

# Spending Review Survey

Survey of councils

2019



## Acknowledgements

The Local Government Association (LGA) Research and Information Team would like to thank all the councils that took part in this research.

To view more research from the Local Government Association Research and Information team please visit: <https://www.local.gov.uk/our-support/research>

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## Summary

In 2018, the Local Government Association (LGA) began a programme of work to influence a Spending Review anticipated to take place in 2019. A large part of the programme was to conduct a survey of councils to gather evidence on the pressures facing local services and the savings and efficiencies made by councils since the 2015 Spending Review. The survey focussed on:

- the responses taken by councils to manage cost pressures
- the ability of councils to deliver in the face of continuing cost pressures
- the impact of cost pressures on residents
- the additional services run by councils despite cost pressures
- the stewardship of grants by councils intended to ease cost pressures
- any innovative work councils have carried out to cope with cost pressures.

## Methodology

An online survey was sent to 339 Chief Financial Officers in English councils between March and June 2019. Responses were received from officers in 141 councils (42 per cent), with the highest proportion of responses coming from counties and the lowest from district authorities. Regionally, the largest proportion of responses came from councils in Yorkshire and the Humber and the lowest from councils in the South East.

## Key findings

- Councils have saved an estimated £356 per household across the four years following the last Spending Review (2016-17 to 2019-20).
- Grossing the savings figures submitted by 130 councils for the observed time period, councils in England have saved estimated £10.98bn for the period 2016-17 to 2019-20.
- Councils in the sample achieved savings and efficiencies by generating additional income (95 per cent of councils), transforming one or more services using digital solutions (90 per cent of councils) and contract renegotiation (84 per cent of councils).
- Most savings and efficiencies were made through renegotiated contracts (£342.7m in 72 councils) and by transforming one or more services using digital and data solutions (£159m in 70 councils).
- A total of £564.5m had been raised by income generation in 101 councils, and a total of £1.1bn capital receipts had been received in 71 councils.
- Councils in the sample were least confident about highways/transport (90 per cent of councils) and public health (90 per cent of councils) being protected from further cuts in the next four years.

- Children's services were the greatest funding concern among councils in the sample (82 per cent of counties and 69 per cent of single tier authorities).
- Forty one per cent of councils (56 councils) said, based on current funding, they thought it was likely that their authority would no longer have enough funding to fulfil all its statutory duties from 2021-22 or later.

## Introduction

In 2018, the Local Government Association (LGA) began a programme of work to influence a Spending Review anticipated to take place in 2019. A large part of the programme was to conduct a survey of councils to gather evidence on the pressures facing local services and demonstrate the savings and efficiencies made by councils since the 2015 Spending Review.<sup>1</sup>

The survey aimed to collect new financial data that was not available from other published sources, such as savings and efficiencies derived from digital or data solutions. This approach was taken in order to gather information on specific areas of interest to central government. The main themes of the survey were:

- the responses taken by councils to manage cost pressures
- the ability of councils to deliver in the face of continuing cost pressures
- the impact of cost pressures on residents
- the additional services run by councils despite cost pressures
- the stewardship of grants by councils intended to ease cost pressures
- any innovative work councils have carried out to cope with cost pressures.

## Methodology

In March and April 2019, the LGA's Research and Information Team sent an online survey to all Chief Financial Officers in LGA member councils in England (a total of 339).<sup>2</sup> The survey was in the field until June 2019. A total of 141 councils responded, which is a response rate of 42 per cent.

Table 1 and Table 2 provide a breakdown of responses by authority type and region. Whilst these results should strictly be taken as a snapshot of the views of this group of respondents, rather than representative of all Chief Financial Officers, this level of response means that the results are likely to provide a good indication of the position of the sector more widely.

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<sup>1</sup> This timeframe was chosen as a significant milestone, and one that would not overburden councils by asking for considerable historic data, but it is important to note that councils have been dealing with cost pressures since austerity measures took effect in 2010.

<sup>2</sup> Councils not subject to local government reorganisation in April 2019 received a link to the survey in March 2019, whereas councils that were reorganised were contacted shortly after.

**Table 1: Response rate by authority type**

	All LGA member councils	Sample	Response rate
	Number	Number	%
Counties	26	17	65
Shire Districts	191	67	35
English Unitary	56	23	41
Metropolitan District	36	19	53
London Borough	30	15	50
Total	339	141	42

**Table 2: Response rate by authority region**

	All LGA member councils	Sample	Response rate
	Number	Number	%
East Midlands	45	18	40
East of England	50	19	38
London	30	15	50
North East	12	7	58
North West	41	15	37
South East	73	24	33
South West	33	12	36
West Midlands	33	16	48
Yorkshire and the Humber	22	15	68
Total	339	141	42

**Technical notes**

- Where tables and figures report the base, the description refers to the group of people who were asked the question. The number provided refers to the number of respondents who answered each question. Please note that bases vary throughout the survey.
- Where figures are grossed for England, the sample has been adjusted to make it more representative of all councils in England based on the amount councils spent on services in a given year (see Annex A: Grossing Statement).
- Methods of grossing were investigated to help make the sample more representative of each region and authority type but were not merited due to

small sample sizes. This means that grossing estimates at a smaller scale than England overall would not have been statistically reliable.

- Throughout the report percentages in figures and tables may add to more than 100 per cent due to rounding.



# Spending Review 2019

This section provides full results for each survey question.

## Responding to cost pressures

### Savings since last Spending Review

The government published a joint Spending Review and Autumn Statement on 25 November 2015. It set out a four-year plan, which included details of a 24 per cent reduction in central government funding for local government over the Spending Review period.<sup>3</sup> This reduction has required councils to make significant changes to the way they work in order deliver widespread savings and efficiencies.

To understand how councils have responded to the cost pressures arising from the last Spending Review, they were asked to submit details of any savings made between 2016-17 and 2018-9 and any planned savings for 2019-20. Local authority service expenditure per household was approximately £1,808 in 2015, which was largely unchanged in 2016-17.<sup>4</sup>

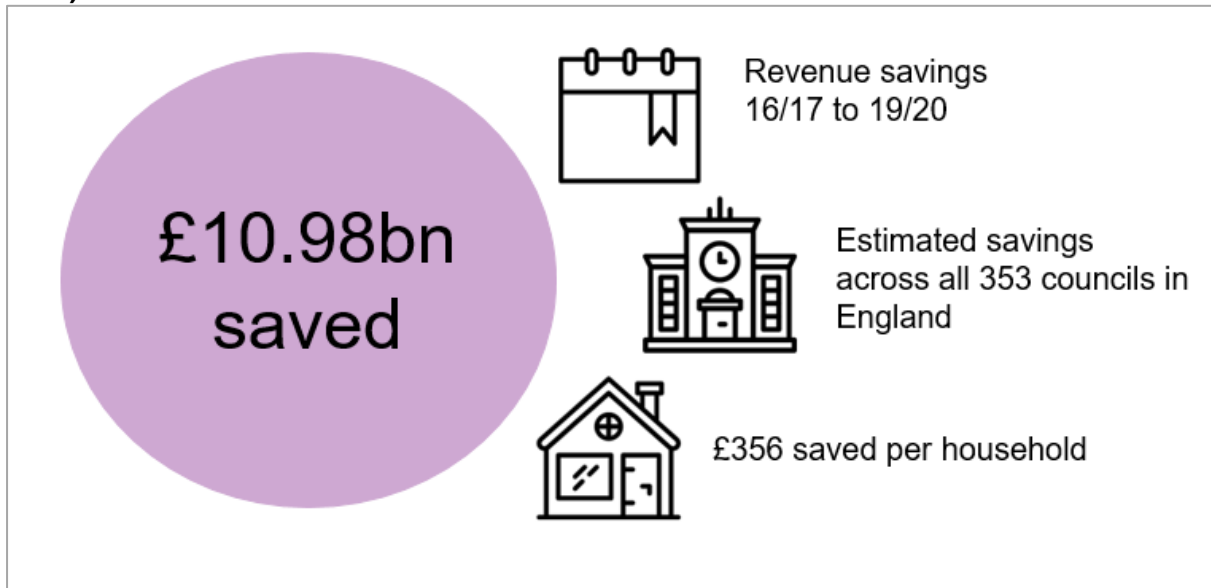
As shown in Figure 1, councils have saved an estimated £356 per household across the four years following the last Spending Review. This figure is arrived at using the savings figures submitted by 130 councils for the observed time period, which totalled £5.6bn. Grossing-up this figure results in an estimated total savings figure of £10.98bn across all English councils for the period 2016-17 to 2019-20 (see Annex A: Grossing Statement).

