

## **REPORT OF THE CABINET MEMBER FOR FINANCE**

### **BUDGET UPDATE REPORT & CONSULTATION**

#### **Purpose of the Report**

1. This report is to provide an update to Overview Committee on the current budget for 2022/23. The report also provides information on the budget development process for 2023/24, together with detailing the related consultation process.

#### **Budget Update**

2. The Council approved the 2022/23 budget at its meeting on 24 February 2022. As with previous financial years, progress updates are closely monitored and reported to management, the Cabinet Member for Finance or Cabinet each month.
3. In accordance with the Budget and Policy Framework Procedure Rules, Cabinet at its meeting on 17 November 2022 considered the Council's current and medium-term financial position (MTFS). In addition, this report described the proposed approach to undertaking the budget consultation and underline ongoing measures to tackling a predicted budget deficit. This report is attached at Appendix A.
4. The report identifies the background and difficulties that local government sector and Nottinghamshire County Council is facing in establishing its budget for next year. In November 2021 through the Nottinghamshire Plan the Council set out its 10-year vision. This Plan also detailed the Council's on-going journey of improvement as it continues to deliver services in a responsive, efficient, financially sustainable and forward-looking way. The annual Budget reflects the ambitions within the Nottinghamshire Plan.
5. The attached report identifies the processes that have been undertaken in creating the budget, together with the emerging pressures, both from demand for our services and inflation, the measures we have in place to mitigate future rising pressures, assumptions and the risks behind the assumptions in the MTFS.

## Budget Consultation

6. When the Committee was updated on the Budget framework in September there was a request to understand the process that would undertaken surrounding consultation on the Council's Budget.
7. The consultation went live on the 17 November 2022 and will close on the 2 January 2023. The survey sets out how the council spends its allocated budget and asks people for their views about our services and their priorities. The specific questions surrounding the Budget are as follows:

**A. Please rank the three Nottinghamshire County Council services in order, according to those that you feel benefit you and your community the most - with 1 being the highest priority and 3 being lowest priority. Select 3 options only.**

- care and support for vulnerable adults and older people (this includes services such as residential placements, day care, respite care, homecare, supported housing)
- services to keep children safe (including fostering, adoption, safeguarding and child protection, residential care, short breaks)
- support for families (including children centres, youth services, early years and childcare services)
- protecting and improving health (including helping to give children the best start, supporting people wanting to make healthy changes related to alcohol, drugs, tobacco, nutrition and exercise, mental wellbeing and suicide prevention, and giving particular attention to people living with the harmful impacts of homelessness and domestic violence)
- community and public transport (including Planning and improvements, highway maintenance, bus travel including schools)
- environmental services (waste and recycling, flooding & climate change)
- economic development and regeneration (including employment and skills, broadband, tourism)
- recreational and cultural services (including library services, museums, arts, trails & country parks)
- services for schools (including school admissions)

**B. In February 2023, Full Council will consider what the Council Tax Rate will be from April 2023. If Council Tax is increased by 1.99 per cent this would raise an additional £8m a year, which would result in an estimated increase of 60 pence a week for a Band D property.**

**By raising Council Tax, the Council may not be required to make as many reductions to some of the services listed in the questions above. Based on this information, would you support a 1.99 per cent increase in Council Tax?**

Yes/No/I don't know

**C. To what extent do you agree or disagree that the Council should reduce spend in the following services to help meet the financial challenge?**

Strongly agree, Agree, Neither agree nor disagree, Disagree, Strongly disagree, Don't Know

- care and support for vulnerable adults and older people (this includes services such as residential placements, day care, respite care, homecare, supported housing)
- services to keep children safe (including fostering, adoption, safeguarding and child protection, residential care, short breaks)
- support for families (including children centres, youth services, early years and childcare services)
- protecting and improving health (including helping to give children the best start, supporting people wanting to make healthy changes related to alcohol, drugs, tobacco, nutrition and exercise, mental wellbeing and suicide prevention, and giving particular attention to people living with the harmful impacts of homelessness and domestic violence)
- community and public transport (including Planning and improvements, highway maintenance, bus travel including schools)
- environmental services (including waste and recycling, flooding & climate change)
- economic development and regeneration (including employment and skills, broadband, tourism)
- recreational and cultural services (including library services, museums, arts, trails & country parks)
- services for schools (including school admissions)

**D. In February 2023, Full Council will consider what the Adult Social Care Levy will be from April 2023. If 1 per cent was added to the Levy on your Council Tax bill, this could generate just over £4.3 million extra income, which would result in an estimated increase of 30 pence a week for a Band D property. As a result, this could mean that fewer reductions would need to be made to some of the Council's services.**

**In light of this information, would you be willing to add 1 per cent to the Adult Social Care Levy?**

Yes/No/I don't know

## **Budget Framework**

8. This new budget framework set out the process for Cabinet in establishing the annual budget, including the consultation process, where and when Overview Committee is able to consider Cabinet's initial budget proposals. It also indicated the initial deadline of the 8 February in any financial year for Cabinet to submit to Council for its consideration in relation to the following financial year. This effectively brings forward the date for Full Council to approve the annual budget and allows time for any further revision of the budget if Full Council so wishes.
9. The Full Council is responsible for the approval of the Annual Budget. The Council's Cabinet is responsible for its implementation by discharging executive functions in accordance with it.
10. In accordance with the Budget and Policy Framework Procedure Rules, Cabinet will recommend to Full Council the proposed revenue and capital budget for the forthcoming financial year, inclusive of council tax to be levied.
11. The Full Council will be responsible for approving the annual budget, which must be approved by the end of February each year.

## **Other Options Considered**

12. This report sets out the current budget and process for 2022/23 together with the high-level consultation upon the budget. It gives an opportunity for the Committee to consider the budget, the MTFS and in particular form a response to the public consultation.

## **Reasons for Recommendation/s**

13. To provide information to Overview Committee on the Council's approach to the budget setting process and the current assumptions behind the budget. It also provides the opportunity for the Committee to form its response to the consultation.

## **Statutory and Policy Implications**

14. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment 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**

15. There are no direct financial implications arising from this report.

## **Data Protection and Information Governance**

16. A full Data Processing Impact Assessment has been done and the contract contains all the relevant clauses

## **RECOMMENDATION**

That Overview Committee:

1. Notes the current position on the Council's 2022/23 budget.
2. Notes the process in establishing the Council's budget for 2023/24
3. Notes the current assumptions that have been made in establishing the Council's budget for 2023/24.
4. Notes the public consultation process on the 2023/24 budget.
5. Agrees it's response to the specific budget consultation questions, as set out in this report.

**Councillor Richard Jackson**  
**Cabinet Member for Finance**

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

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### **Constitutional Comments (SSR 22/11/2022)**

17. The information set out in this report is for information only and no decisions are required. These are matters for Overview Committee to consider.

### **Financial Comments (NS 07/11/2022)**

18. The attached Cabinet report identified the financial implications. There are no specific financial implications arising directly from this report.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

### **Electoral Division(s) and Member(s) Affected**

- All