those authorities that stated they used other consultation methods, four stated that they ran budget workshops, one with handheld voting units for collecting attendee responses; two ran specific workshops for young people through their youth council or similar. Another two ran public road shows about the budget in different locations, and two surveys in their local newspaper as part of the publicity around the process. Finally two met with local business or partner organizations to gain their views into the authority's budget setting process.

Key finding

Public sector authorities are still predominantly using offline methods to consult on budgets, but within this, many are mixing consultation methods, using both static forms such as surveys and more interactive and deliberative forms.

Responses rates for each of the above consultation methods used in the last budget year

Method	Lowest response	Highest response	Mean response
Paper survey	50	3500	843
Citizens'/viewpoint panel	250	1102	654
Online simulator/game	250	1000	629
Face to face interviews	600	600	600
Telephone interviews	27	220	124
Public meeting	48	200	116
Online survey	29	300	108
Focus Group	10	120	43
Invitation for comment	25	30	28
Other consultation method	N/A	N/A	N/A

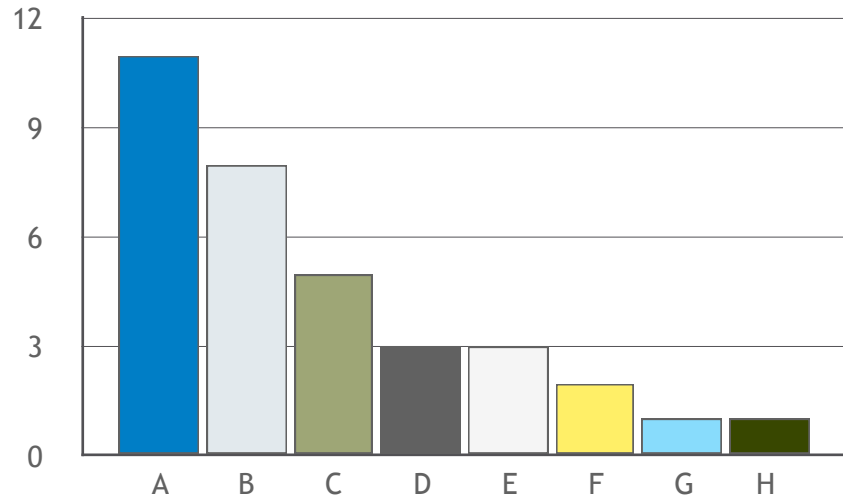
Information on number of responses shows an intriguing spread of answers. In terms of the average number received, paper surveys achieved the highest outcome, with an average of 843 responses. However, these were from a wide range of outcomes, with the lowest figure being 50 and the highest 3,500 responses. In a similar vein, citizens' or viewpoint panels achieved a high average response (654) with a range from 250 to 1102. Online simulators or games were third on the list, with an average of 629 responses, and range similar to citizens' or viewpoint panels (250 to 1,000).

The poorest response level came from invitation for comment, with an average response of 28, and a small range from 25 to 30 responses. Focus groups also had a low average response rate (43), although this is to be expected given the nature of this form of consultation. Online surveys also had a relatively low level of response, (average 108, range 29 to 300). Contrasted with the better performance of the online simulator or game, this may indicate that online methods are not likely to be successful in and of themselves, without also being engaging and well promoted.

Key finding

Response rates to different methods can vary widely and are thus not dependent solely upon the method used. However, methods such as Citizens' Panels and online simulators have a strong likelihood of achieving high response rates.

The consultation method(s) respondents felt gained the most useful information



Base = 34

- A: Focus groups
- B: None
- C: Citizens' panel
- D: Face to face interviews
- E: Public meeting
- F: Road shows
- G: Invitation to comment
- H: Telephone survey

Despite paper surveys and citizens' panels gaining the highest response rates, the most useful information was felt to come from focus groups. Comments included with these responses indicate that this was primarily due to the ability to investigate individual budget areas and perceptions in more details using this method. Citizens' panels were felt to have gained some useful information however, as were face-to-face interviews and public meetings.

However, the second highest response was that no consultation method achieved useful information, which is in many ways a worrying outcome. Those authorities feeling that no method was useful were those using paper surveys and public meetings, although focus groups were also felt to be lacking by some in the information they provided.