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<sup>3</sup> [www.local.gov.uk/sites/default/files/documents/spending-review-and-autum-bd6.pdf](http://www.local.gov.uk/sites/default/files/documents/spending-review-and-autum-bd6.pdf)

<sup>4</sup> Figures based on local authority revenue expenditure and financing (less education and police services and household projections): [www.gov.uk/government/statistics/local-authority-revenue-expenditure-and-financing-england-2015-to-2016-individual-local-authority-data-outturn](http://www.gov.uk/government/statistics/local-authority-revenue-expenditure-and-financing-england-2015-to-2016-individual-local-authority-data-outturn); [www.gov.uk/government/statistics/local-authority-revenue-expenditure-and-financing-england-2016-to-2017-individual-local-authority-data-outturn](http://www.gov.uk/government/statistics/local-authority-revenue-expenditure-and-financing-england-2016-to-2017-individual-local-authority-data-outturn); [www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/householdprojectionsforengland](http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/householdprojectionsforengland)

**Figure 1: Grossed estimated savings across all English councils (2016-17 to 2019-2020)**

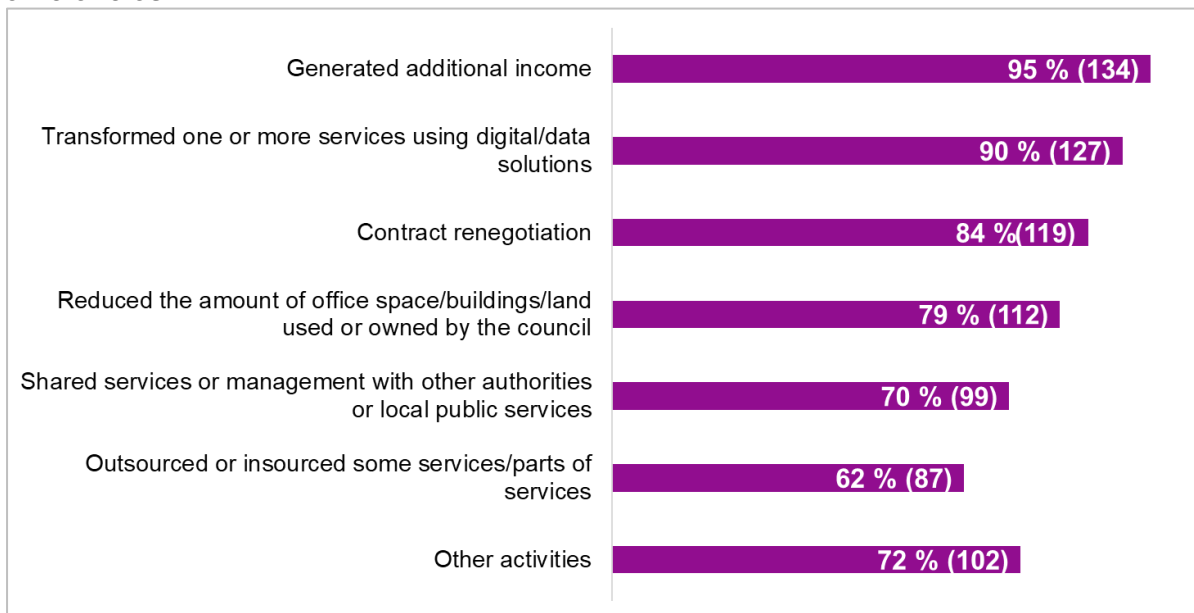


Base: all councils (130). Grossed to all 353 councils. See Annex A: Grossing Statement.

### **Type of savings activity since last Spending Review**

To understand how councils achieved their reported savings, they were asked to specify the activities carried out to reach them (see Figure 2). Ninety five per cent of councils had 'generated additional income' and 90 per cent had 'transformed one or more services using digital solutions'. Contract renegotiation had been undertaken by 84 per cent of councils, and 79 per cent had 'reduced the amount of office space/buildings/land used or owned by the council'. Seventy two per cent of councils had carried 'other' activities.

**Figure 2: And which, if any, of the following activities has your council undertaken since the last Spending Review in 2015, in order to derive savings and make efficiencies?**

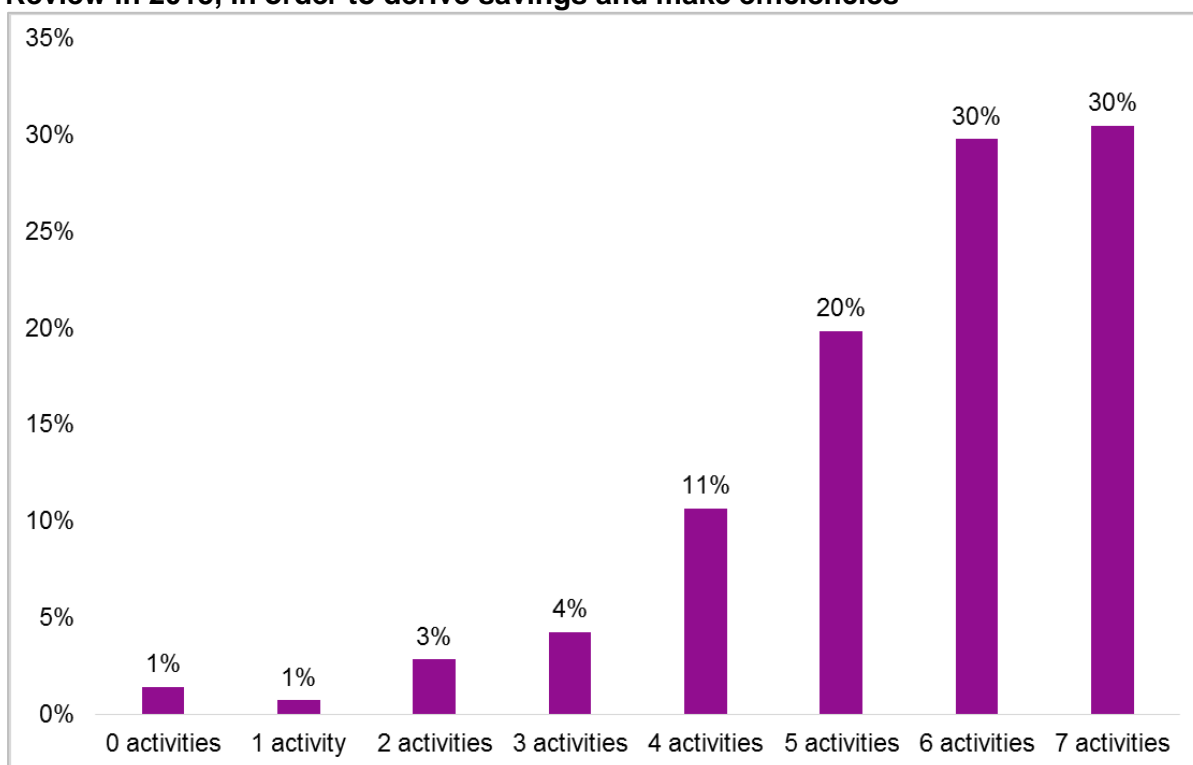


Base: all councils (141)

### **Number of savings activities since last Spending Review**

Most councils had undertaken a wide range of activities to derive savings and make efficiencies since the last Spending Review. Figure 3 shows that 30 per cent of councils had undertaken all seven of the activities presented in the survey and another 30 per cent had undertaken six of the seven. A further 20 per cent of councils had undertaken five of the seven activities and 11 per cent had undertaken four.

**Figure 3: Number of listed activities council have undertaken since the last Spending Review in 2015, in order to derive savings and make efficiencies**



Base: all councils (141)

### **Amount derived from savings and efficiencies**

To understand how much money councils had derived from savings and efficiency activities, they were asked to estimate how much they had saved since 2015 against certain activities. Councils were only asked to report on projects intended to save money, which may not have been the specific aim of certain activities, for example, shared services or management.

