

Summary Sheet

Council Report

Overview and Scrutiny Management Board – 17 March 2017

Title: Budget 2018/19 - Consultation and Engagement Approach

Is this a Key Decision and has it been included on the Forward Plan?

No

Strategic Director Approving Submission of the Report

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Report Author(s)

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Ward(s) Affected

All

Summary

This report provides an initial response to the recommendation from Overview and Scrutiny Management Board on 3 February 2017:

(2) That a further report be submitted to the Board on consultation and an early commencement of the budget consultation process for 2018/19.

It sets out the principles with which the consultation and engagement will be undertaken by the Council and the role of consultation as part of the Budget setting process. This is so that early views can be sought from Members.

This report is not a detailed consultation and engagement strategy for the budget 2018/19 process. This strategy will be developed once the budget process for 2018/19 is formally underway and OSMB will be consulted as part of finalising the approach.

Recommendations

1. That Overview and Scrutiny Management Board

- Notes the principles with which the consultation and engagement will be undertaken by the Council and the role of consultation as part of the Budget setting process for 2018/19.
- Gives early views on the principles with which the consultation and engagement will be undertaken by the Council and the role of consultation as part of the Budget setting process for 2018/19.
- Notes that a consultation and engagement strategy will be developed once the budget process for 2018/19 is formally underway.

List of Appendices Included

None

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

None

Council Approval Required

No

Exempt from the Press and Public

No

Budget 2018/19 - consultation and engagement approach

1. Recommendations

1.1 That Overview and Scrutiny Management Board

- Notes the principles with which the consultation and engagement will be undertaken by the Council and the role of consultation as part of the Budget setting process for 2018/19.
- Gives early views on the principles with which the consultation and engagement will be undertaken by the Council and the role of consultation as part of the Budget setting process for 2018/19.
- Notes that a consultation and engagement strategy will be developed once the budget process for 2018/19 is formally underway.

2. Background

- 2.1 The scale and breadth of the budget process for 2018/19 will impact the whole of Rotherham and its residents.
- 2.2 In producing its budget proposals, the Council must have regard to duties to consult provided by legislation and common law; and its own established policies on engagement with local people.
- 2.3 Statutory duties during the budget process include both general and specific duties relating to the Council's budget and finances. General duties include the Best Value duty in the Local Government Act 1999, and those that relate to ensuring compliance with the Equality Act 2010. Specific duties include the requirement to consult business rate payers contained in the Local Government Finance Act 1992 and to consult on the Local Council Tax Reduction Scheme (which has an impact on the Council Tax base) contained in the Local Government Finance Act 2012.

The consultation process for the Budget process 2017/18:

- 2.4 The process for 2017/18 had a strong focus on providing the full detail of all proposals to OSMB, putting them into the public domain as part of that process on an ongoing basis from late 2015 through to January 2016.
- 2.5 A specific public consultation process then ran from 1 December 2016 to 3 January 2017 (around 4 weeks), with all the proposals that had progressed through OSMB – set out in standardised templates - published in full on the Council website.
- 2.6 The Council asked the public to provide feedback on budget proposals via; local media, the Council website and social media. People were able to submit their responses via email, in writing or via the councils Social Media channels.
- 2.7 A total of 31 responses were received to the corporate consultation exercise by the deadline (5.00pm Tuesday 3 January 2017) by email, and separately responses from the Council's partners were received recognising the difficulties the Council is facing and hence supporting the proposals put forward.

- 2.8 The 31 responses relate only to the corporate public budget consultation responses and do not include the responses received for service consultations on individual proposals.
- 2.9 Consultations on over 22 service consultations on individual proposals (ASRs) were also carried out and a further eight service consultations on individual proposals (ASRs) are required prior to implementation. The remaining consultations will take place over the forthcoming months and in accordance with relevant statutory requirements.
- 2.10 It is clear from the much higher numbers of responses gained through service consultations on individual proposals (ASRs) – some upwards of 400 responses each - that where there is easily identifiable direct impact on people, there is a greater level of engagement.
- 2.11 With regard to the proposed changes to the Capital Strategy and Capital Programme, consultation took place with Members, Commissioners, and officers engaged in capital projects across Directorates.

The role of OSMB during the budget process 2017/18:

- 2.11 The OSMB closely reviewed and challenged the budget proposals for 2017/18.
- 2.12 The budget process included the referral of outline savings proposals to OSMB for its formal consideration as part of the Council's budget scrutiny process.
- 2.13 The OSMB held formal sessions to consider these savings proposals (18th November and 2nd and 16th December 2016, with the associated information placed in the public domain), as well as the potential financial implications of the additional investment into Children's and Young Peoples Service and Adult Social Care, detailed in the agreed update to the Medium Term Financial Strategy.
- 2.14 The OSMB raised specific queries and challenge and received further information on some of the proposed savings and subsequently supported all the savings proposals put forward.