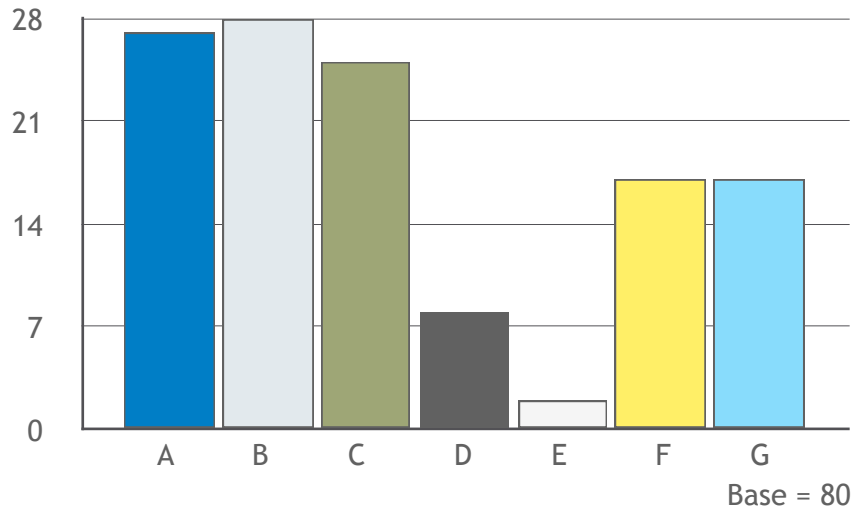
Key finding

The most useful information gained is generally felt to come from interactive forms of consultation. However, many authorities felt that no methods currently collect useful information.

Section 2: consultation promotion

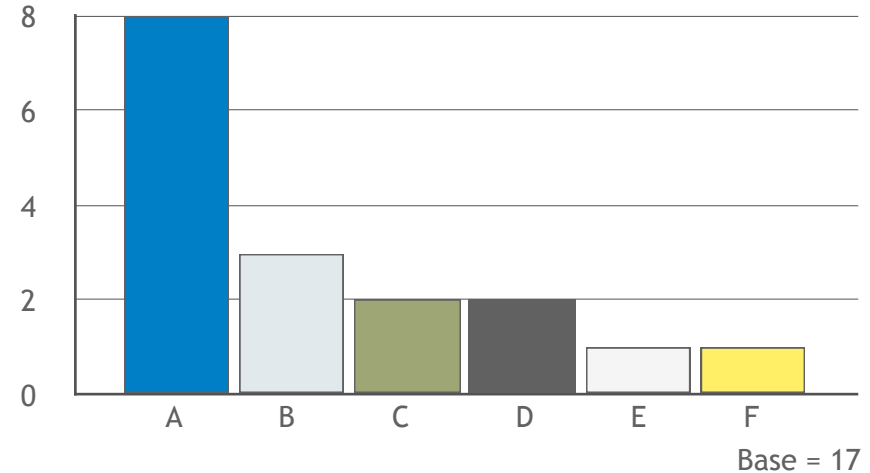
Respondents were then asked to give some information about the promotion methods they used with their budget consultation processes and which ones they felt were most effective.

How respondents promoted their budget consultation process(es)



- A: Information / link on website
- B: Article in local media
- C: Existing contact list
- D: Posters
- E: Postcards
- F: Public event / meeting
- G: Other promotion method