- reductions to office space
- buildings and land
- transformation of one or more services using digital and data solutions
- outsourcing and insourcing
- shared services or management<sup>5</sup>

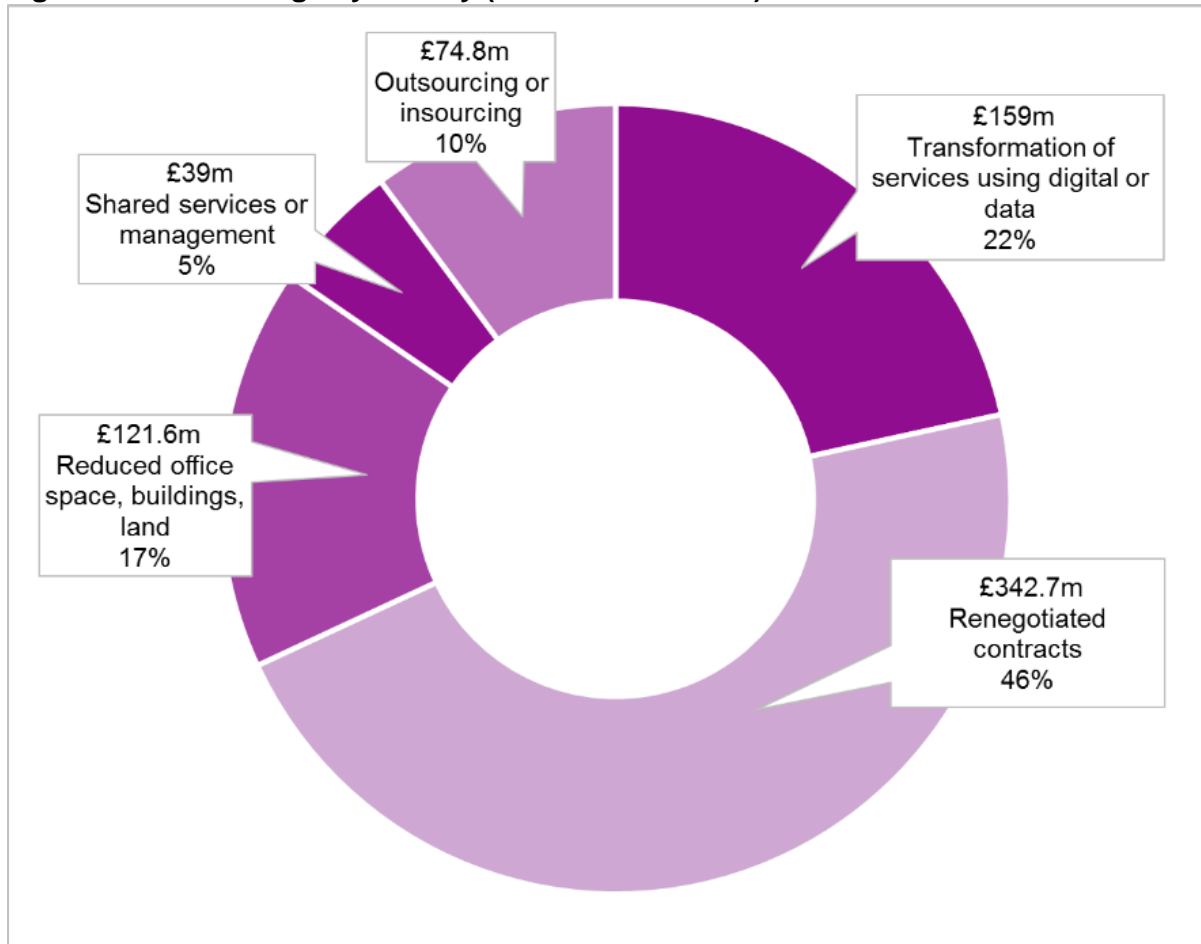
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<sup>5</sup> Separately, the LGA publishes a [shared services map](#) charting savings made through shared service arrangements, cumulatively and in-year. The data is not directly comparable to the survey results because the map includes savings derived from external partnerships e.g. with and between Fire and Rescue Services, Clinical Commissioning Groups and Police and Crime Commissioners. Additionally, savings are recorded by lead authority and may not have been tracked by those partner authorities taking part in our survey.

- renegotiated contracts.

The largest proportion of savings and efficiencies (46 per cent) had been made through renegotiated contracts – a total of £342.7m in 72 councils. The second largest proportion of savings and efficiencies (22 per cent) had been made through transforming one or more services using digital and data solutions – a total of £159m in 70 councils. See Figure 4.

**Figure 4: Total savings by activity (2016-17 to 2019-20)**

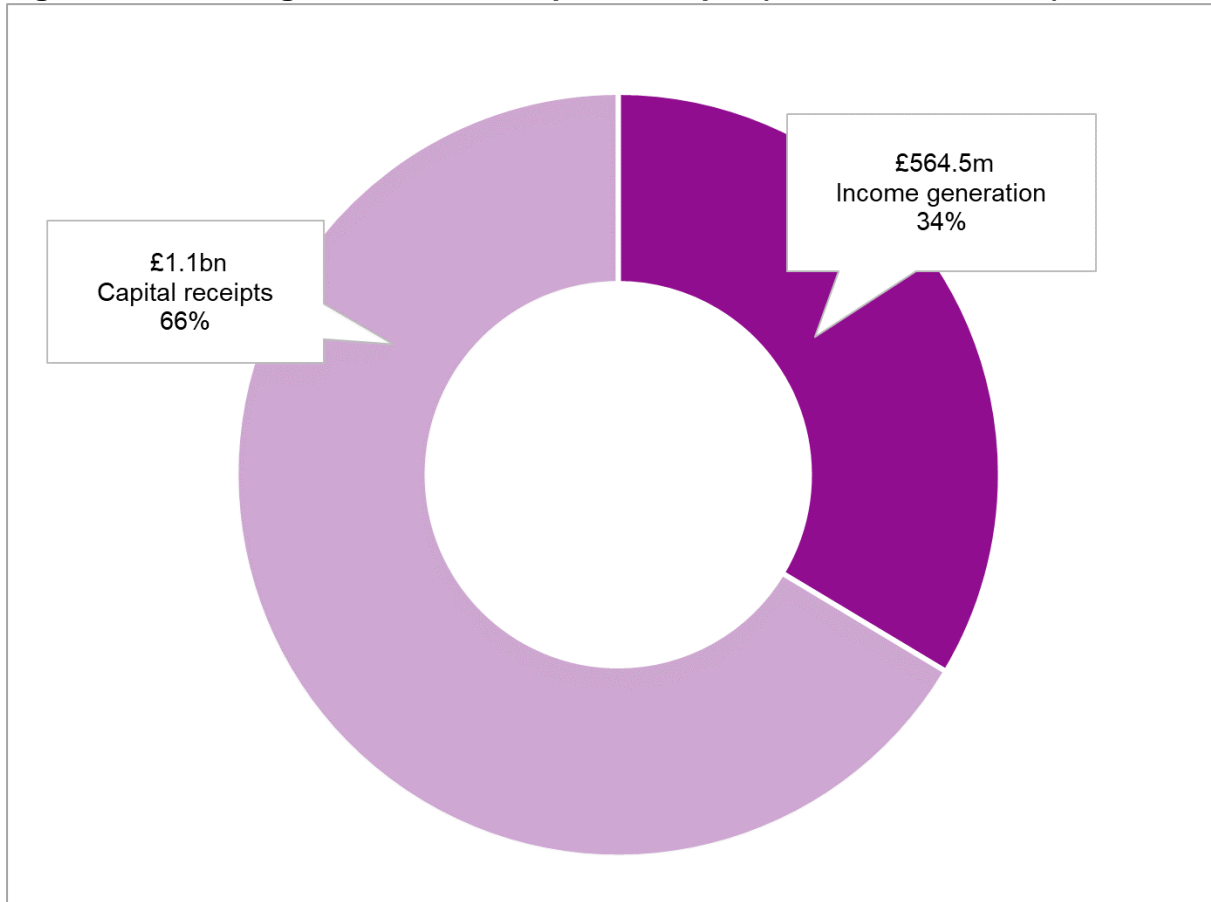


Base: all councils that provided figured for savings activities (108 councils provided figures for one of more of savings activities)<sup>6</sup>

Councils were also asked to provide details of any income generation and the total amount of capital receipts, for the period 2016-17 up to and including 2019-20. A total of £564.5m had been raised by income generation in 101 councils, and a total of £1.1bn capital receipts had been received in 71 councils. See Figure 5.

<sup>6</sup> Transformed services using digital or data (70 councils); renegotiated contracts (72 councils); reduced office space, buildings and land (80 councils); shared services or management (63 councils); outsourced or insourced (49 councils).

