

**REPORT OF THE LEADER  
THE BUDGET PROCESS FOR 2018/19 , BUDGET CONSULTATION 2018/19  
AND THE RESIDENTS SURVEY 2017**

**Purpose of the Report**

1. To approve the budget process and timetable for the 2018/19 budget
2. To approve the consultation process for the 2018/19 budget
3. To approve the annual residents survey for 2017

**Information and Advice**

4. The Government has agreed to provide local authorities with a four year financial settlement, this change in local government funding and the ongoing reductions in local government finances mean that a more “business as usual” approach needs to be adopted for managing the Council’s Medium Term Financial Strategy (MTFS) and required budget reductions. The MTFS currently shows a £62 million funding gap across the life of the strategy.
5. With this approach in mind it is recommended that the budget process from 2018/19 and onwards should be adapted. The revised budget process seeks to achieve the following outcomes:
  - A dynamic budget process which reflects the new four year Government settlement
  - A process which seeks to identify and secure savings on a rolling basis in order that they can be incorporated into the MTFS as quickly as possible
  - A process which is transparent and allows political scrutiny and proper consultation where appropriate
6. The proposed budget process for 2018/19 and onwards is as follows:
  - Seeking methods and processes to reduce cost is and will continue to be part of all departmental plans and strategies.
  - Rather than budget proposals being focussed on one short period every year, proposals will be submitted to relevant committees throughout the year.
  - The 2018/19 budget proposals which require consultation will be taken to relevant committees between now and February 2018 to seek permission to undertake consultation
  - Base budget changes recommended by the Director of Finance will be reported to the Finance and Major Contracts Management Committee for approval.
  - Any changes involving Policy changes will be agreed and reported to Policy Committee.
  - A report will be brought to Policy Committee in December updating members on the position with the budget and proposals at that stage.

- A report will be brought to Finance and Major Contracts Management Committee in February to recommend the 18/19 budget to Full Council.
7. Budget consultation processes will also need to match this new approach. Members will be aware that this Council undertakes an annual resident's survey and it is proposed that this survey forms the basis of the overarching budget consultation, supported by the individual consultations which will be undertaken on specific budget proposals.

### **Budget Process and Timetable**

8. It should be noted that the individual consultations on specific budget proposals will be undertaken at different times throughout the year.
9. The budget process reflects a responsive approach to consulting with Nottinghamshire residents on efficiency proposals throughout the financial year which:
- recognises that efficiencies have become part of everyday life for a modern council and the need to embed responsive consultation into the organisation
  - enables committees to retain responsibility for proposals that affect their areas of accountability
  - allows the organisation to facilitate a dynamic approach to budgeting and a rolling MTFs that can respond to organisational need and the financial climate.

### **Consultation Process and Timetable**

10. The overall consultation campaign is planned to take place between the 18th October 2017 and 28<sup>th</sup> February 2018, with the following stages:

Consultation Activity	Timescale	
	Commence	Close
Face to Face survey with 1,050 residents	19 October 2017	24 November 2017
Online survey with additional questions	19 October 2017	24 November 2017
Individual proposals are consulted with stakeholders and considered at relevant committee meetings.	18 October 2017	28 February 2018

11. Feedback from the consultation process will be considered at the following meetings:

Reporting	Timescale
Residents survey results reported to Policy Committee	24 January 2018
Finance & Major Contracts Management Committee endorse and recommend budget proposals	5 February 2018
Full Council – budget proposals approved	28 February 2018

### **Residents Survey Consultation Methodology**

12. The resident's survey is undertaken by an independent research company, Enventure Research, who carry out face-to-face interviews with a controlled sample of 1,050 residents. In addition to the standard residents survey questions which are attached at Appendix A it is proposed that further questions are included in the survey and these are attached at Appendix B. Members will see these questions cover a variety of issues affecting the Council's budget including Council tax.

### **Face-to-Face survey**

13. 150 face-to-face interviews will be conducted in each of the seven districts. This response rate achieves a 95% confidence interval meaning the results are accurate to approximately +/- 3%. This means with a result of 50%, we can be 95% sure that if we interviewed all residents then the result would be between 47% and 53%.
14. The survey uses a controlled sample which has the following benefits:
- Results are representative of the County's demography.
  - Results can accurately be compared against the results from previous years' surveys.
  - As the survey uses standardised questions from the Local Government Association they can also be benchmarked nationally.

### **Online and printed survey**

15. The extended version of the survey will also be made available on the Council's website. There are no direct costs for this additional method and it provides the opportunity for all residents to have their say.
16. Key digital channels such as Internet/Intranet and email will be used to promote the online survey.
17. The Council has a specific statutory duty to consult with the Business Community regarding expenditure plans for the coming financial year. An email with a targeted message and link to the survey will be sent to a distribution list of over 7,000 Nottinghamshire businesses.
18. Printed copies of the survey will be available in all the County's libraries and flyers promoting the survey distributed to a range of public buildings. Copies of the printed survey will also be available upon request by phoning the Customer Service Centre.
19. It is important to capture all consultation returns and apply a standard approach/response to comments and or questions received by the Council. Therefore, as in previous years, an "Internal protocol for responding to correspondence" has been drafted and would be issued internally to all Councillors, Corporate Leadership Team and relevant officers.

### **Other Options Considered**

20. The Council could undertake its budget setting as in previous years but this would not be responsive to the changing nature of local government finance.

### **Reason/s for Recommendation/s**

21. To ensure the Council has processes in place to meet its statutory requirement to set a balanced budget.

### **Statutory and Policy Implications**

22. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### **Financial Implications**

23. It is envisaged that the delivery of the residents' survey, which forms the overarching 2017 budget consultation process, can be undertaken at a cost of below £13,000. The cost will be met from the 2017/2018 Communications and Marketing budget. Consultation costs for

individual budget proposals are not included in this cost and will be funded within the departments.

### **Equalities Implications**

24. Proposals that have equality implications will have individual Equality Impact Assessments undertaken.

## **RECOMMENDATIONS**

It is recommended that Policy Committee approves:

1. The budget process and timetable for 2018/19 budget as set out in the report
2. The budget consultation process for 2018/19 as set out in the report
3. The questions and methodology for the annual residents survey as set out in the report

**Councillor Mrs Kay Cutts MBE**

**Leader of the Council**

**For any enquiries about this report please contact:**

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### **Constitutional Comments (SSR 01/09/2017)**

Policy Committee has the delegated authority to agree these recommendations.

### **Financial Comments (NS 01/09/2017)**

The financial implications are stated in the report.

### **Background Papers**

Appendix A – Residents survey questions

Appendix B - Further residents survey questions specifically relating to budgetary issues

**Electoral Division(s) and Member(s) Affected:** All