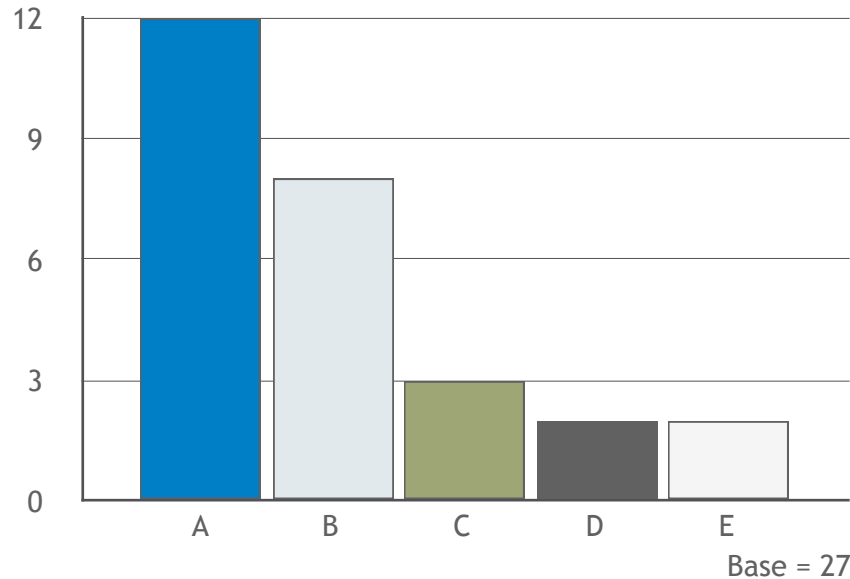
“Other” promotion methods



- A: Council newspaper
- B: Identified sample
- C: Radio advertising
- D: Invitation to meeting
- E: Street recruitment
- F: Google adwords

The primary other methods listed by respondents were use of their local authority newsletter usually delivered to all houses within the authority area. Other methods stated included contacting an identified sample of residents or stakeholders, radio advertising and street recruitment.

The most effective promotion method according to respondents



- A: Local media article / advert
- B: Existing contact list
- C: Don't know
- D: None
- E: Direct street recruitment

The most effective promotion methods were felt to be placing a local media article or advertisement about the budget process (44.44%) or using an existing contact list (29.63%). However, a sizeable proportion of respondents (18.52%) either did not know which method was most effective, or did not feel that any method was particularly effective.

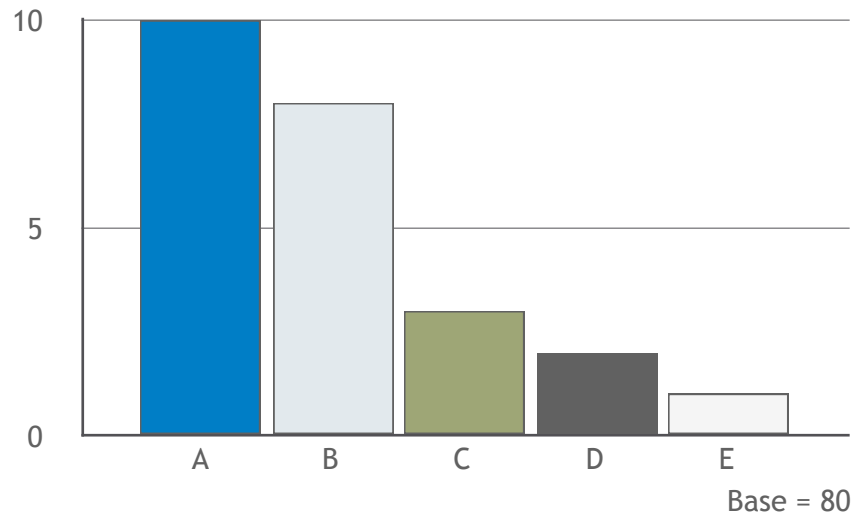
Key finding

For promoting their budget consultations, authorities are generally using traditional offline media such as local news papers articles and free authority residents newspapers, with these also being felt to be most effective. However, website promotion also figures strongly in the process for some authorities.

Section 3: barriers, resources and cost

Respondents were asked to provide some information on any barriers they faced in undertaking budget consultation and the resources and costs they invested in the process.

Reasons stated for not conducting any budget consultation



- A: No political will to do so
- B: Other barrier to consultation
- C: Spending needs are dictated by central government
- D: Too expensive
- E: No capacity given existing workload

In total, 13 organisations stated that they did not conduct any budget consultation in the last financial year. The primary reason for this was lack of political will (12.50%) followed by a feeling that such consultation was irrelevant given the way spending needs are set by central government. Some organizations also flagged up issues of cost and capacity as barriers to consultation.

The organisations not conducting budget consultation were primarily district authorities, with some unitary and metropolitan borough authorities as well.

Other barriers to budget consultation

The primary other reasons for not conducting budget consultation provided by responding authorities lay around the issues of representativeness and engagement. Three authorities felt that they had consulted on the budget as part of larger consultation processes in the last few years, and therefore did not need to consult every year. Two authorities felt that the public were just not interested in budget consultation, making the process worthless. Conversely, one felt that the subject of budgeting in their area was too controversial to be safely put to public consultation.