**Figure 5: Income generation and capital receipts (2016-17 to 2019-20)**



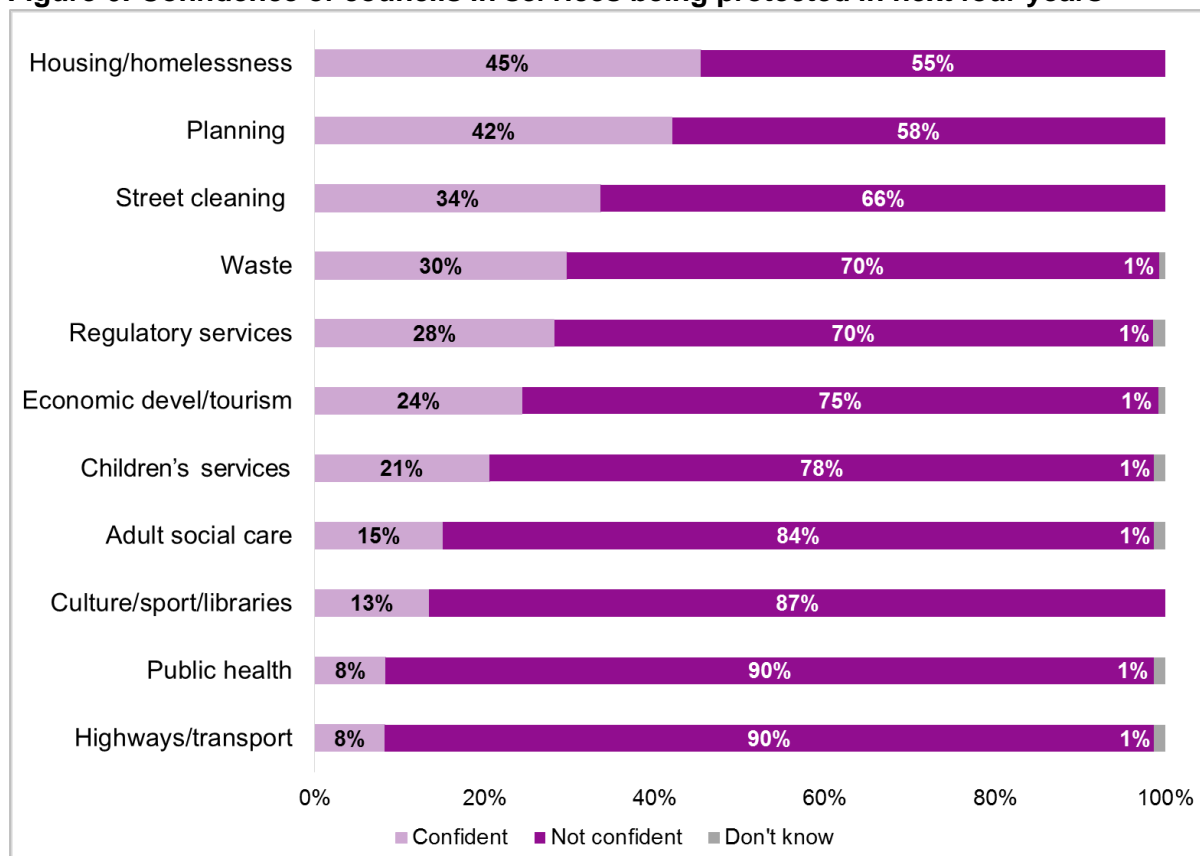
Base: all councils that provided figures for savings activities (101 councils provided figures for income generation and 71 provided capital receipts figures, 14 of which stated '£0').

### Ability to deliver in the face of cost pressures

#### Risk of cuts to services

Councils were asked to indicate their level of confidence that various services (relevant to their jurisdictions) would be protected from cuts in the next four years. The services that councils were least confident about were highways/transport (90 per cent of councils) and public health (90 per cent of councils). See Figure 6.

**Figure 6: Confidence of councils in services being protected in next four years**



Base: all councils, categories presented varied by authority type<sup>7</sup>.

Note: 'Confident' includes 'very confident' and 'fairly confident' and 'not confident' includes 'not very confident' and 'not at all confident'.

### Greatest funding concern

Councils were asked, having indicated their level of confidence in services being protected, which service (if any) was the greatest concern for them funding-wise. Of the counties that responded, 82 per cent were most concerned about children's services and 12 per cent adult social care. For single tier authorities, 69 per cent were most concerned about children's services and 24 per cent about adult social care. Thirty six per cent of districts were most concerned about housing and homelessness, 25 per cent said waste and 16 per cent said culture and sport. See Table 3.

<sup>7</sup> Culture/sport/libraries (134 councils); regulatory services (135 councils); waste (135 councils); adult social care (73 councils); children's services (73 councils); public health (72 councils); highways/transport (73 councils); economic development/tourism (119 councils); planning (119 councils); housing/homelessness (119 councils); and street cleaning (119 councils).

**Table 3: And for which, if any, of the services is funding the greatest concern?**

	Counties	Districts	Single tier	All councils
	%	%	%	%
Adult social care	12	N/A	24	11
Children's services	82	N/A	69	38
Culture and sport (including libraries)	0	16	2	8
Public health	0	N/A	0	0
Highways and transport	0	N/A	0	0
Regulatory services	0	2	0	1
Waste	0	25	0	12
Housing and homelessness	N/A	36	2	18
Planning	N/A	2	0	1
Street cleaning	N/A	0	0	0
Economic development/tourism	N/A	9	0	4
Other	6	6	2	4
None of the above	0	5	2	3

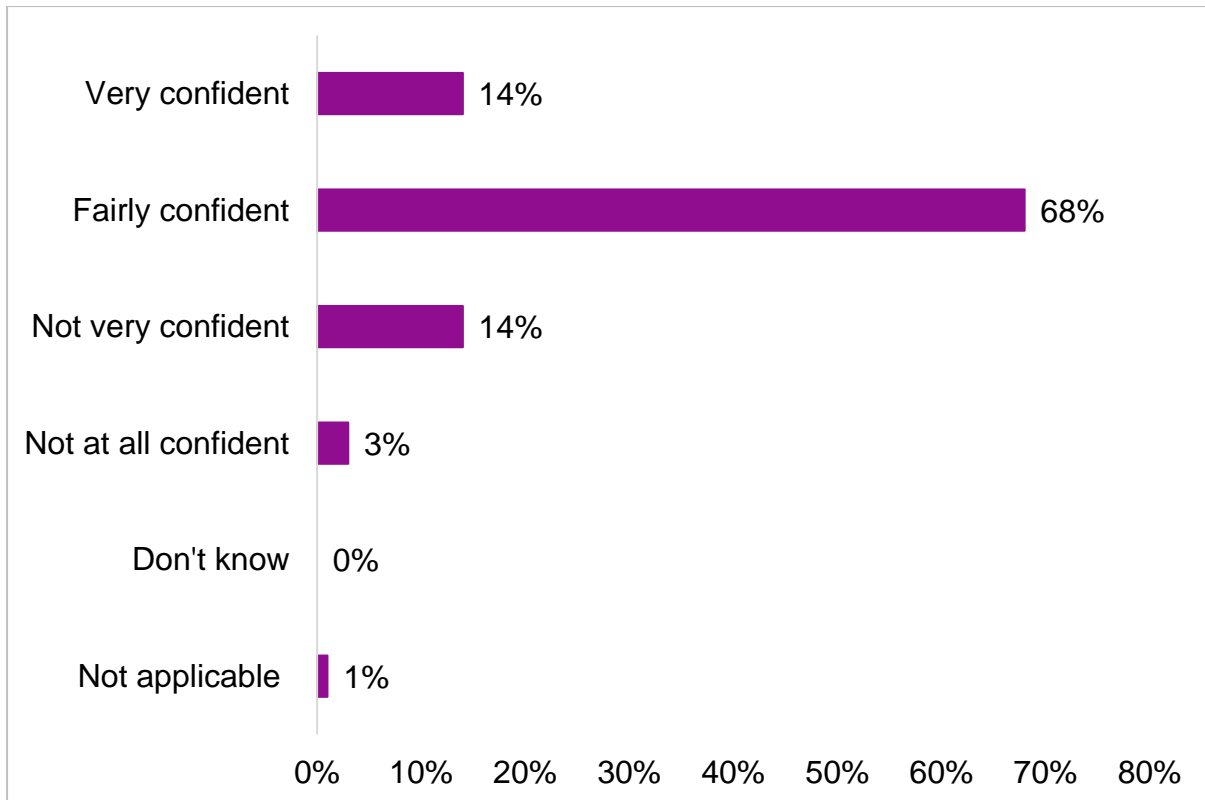
Base: all councils (136 councils – 17 counties, 64 districts, 55 single tier)

### Confidence in realising savings

Councils were asked to specify their level of confidence in realising all the savings they had identified for 2019-20. More than two thirds (68 per cent) were 'fairly confident' that they could achieve the savings they had set for 2019-20, whereas 14 per cent (19 councils) were 'not confident' (see Figure 7).