3. Key Issues

- 3.1 The aim of any budget consultation process is to balance the various interests and needs of the council and its stakeholders and communities, and to help inform the production of a soundly-based financial plan for the future.
- 3.2 The budget process needs to be set against the background of the council's Medium Term Financial Strategy (MTFS), as well as the Council's established strategic priorities, as set out in the Corporate Plan. Budget consultation is a critical process, as it is important that the public, partners, stakeholders (as well as council staff and councillors) are, and feel, engaged in the process.

3.3 Consultation should ideally be undertaken to engage with and listen to as many local people as possible, including any particularly affected groups, so that reliable and robust evidence can be provided to help inform final decision-making.

4. Options considered and recommended proposal

4.1 The Council has committed to refreshing the current 2016/17 Corporate Plan for 2017/18 onwards, and the consultation on the budget for 2017/18 will be informed by this work.

4.2 The Council seeks to further increasing its engagement with residents over the next year, as the budget is developed for 2018/19. To achieve this the Council is proposing to start engaging with its stakeholders much earlier in the budget setting process and to work more closely with its partners to maximise its reach across all service users/ residents.

4.3 In addition, the council has reviewed its approach to consultation and taken the decision to identify an organisational lead to ensure consistency in its drive for this increased engagement. This will be the newly appointed Head of Performance, Intelligence and Improvement. Once in post, it is proposed that they will take a view on the consultation process for the budget 2018/19 and work alongside the Head of Communications and Marketing to ensure a well-rounded consultation and engagement strategy is developed.

Who will be consulted with during the budget process for 2018/ 19:

4.4 The Council' Scrutiny function (OSMB) will be provided with proposals for consideration as they were during the 2017/18 process and this will be built into the budget planning arrangements and timetable as they are developed. There will also be early consultation on any other key budget issues relevant to the process should they arise.

4.5 It is also expected that the Council's formal partners – Health, Police, Fire, Voluntary Sector, Chamber of Commerce etc. – are appropriately briefed, e.g. through the Rotherham Together Partnership's governance structures, and other supporting partnerships (Growth Board, HWB, CYP Partnership, SRP).

4.6 The consultation and engagement programme overall needs to aim to reach all of the following key audiences:

- *Rotherham residents*
- *Young people*
- *Older people*
- *The business community*
- *Voluntary and community sector*
- *Town and Parish Councils*
- *BME communities*
- *Disability groups (and other protected characteristic groups)*
- *Service users*
- *Partner organisations*
- *All elected members*
- *Council employees*

Additional, service-level consultation:

- 4.7 Services/Directorates will need to consider what specific engagement needs to take place in addition to the headline, council-wide consultation process.
- 4.8 There is also the requirement for Equality Impact Assessments for proposals to be carried out at the earliest possible stage in the process.

How the Council will engage during the budget process for 2018/19:

- 4.9 All communications will be set in the context of the Council's Medium Term Financial Strategy (MTFS), as well as the Council's established strategic priorities, as set out in the Corporate Plan.
- 4.10 The Council will be looking to maximise its resources and engage with its target audiences, to ensure representation from across the borough, via a combination of online and more traditional offline channels.
- 4.11 In line with the council's digital-first approach, the Council's consultation and engagement will ensure engagement is carried out across Council and partner digital channels.
- 4.12 Offline activity will include a programme of media opportunities and consultation events, alongside the use of Council and partner publications.
- 4.13 It is important for all feedback and opinion to be captured by the Council and stored in one accessible central location, in order to ensure that this can also be incorporated to the final decision-making process and final budget-setting report.

5. Consultation

- 5.1 As above.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The Council proposes to start engaging with its stakeholders much earlier in the budget setting process than in previous years. A consultation and engagement strategy will be developed once the budget process for 2018/19 is formally underway.

7. Financial and Procurement Implications

- 7.1 There is a current estimated budget gap of £42m over the two years 2018/19 and 2019/20. This will present a significant challenge to the Council and will require some difficult decisions to be taken when options and proposals are brought forward.

8. Legal Implications

- 8.1 These will be set out as per the Budget process for 2018/19.

9. Human Resources Implications

9.1 These will be set out as per the Budget process for 2018/19.

10. Implications for Children and Young People and Vulnerable Adults

10.1 These will be set out as per the Budget process for 2018/19.

11 Equalities and Human Rights Implications

11.1 These will be set out as per the Budget process for 2018/19.

12. Implications for Partners and Other Directorates

12.1 These will be set out as per the Budget process for 2018/19.

13. Risks and Mitigation

13.1 These will be set out as per the Budget process for 2018/19.

14. Accountable Officer(s)

Shokat Lal, Assistant Chief Executive

Judith Badger, Strategic Director - Finance & Customer Services

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