Key finding

Budget consultation requires motivation on the part of both elected members and officers to occur. This motivation may be lacking for a variety of reasons, including cost and a focus on statistical consultation over wider community engagement.

The total amount spent on budget consultation processes

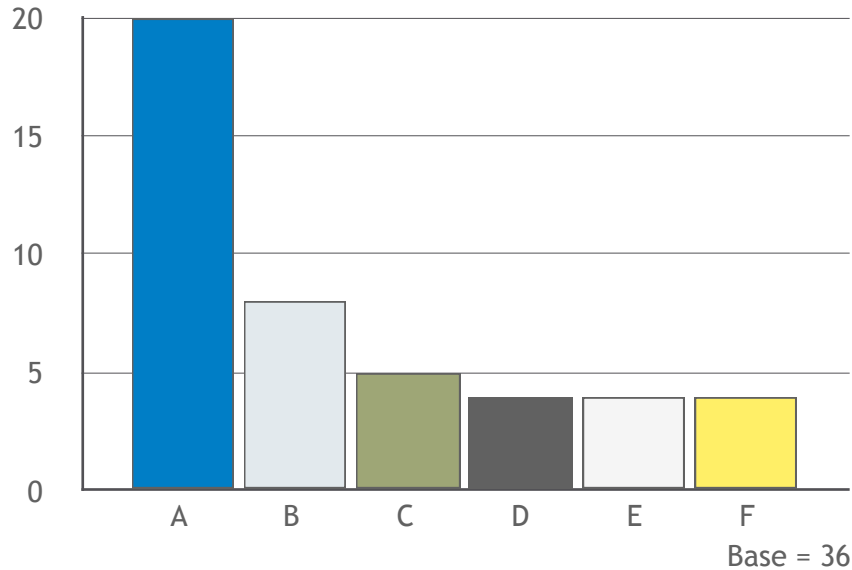


The average spend on budget consultation by local authorities was £7,600, with the highest single spend coming from a county authority which spent £35,000 on budget consultation last year. Predominantly authorities spent between £10,000 and £14,999 on budget consultation, although some spent very little, less than £500, and four organisations stated that they did not know how much had been spent on the process.

Significantly, there seems to be little correlation between the amount of money spent on budget consultation and the number of responses received. This indicates that the methods chosen are more important than the money invested in the process, and cost is not necessarily a barrier to successful budget consultation.

Total spend	Highest response rate	Lowest response rate	Average response rate
£15,000 +	1772	1207	2376
£10,000 to £14,999	1030	55	509
£5,000 to £9,999	466	220	312
£2,000 to £4,999	3500	32	1043
£500 to £1,999	1184	30	316
Less than £500	48	48	48
Don't know	200	71	134

Approximate number of staff days spent on the budget consultation process



- A: 20 +
- B: 15 - 19
- C: 10 - 14
- D: 5 - 9
- E: Fewer than 5
- F: Don't know

The average number of days spent by responding authorities on the budget consultation process was 12, with the highest number of days spent by a Unitary Authority, which recorded 45 person days spent on the process. The largest proportion of organisations spent 5 to 9 days on their budget consultation (30.56%), followed by those spending 20 days or more (22.22%). As with total spend, a small number of authorities had not calculated the total time spent on the process.

Time spent on a consultation process follows on from the issue of cost in terms of consultation, as in business terms, each person day spent on a process has a cost value attached to it. Whilst any cost calculation made for this analysis would necessarily be too generic to be of merit, the large number of days spent in some organisations on budget consultation indicate higher levels of spending on budget consultation than may initially be obvious.

Key finding

There is no apparent correlation between spending on budget consultation and responses received, although some authorities do not have a clear idea of how much their budget consultation process costs.

Further general comments make about budget consultation by respondents

The majority of comments in this section identified the sometimes considerable difficulty in balancing the needs of collecting detailed information on complex budgets whilst keeping the consultation process simple enough to be comprehensible and engaging for the public.

Some authorities felt that a way around this problem was to combine budget consultation with more general priority setting for the authority, incorporating finance as an element of prioritizing services. However, this was generally felt to be a process conducted less than once a year, which may lose the benefits of engagement and comprehension accrued through repeat consultation processes.

Many authorities stressed the importance of feedback on actions taken for creating successful budget consultation, a facet true of all consultation in many ways.