**Figure 7: Councils' confidence in realising 2019-20 savings**

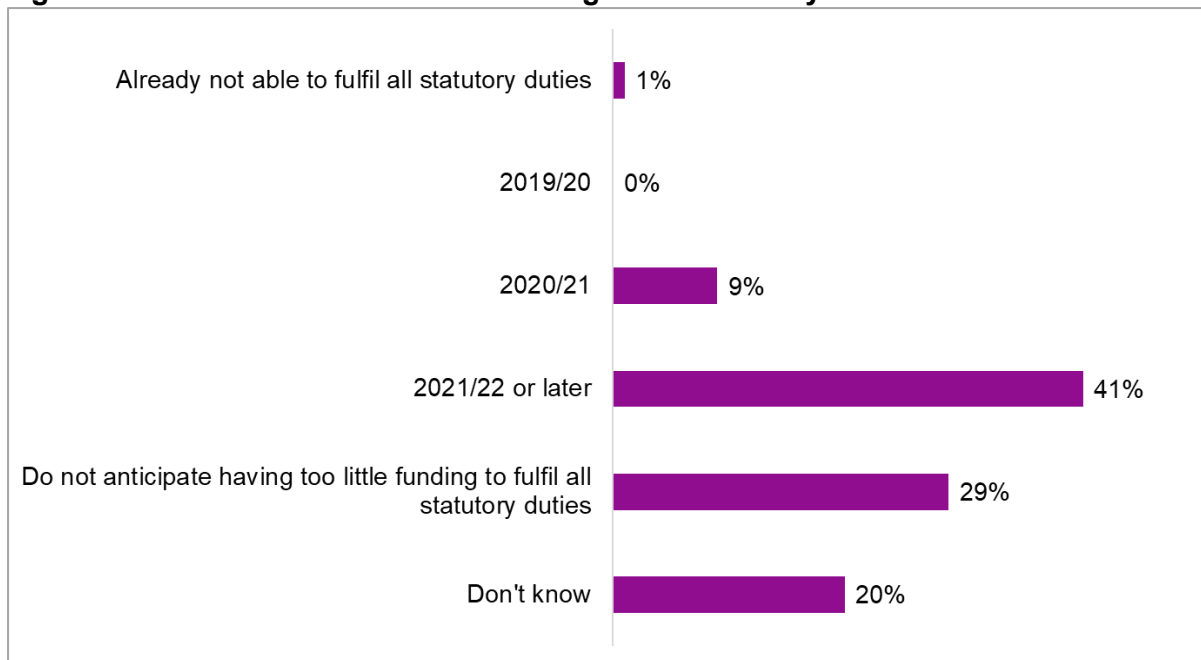


Base: All councils (138)

### **Risk to statutory duties**

Councils were asked, based on current funding, in which year if at all they thought it likely that their authority will no longer have enough to fulfil all its statutory duties. Forty one per cent of councils (56 councils) said they thought funding would be insufficient in 2021-22 or later. See Figure 8.

**Figure 8: Councils' views on when funding for all statutory duties will be insufficient**



Base: all councils (138)

Note: '2021-22 or later' includes four separate categories '2021-22', '2022-23', '2023-24' and '2024-25 or later'.

## Impact of budget reductions on residents

### Reductions affecting residents

Councils were asked to select from a list which reductions they had undertaken since 2015 were likely to directly affect residents, if any (see Table 4). Sixty eight per cent of councils (50 in total) selected 'closed/reduced/transferred running of libraries' as a reduction they had made that was likely to directly affect residents. Fifty eight per cent of councils (43 in total) selected 'closed/reduced hours of children's centres', and 51 per cent (72 in total) selected 'reduced funding to voluntary, charity and community groups'.<sup>8</sup>

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<sup>8</sup> Councils specifying reductions undertaken since 2015 that were likely to directly affect residents were asked to indicate the scale of these reductions e.g. how many bus service routes had been decommissioned since 2015. Responses are not presented in this report due to insufficient numbers being able to provide this information.

**Table 4: Which, if any, of the following reductions has your council undertaken since 2015 which are likely to directly affect residents?**

	Counties	Districts	Single tier	All councils
	%	%	%	%
Decommissioned bus service routes*	59	N/A	25	32
Closed/reduced hours of children's centres	65	N/A	56	58
Closed/reduced hours/transferred running of libraries	88	N/A	61	68
Closed/reduced hours/transferred running of sports and leisure facilities	N/A	31	39	35
Reduced funding to voluntary, charity and community groups	88	33	61	51
Sold/developed/transferred ownership of parks and green spaces	29	12	21	18
Reduced number of trading standards and/or environmental health visits	53	7	32	23
Other	29	22	16	21

Base: all councils (141 councils – 74 counties and single tier, 67 districts and 57 single tier).

Note: councils could select more than one option.

\*Excludes London boroughs

Twenty nine councils provided details of 'other' reductions that they had undertaken since 2015 which were likely to directly affect residents. These included reductions and closures in the following services:

- household waste facilities
- street lighting/CCTV
- public conveniences
- public health activity/health visitors/family nurse practitioners
- environmental services (incl. grass cutting, green waste)
- highways work
- non-statutory school bus routes
- subsidised meals
- taxi vouchers
- converted play areas/pavilions to green space

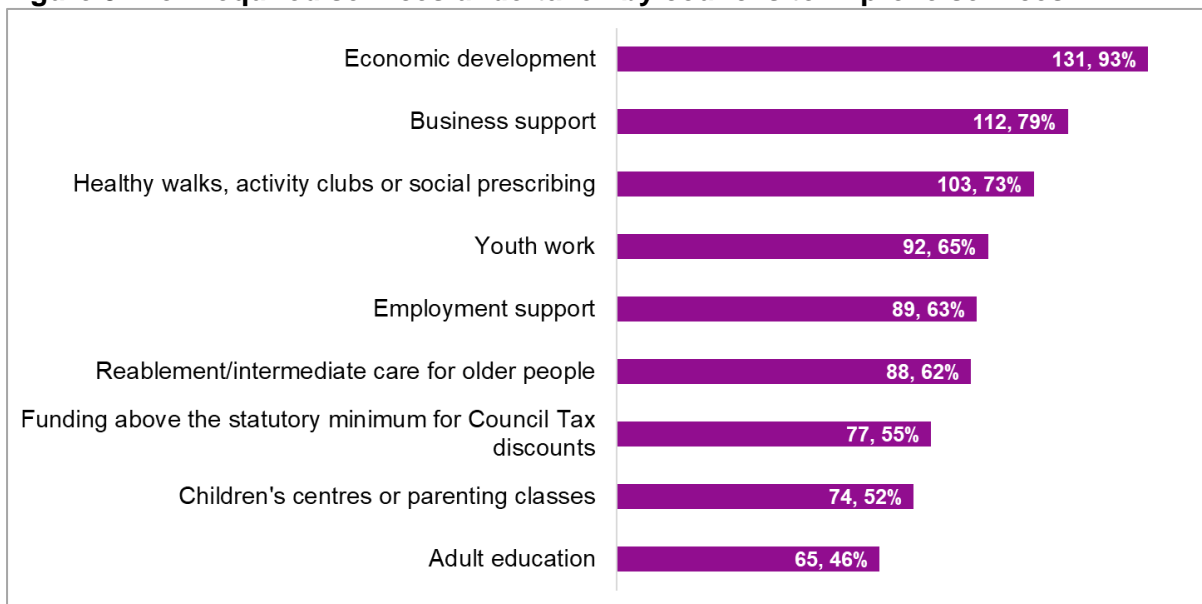
- housing-related support
- drug and alcohol services
- community alarms
- council tax support scheme

In addition, some councils had generally increased charges and fees, and reduced or not replaced staff in some services.

### Positive impact of council services

Councils were asked to select from a list of services any they undertook, even though they are not a requirement, because they make residents' lives better or have a positive impact on other local public services. Ninety three per cent of responding councils selected 'economic development', 79 per cent selected 'business support' and 73 per cent selected 'healthy walks, activity clubs or social prescribing'. See Figure 9.

**Figure 9: Non-required services undertaken by councils to improve services**



Base: all councils (141)

Note: Councils could select more than one option

A total of 21 councils provided details of 'other' services they undertake because they make residents' lives better or have a positive impact on other local public services. Responses included:

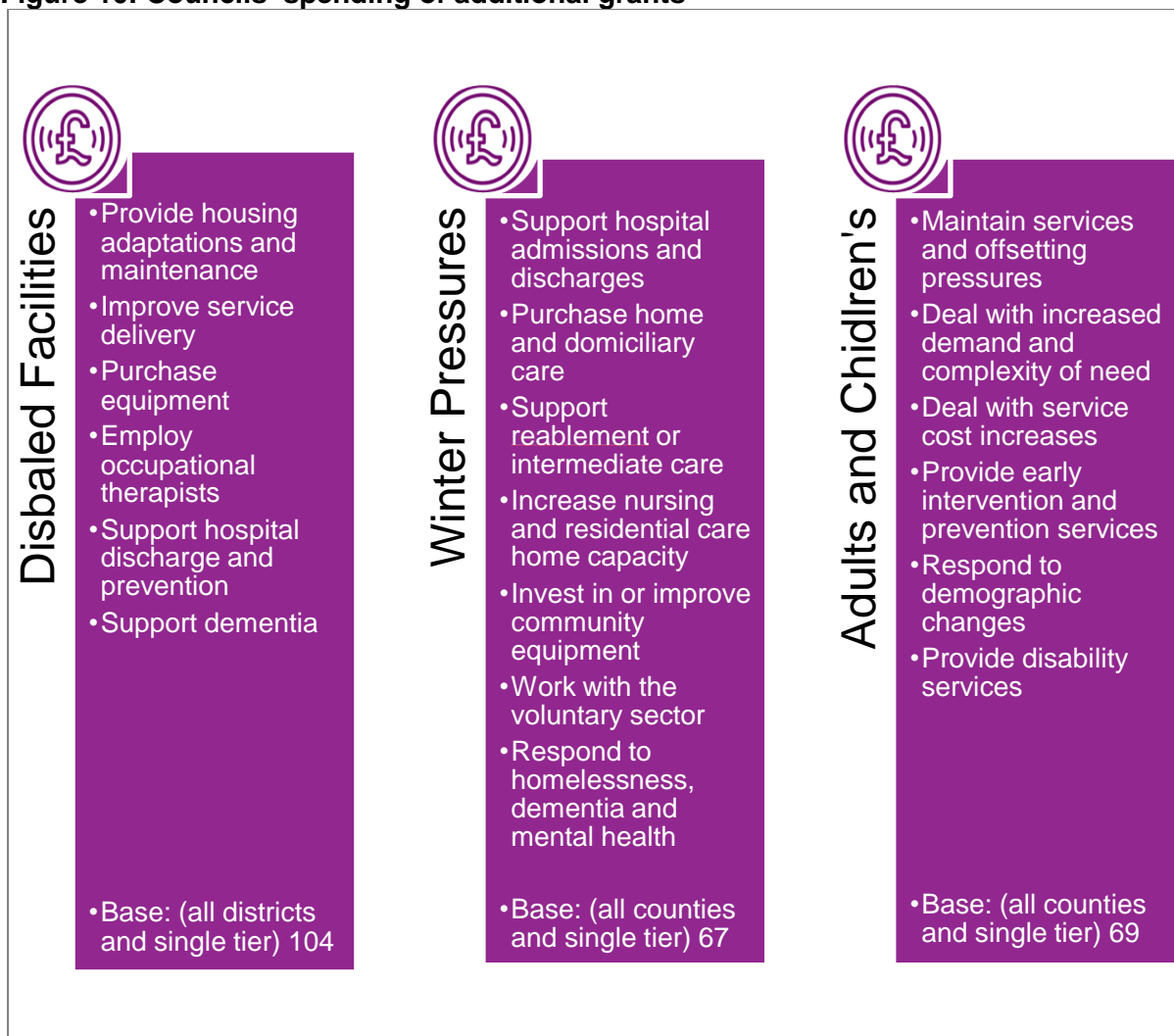
- community and cultural events
- support for 'no recourse to public funds' families
- financial inclusion/holiday hunger/welfare support

- leisure services
- healthy school meals
- on-street enforcement
- handyperson services
- tourist information
- ferry services/coastguard
- volunteer programme
- CCTV
- nature centre
- affordable housing
- parks improvement
- disabilities facilities/support
- council tax support.

### Spending as a result of additional grant funding

Councils were asked to specify how they had spent, or were going to spend, additional grants, particularly if they had been used in unusual or interesting ways to achieve good outcomes. Specifically, this included the Disabled Facilities Grant, the Winter Pressures Grant and the upcoming Adults' and Children's Services Grant. The responses provided by councils are shown in Figure 10.

**Figure 10: Councils' spending of additional grants**



## Innovation

Councils were given the opportunity to share details of any other activities they had undertaken that were innovative or notable in their results and had delivered efficiencies or savings. A total of 70 councils replied. The main themes were:

- property holdings, commercialisation and investment
- transformation, restructuring
- digital, data, channel shift, self-service
- income generation
- housing, land, regeneration
- shared services/partnerships
- social care

- business, economic growth
- waste
- treasury management.

## Other comments

The survey gave councils the opportunity to share information on how they had responded to widespread cuts to local government budgets over the last five years. Included in their submissions were additional supporting comments on their own financial circumstances and broader points of reflection on the financial sustainability of local authorities. These comments are summarised below.

### Pre-2015 savings

The survey asked councils about their financial situation after the 2015 Spending Review. Several councils called attention to significant grant reductions they had experienced between 2010 and 2015, which had resulted in considerable front-line impacts (for example, cuts to libraries, children’s centres, youth services and environment health). These reductions did not feature in their submissions, as they fell outside of the observed time period, and some councils wished to point out their historical financial context.

### Categorisation of savings

The survey asked councils to present their end-of-year savings. A small number of councils, while providing this information, warned the approach could obscure ‘enabling’ activities that had been embedded to support savings, but may not have resulted in direct savings, for example, changes to operating models. Additionally, it was noted that some councils may have shifted away from looking for savings to focus on sources of income.

Further to this, one council suggested broadening the margins of any analysis of council finances to view them as whole systems:

“While analysis of this kind is helpful, there is a real risk that we view the funding reductions through a functional lens of specific service reductions rather than seeing council services as a whole system. I think we ought to be clearer on the impact that wider services can have on the lives of our residents. For example, employment and good jobs, housing and health are intrinsically linked so we need to understand the impact of the cuts in that context.”

London borough, London

Similarly, another council recommended that the LGA approaches its Spending Review response ‘in a more thematic way’ rather than restricting itself to departmental lines:

“As part of the response to the Spending Review, we also need to tell the story about the role local authorities have in prevention, if you fund the social care gap what would the NHS save, but if we provide homes for life what would that do to the care budget. We need to think in a more thematic way rather than be restricted by departmental lines.”

Shire district, South East

### **Future savings**

Several councils highlighted the difficulties of budget planning within a climate of financial uncertainty for local government. They pointed to ambiguities surrounding business rates retention and the New Homes Bonus, as well as the Fair Funding review and Brexit negotiations. Setbacks to social care reform, and delayed announcements on grants beyond or outside the recent multi-year settlement, were also said to be impacting on councils’ abilities to plan effectively.

Moreover, such uncertainty was exacerbated by one-off and short-term funding by Government, often announced at short notice or in-year. For example, one council was particularly concerned about its housing and homelessness service once the New Burdens/Flexible Housing Support Grant ended. It said:

“Much of these grants, so far, have been focused on reactive measures rather than proactive. We are likely to need to use reserves or service cuts in other areas in order to adequately fund this service. As an example, our spend on temporary accommodation has increased from £k [amount] in 2014-15 to £m [5 x amount] in 2018-19. Due to the Housing Benefit subsidy system only a small proportion of this can be recovered in subsidy. For 2018-19 the council had a shortfall of over £k [more than two thirds] on the £m [total amount] spend on temporary accommodation”

Shire district, West Midlands

A lack of financial certainty made it difficult to achieve the following, according to councils:

- make informed assumptions
- set realistic budgets
- plan for the long-term
- use consistent assumptions across councils
- get the best value from public monies
- quantify unmet need
- deliver services at the level of need
- allow for some slack in the system.



## Concern for services

The survey asked councils about the services they were most concerned about delivering, if these were not protected from further cuts in the next four years. Some councils provided additional feedback to explain their anxieties. One council, for example, said it didn't have a 'single biggest worry', adding 'there's no absolute number one'.

Adult social care, children's services and homelessness featured in the additional comments provided by councils, with questions raised about the sustainability of the Adult Social Care precept and the Dedicated School Grant (due in part to increased high needs pressures and the extension of education, health and care plans to support young people into adulthood). For example, councils said:

"In addition to increasing pressures on children's social care (and Adults, due to an ageing population), the DSG [dedicated schools grant] budget is under severe pressure due to significant increased spending needs on High Need SEN [special educational needs and disabilities]. The DSG earmarked reserve is likely to go into deficit in 2019-20 and savings of around £m [tens of millions] are being targeted by 2019-20, via a High Needs Development Plan."

County, East Midlands

"We would make a particular point about High Needs, the underfunding of which is the single biggest financial issue facing the county council. This is part of a general issue about government departments other than MHCLG [Ministry of Housing, Communities and Local Government] having very significant effects on local authorities...."

County, Yorkshire and Humber

A small number of councils referred to pressures or ambitions in relation to environmental services. One council referred to its Green/Carbon Neutrality Plan that would require investment and support from many sectors. Other councils pointed to the pressures of providing free food and/or garden waste collections. The renewal of a waste/street cleaning contract had been a significant pressure for one council that had seen a huge increase in prices during a procurement exercise.

For districts, one council raised a concern that future changes to funding could shift resources from districts to authorities with adult social care responsibilities. Another district council said: "We have noticed an increasing trend for the county council to stop or reduce services and push responsibilities/costs onto the district council."