Some authorities felt that online surveys were of less use in consultation than more traditional methods, and that one of the main problems with budget consultation is gaining a statistically valid sample. However, the average response rates found through some online methods are high. The question again appears to come down to the need to balance the competing notions of wide spread engagement and statistical validity.

Section 4: online budget consultation

Finally, feedback was gained on Delib's specific budget consultation tool, Budget Simulator. Most authorities felt the system could prove to be of use, although some felt that it was too simplistic a model to provide the level of consultation information required. The majority of comments were however positive, and most authorities felt that good use could be made of the software.

Delib is taking all of this feedback on board for the production of version 2 of the software for this financial year, and will look to provide a variety of Budget Simulator platforms to meet the differing needs of authorities identified through this process.

Appendix 1: data tables

Q.1 - What type of organisation do you represent?

Organisation	Frequency	Percent
Unitary Authority	15	18.7
Borough Council	15	18.7
County Council	10	12.5
District Council	28	35.0
London Borough	5	6.2
PCT	1	1.2
Police Authority	5	6.2
Voluntary or Community Organisation	1	1.2
Total	80	100.0

Q.2 - What budget consultation method(s) did you use for the last budget year?

Method	Frequency	Percent
Paper Survey	23	28.8
Focus Group	21	26.3
Public meeting	20	25.0
Online Survey	18	22.5
Citizens'/Viewpoint Panel	16	20.0
Other consultation method	13	16.2
Invitation for comment ("write to us at...")	11	13.8
Telephone interviews	6	7.5
None	4	5.0
Online Simulator	3	3.8
Face to Face interviews	3	3.8
Base	80	100.0

Q.3 - How many responses did each of the above methods receive?

Method	Lowest response	Highest response	Average response
Paper survey	50	3500	843
Citizens'/viewpoint panel	250	1102	654
Online simulator/ game	250	1000	629
Face to face interviews	600	600	600
Telephone interviews	27	220	124
Public meeting	48	200	116
Online survey	29	300	108
Focus Group	10	120	43
Invitation for comment	25	30	28
Other consultation method	N/A	N/A	N/A

Q.4 - From which consultation method(s) do you feel you gained the most useful information?

Method	Frequency	Percent
Focus groups	11	32.4
None	8	23.5
Citizens' Panel	5	14.7
Face to face interviews	3	8.8
Public meeting	3	8.8
Road shows	2	5.9
Invitation to comment	1	2.9
Telephone survey	1	2.9
Base	34	100.0

Q.5 - How did you promote your budget consultation process?

Method	Frequency	Percent
Information/link on website	27	33.8
Article in local media	28	35.0
Existing contact list	25	31.3
Posters	8	10.0
Postcards	2	2.5
Public event/meeting	17	21.3
Other promotion method	17	21.3
Base	80	100.0

Q.6 - If you ticked 'other promotion method', please enter details below:

Other method	Frequency	Percent
Council newspaper	8	47.1
Identified sample	3	17.7
Radio advertising	2	11.8
Invitation to meeting	2	11.8
Street recruitment	1	5.9
Google adwords	1	5.9
Base	17	100.0

Q.7 - Which promotion method do you think proved most effective?

Method	Frequency	Percent
Local media article/ advertisement	12	44.4
Existing contact list	8	29.6
Don't know	3	11.1
None	2	7.4
Direct street recruitment	2	7.4
Base	27	100.0

Q.8 - If you did not conduct any budget consultation, why was this?

Reason	Frequency	Percent
No political will to do so	10	12.5
Other barrier to budget consultation	8	10.0
Spending needs are dictated by central government	3	3.8
Too expensive	2	2.5
No capacity given existing workload	1	1.3
Base	80	100.0

Q.9 - What was the total spend on your budget consultation process?

Total spend	Frequency	Percent
£15000+	6	17.1
£10000 - £14999	8	22.9
£5000 - £9999	5	14.3
£2000 - £4999	4	11.4
£500 - £1999	4	11.4
Less than £500	4	11.4
Don't know	4	11.4
Base	35	100.0

Q.10 - Roughly how many person days were spent by staff on the budget consultation process?

Person days	Frequency	Percent
20 +	8	22.2
15 to 19	2	5.6
10 to 14	6	16.7
5 to 9	11	30.6
Fewer than 5	6	16.7
Don't know	3	8.3
Base	36	100.0