## Further pressures

It was clear from the survey responses that some councils were finding it increasingly harder to identify savings going forwards. For example, the following concerns were raised:

“Since 2010 [name of council] has had to make ongoing annual savings of £m [hundreds of millions]. It currently anticipates making further savings of £m [tens of millions] over the period 2019-20 to 2022-23. This is on the assumption that local government funding is at least held constant in real terms. Any downward deviation from this would result in additional savings being required.”

Metropolitan district, West Midlands

“Some questions have been difficult to answer due to uncertainty over future local government funding and the rates retention system. Depending on the future of some significant income streams (such as Business Rates and New Homes Bonus) the financial outlook for the council could be very different. Currently we have a remaining £m [amount] p.a. savings requirement which is planned largely through service transformation and income generation. If we were unable to deliver these savings the funding set aside to cover this risk would be depleted in 3 years.”

Shire district, Yorkshire Humber

“Not only are we having to cut the budget by around 10 per cent ‘every’ year just to balance (having done this and more since 2010), demand-led budgets, in particular children’s, are already overspending and so cutting their budget further is not possible. Income generation is also declining as residents cannot afford to pay. The council, therefore, expects to be £m [amount] overspent at year-end. Reserves have had to be used to balance budgets and are now virtually depleted and will worsen given the scale of the council’s current overspend. If demand-led services such as children’s and adult social care are to be protected, then the rest of the council’s services will be virtually wiped out in order to deliver a balanced budget. The uncertainty surrounding funding for 2020-21 makes it impossible to plan and take action. The scale of possible funding reductions for 2020-21 is absolutely frightening. Northamptonshire is only the first of many council failures on the horizon.”

Unitary authority, North West

In order to achieve a permanent and sustainable funding solution for local government, several councils recommended a range of issues to be considered. This included a solution for local government that “...takes account of demography and the real needs of local people and which does not place the whole funding burden on local tax payers and businesses”.

## Annex A: Grossing Statement

A single aggregate estimate for England was calculated to approximate the total amount councils have saved. This was calculated using the total for councils which provided an estimate of their savings, which was converted into a figure for average savings per council. This average was weighted to make it representative of all councils before being multiplied by the total number of councils in England (see Tables A1 and A2).

### Calculation

- A total of 130 councils submitted savings figures for the observed time period totalling £5.6bn.
- The representativeness of these 130 councils was tested by using a nationally available figure that was thematically similar to, and thus likely to correlate with, the savings results being measured. Total service expenditure was selected.
- The 2018-19 average service expenditure for councils submitting savings data was found to be significantly higher than the average across all councils in England (significant at the 95 per cent level using a t-test assuming equal variances).
- The average service expenditure for responding councils would have to be reduced by 29 per cent to be in line with the average service expenditure for all councils.
- Therefore, the combined savings of responding councils was down-weighted (decreased by 29 per cent of its value) to make it representative, before being divided by the number of responding councils to produce a more representative average saving per council, then multiplied out by the total number of councils.
- When extrapolating the savings to all councils, this results in an estimated total savings figure of £10.98bn across all English councils for the period 2016-17 to 2019-20.

	<b>All councils in England (n=353)</b>	<b>All councils in sample (n=130)</b>	<b>Difference in mean expenditure</b>	<b>Difference in mean expenditure</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>%</b>
Mean	121,979	170,781	48,802	29

Source: Revenue Outturn 2018-19, service expenditure (less education and police). See <https://www.gov.uk/government/statistics/local-authority-revenue-expenditure-and-financing-england-2018-to-2019-individual-local-authority-data-outturn>

**Table A2: Grossing assumptions**

<b>Amount saved by councils in the sample since SR2015</b>	<b>Amount saved by councils in sample since SR2015 if normalised i.e. -29%</b>	<b>Grossed estimated savings for councils since SR2015</b>	<b>Grossed estimated savings per council SR 2015</b>	<b>Grossed estimated savings per household in England since SR2015</b>
<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£</b>
5,659,652	4,042,355	10,976,55	31,095	356

Base: sample, 130; all councils in England, 353. Total household population figures are drawn from <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/householdprojectionsforengland>

## Annex B: Questionnaire

### Introduction

The LGA has launched its #CouncilsCan campaign to influence this year's Spending Review and ensure it secures the financial sustainability of councils. We are keen to gather evidence on the pressures facing local services and savings and efficiencies made by councils. This will help us make the case about the need to invest in local services, privately to Government and publicly in the media, parliament and through our digital channels. It will also help influence our submission on behalf of councils. I would therefore be very grateful if you would complete the following survey, by 10 May 2019.

All responses will be treated confidentially. Information will be aggregated, and no individual or authority will be identified without your consent. Identifiable information may be used internally within the LGA but will only be held and processed in accordance with our privacy statement. We are undertaking this survey to aid the legitimate interests of the LGA in supporting and representing authorities.

Thank you for your help in completing this survey.

### Financial figures

Unless instructed to do otherwise, where answers are required in £s format, please write the number in full, for example, two thousand should be 2,000 rather than 2k. If the amount is zero, please enter '0'. If you do not know an amount, please enter 'DK'. This approach supports the consistency of the data analysis process.

Please complete/amend as appropriate:	
Name	
Job title	
Email	
Local authority	

### Section 1: Savings and efficiencies

In order to help us demonstrate the already considerable efficiencies and savings made by local government, please answer the following questions.

Q1) Overall, what savings, if any, has your council made since the last Spending Review in 2015, including plans for 2019-20?	
<i>Please write in. If you don't know the amount, please enter DK.</i>	
Revenue savings in 2016-17 (£)	
Revenue savings in 2017-18 (£)	
Revenue savings in 2018-19 (£)	
Revenue savings in 2019-20 (planned, if known) (£)	
<b>Or, if you cannot break the savings down by year</b>	
Total revenue savings from 2016-17 up to and including 2019-20 (planned) (£)	

<b>Q2) And which, if any, of the following activities has your council undertaken since the last Spending Review in 2015, in order to derive savings and make efficiencies?</b>	
<i>Please select all that apply.</i>	
<b>Assets</b>	
Reduced the amount of office space/buildings/land used or owned by the council	
<b>Digital</b>	
Transformed one or more services using digital/data solutions (for example, data matching and linking of systems, channel shift, providing staff with digital devices)	
<b>Service change</b>	
Outsourced or insourced some services/parts of services	
Shared services or management with other authorities or local public services	
<b>Other</b>	
Contract renegotiation	
Generated additional income	
Other activities	

<b><i>If above you selected 'Reduced the amount of office space/buildings/land used or owned by the council'</i></b>	
<b>Q3) What estimated savings have you achieved since 2015, including plans for 2019-20, due to the reduction in the amount of office space/buildings/land used or owned by the council?</b>	
<i>Please write in. If you don't know the amount, please enter DK.</i>	
Total revenue savings from 2016-17 up to and including 2019-20 (planned) (£)	
Total capital receipts from 2016-17 up to and including 2019-20 (planned) (£)	

<b><i>If above you selected 'Transformed one or more services using digital/data solutions (for example, data matching and linking of systems, channel shift, providing staff with digital devices)'</i></b>	
<b>Q4) What estimated savings have you achieved since 2015, due to transforming one or more services using digital/data solutions (for example, data matching and linking of systems, channel shift, providing staff with digital services)?</b>	
<i>Please write in. If you don't know the amount, please enter DK.</i>	
Total revenue savings from 2016-17 up to and including 2019-20 (planned) (£)	

<b><i>If above you selected 'Outsourced or insourced some services/parts of services'</i></b>	
<b>Q5) What estimated savings have you achieved since 2015, due to outsourcing or insourcing some services/parts of services?</b>	
<i>Please write in. If you don't know the amount, please enter DK.</i>	
Total revenue savings from 2016-17 up to and including 2019-20 (planned) (£)	

<b><i>If above you selected 'Shared services or management with other authorities or local public services'</i></b>	
<b>Q6) What estimated savings have you achieved since 2015, due to sharing services or management with other authorities or local public services?</b>	
<i>Please write in. If you don't know the amount, please enter DK.</i>	
Total revenue savings from 2016-17 up to and including 2019-20 (planned) (£)	

<b><i>If above you selected 'Contract renegotiation'</i></b>	
<b>Q7) What estimated savings have you achieved since 2015, due to contract renegotiation?</b>	
<i>Please write in. If you don't know the amount, please enter DK.</i>	
Total revenue savings from 2016-17 up to and including 2019-20 (planned) (£)	

<b><i>If above you selected 'Generated additional income'</i></b>	
<b>Q8) What estimated additional income have you generated since 2015?</b>	
<i>Please write in. If you don't know the amount, please enter DK.</i>	
Total additional income from 2016-17 up to and including 2019-20 (planned) (£)	

<b><i>If above you selected 'Other activities'</i></b>	
<b>Q9) What other large-scale savings or efficiencies do you estimate your authority has achieved since 2015?</b>	
<i>Please write in. If you don't know the amount, please enter DK.</i>	
Total revenue savings from 2016-17 up to and including 2019-20 (planned) (£)	

**Section 2: Effect of the funding gap**

These questions are to help us demonstrate the impact of continued reduced funding.

<b>Q10) Thinking about the main services you deliver, how confident are you or not that the following services will be protected from further cuts in the next four years?</b>						
<i>Please select one option per service.</i>						
		<b>Very confident</b>	<b>Fairly confident</b>	<b>Not very confident</b>	<b>Not at all confident</b>	<b>Don't know</b>
Counties Single tier	Adult social care					
Counties Single tier	Children's services					
Counties Districts Single tier	Culture and sport (including libraries)					
Districts Single tier	Economic development/tourism					
Districts Single tier	Planning					
Counties Single tier	Public health					
Counties Single tier	Highways and transport					
Districts Single tier	Housing and homelessness					
Counties Districts Single tier	Regulatory services					
Districts Single tier	Street cleaning					
Counties Districts Single tier	Waste					

<b>Q11) And for which, if any, of the services is funding the greatest concern?</b>		
<i>Please select one option</i>		
Counties Single tier	Adult social care	
Counties Single tier	Children's services	
Counties Districts Single tier	Culture and sport (including libraries)	
Districts Single tier	Economic/tourism	
Districts Single tier	Planning	
Counties Single tier	Public health	
Districts Single tier	Housing and homelessness	
Counties Single tier	Highways and transport	
Counties Districts Single tier	Regulatory services	
Districts Single tier	Street cleaning	
Counties Districts Single tier	Waste	
Counties Districts Single tier	Other (please state)	
Counties Districts Single tier	None of the above	



<b>Q12) How confident are you, or not, of realising all of the savings your council has identified for 2019-20?</b>	
<i>Please select one option</i>	
Very confident	
Fairly confident	
Not very confident	
Not at all confident	
Don't know	
Not applicable	

<b>Q13) On the basis of current funding, from which year, if at all, do you think it likely that your authority will no longer have enough funding to fulfil all your statutory duties?</b>	
<i>Please select one option</i>	
Already not able to fulfil all statutory duties	
2019-20	
2020-21	
2021-22	
2022-23	
2023-24	
2024-25 or later	
Do not anticipate having too little funding to fulfil all statutory duties	
Don't know	

### Section 3: Impact of budget reductions on residents

Your responses to the questions in this section will help us to demonstrate the impact nationally of some of the cuts that we know authorities have had to make. Where possible, please could you estimate the scale of any reductions.

<b>Q14) Which, if any, of the following reductions has your council undertaken since 2015 which are likely to directly affect residents?</b>		
<i>Please select all that apply</i>		
Counties Single tier	Decommissioned bus service routes	
Counties Single tier	Closed/reduced hours of children's centres	
Counties Single tier	Closed/reduced hours/transferred running of libraries	
Districts Single tier	Closed/reduced hours/transferred running of sports and leisure facilities	
Counties Districts Single tier	Reduced funding to voluntary, charity and community groups	
Counties Districts Single tier	Sold/developed/transferred ownership of parks and green spaces	
Counties Districts Single tier	Reduced number of trading standards and/or environmental health visits	
Counties Districts Single tier	Other (please specify)	

<b><i>If above you selected 'Decommissioned bus service routes'</i></b>	
<b>Q15) Since 2015, how many bus service routes have been decommissioned?</b>	
<i>Please write in. If you don't know the scale of reductions, please enter DK.</i>	
Number of bus routes decommissioned	

<b><i>If above you selected 'Closed/reduced hours of children's centres'</i></b>	
<b>Q16) Since 2015, how many children's centres have been closed or had their hours reduced?</b>	
<i>Please write in. If you don't know the scale of reductions, please enter DK.</i>	
Number of children's centres cut/reduced	

<b><i>If above you selected 'Closed/reduced hours/transferred running of libraries'</i></b>	
<b>Q17) Since 2015, how many libraries have been closed or had their hours reduced or been transferred to voluntary or community groups or other organisations to run?</b>	
<i>Please write in. If you don't know the scale of reductions, please enter DK.</i>	
Number of libraries cut/reduced/transferred	

<b><i>If above you selected 'Closed/reduced hours/transferred running of sports and leisure facilities'</i></b>	
<b>Q18) Since 2015, how many sports and leisure facilities have been closed or had their hours reduced or been transferred to voluntary or community groups or other organisations to run?</b>	
<i>Please write in. If you don't know the scale of reductions, please enter DK.</i>	
Number of sports/leisure facilities cut/reduced/transferred	

<b><i>If above you selected 'Reduced funding to voluntary, charity and community groups'</i></b>	
<b>Q19) Since 2015, what has been the reduction in funding to voluntary, charity and community groups?</b>	
<i>Please write in. If you don't know the scale of reductions, please enter DK.</i>	
Reduction in funding to voluntary/charity/community groups from 2016-17 up to and including 2019-20 (planned) (£)	

<b><i>If above you selected 'Sold/developed/transferred ownership of parks and green spaces'</i></b>	
<b>Q20) Since 2015, how many parks and green spaces have been sold, developed or been transferred to voluntary or community groups or other organisations to run?</b>	
<i>Please write in. If you don't know the number, please enter DK.</i>	
Number of parks sold/developed/transferred	

<b><i>If above you selected 'Reduced number of trading standards and/or environmental health visits'</i></b>	
<b>Q21) How many trading standards and/or environmental health visits did your authority conduct in these two years?</b>	
<i>Please write in. If you don't know the number please enter DK. We ask about 2016-17 and 2018-19.</i>	
Number of visits in 2016-17	
Number of visits in 2018-19	

<b><i>If above you selected 'Other'</i></b>
<b>Q22) For the 'other' cuts you suggested, please describe the scale of reduction in terms of number of people or clients or any other appropriate measure.</b>
<i>Please write in with an indication of the scale of the cuts, if possible.</i>

#### **Section 4: Positive impact of council services**

The aim of this section is to allow us to demonstrate the wider benefits of council investment in services and activities, including those to other public services.

<b>Q23) Which, if any, of the following activities does your council undertake – even though they are not a requirement – because they make residents' lives better or have a positive impact on other local public services (for example, by diverting demand or saving them money directly)?</b>	
<i>Please select all that apply</i>	
Youth work (for example, to divert young people from anti-social behaviour)	
Business support (for example, for SMEs and start-ups, including helping them use the Apprenticeship Levy)	
Economic development (for example, to promote local areas as places for economic investment or tourism, to secure local jobs)	
Adult education (for example, to increase local skills of those age 19 and over)	
Employment support (helping young people or adults into work so reducing dependency on welfare and/or other public services)	
Children's centres or parenting classes (for example, to treat problem behaviour and support families)	
Healthy walks, activity clubs or social prescribing (for example, to improve health and fitness of the population)	
Reablement/intermediate care for older people (for example, to help them avoid hospital or remain independent)	
Funding above the statutory minimum for Council Tax discounts (for example, to avoid longer term problems with debt)	
Other (please specify)	

#### **Section 5: Spending as a result of additional grant funding**

Your responses to the questions in this section will help us to demonstrate the benefits of giving the sector additional funding. We would like to understand how local authorities have spent the additional grant that has been given to them, or announced recently, particularly if it has been used in unusual or interesting ways to achieve good outcomes.

**For districts and single tier**

**Q24) Please briefly outline the way in which you have spent the Disabled Facilities Grant you received in 2018-19.**

*Please write in. We may contact you for further detail. This will allow us to demonstrate the benefits of giving the sector additional funding.*

**For counties and single tier**

**Q25) Please briefly outline the way in which you have spent the Winter Pressures Grant you received in 2018-19.**

*Please write in. We may contact you for further detail. This will allow us to demonstrate the benefits of giving the sector additional funding.*

**For counties and single tier**

**Q26) Please briefly outline the way in which you are going to spend the Adults and Children's Services Grant announced for 2019-20.**

*Please write in. We may contact you for further detail. This will allow us to demonstrate the benefits of giving the sector additional funding.*

## **Section 6: Innovation**

This section gives you the opportunity to share any other activities your council has undertaken that are innovative or notable in their results, and have delivered efficiencies or savings.

**Q27) Are there any other activities or changes your council has made to derive efficiencies or savings, that are innovative or notable in their results, which we have not covered above?**

*Please write in briefly. We may follow up with you to find out further details.*

**Q28) Do you have any other comments?**

You have reached the end of the survey.

You are in control of any personal data that you have provided to us in your response. You can contact us at all times to have your information changed or deleted. [Click here for our privacy statement.](#)

Thank you for responding to the LGA's Spending Review Survey.

We will be using this to make the case about the need to invest in local government services.



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