

**BRIDGEND COUNTY BOROUGH COUNCIL**

**REPORT TO CORPORATE RESOURCES & IMPROVEMENT OVERVIEW AND SCRUTINY COMMITTEE**

**25 JANUARY 2018**

**REPORT OF THE CORPORATE DIRECTOR – OPERATIONAL AND PARTNERSHIP SERVICES**

**MEDIUM TERM FINANCIAL STRATEGY 2018-19 to 2021-22 AND DRAFT BUDGET CONSULTATION PROCESS**

**1. Purpose of the Report**

1.1 The purpose of the report is to present the Committee with:

- a) the final report of the Budget Research and Evaluation Panel (BREP) attached at Appendix A;
- b) the responses from all the Subject Overview & Scrutiny Committees in relation to Cabinet's draft budget proposals, attached at Appendix B.

**2. Connection to the Corporate Improvement Objectives / Other Corporate Priorities**

2.1 The key improvement objectives identified in the Corporate Plan 2016–2020 have been embodied in the Overview & Scrutiny Forward Work Programmes. The Corporate Improvement Objectives were adopted by Council on 1 March 2017 and formally set out the improvement objectives that the Council will seek to implement between 2016 and 2020. The Overview and Scrutiny Committees engage in review and development of plans, policy or strategies that support the Corporate Themes.

**3. Background**

3.1 At the meeting held on 7 August 2012, the Corporate Resources & Improvement Overview and Scrutiny Committee approved the approach for the proposed 2013/14 Budget Consultation Research and Evaluation Panel (BREP).

3.2 In considering the challenges associated with continued budget reductions, Members of the 2013/14 BREP recognised the need for a 'whole Council' response to be adopted in managing anticipated cuts to services against a backdrop of increasing demand, public sector reform and the challenging financial outlook.

3.3 The 2013/14 Panel therefore recommended that a Standing BREP be established to engage members on budget proposals as well as to enable members to feed in community intelligence gained from their representative role and to engage in shaping future service provision. This recommendation was endorsed by both the Corporate Resources and Improvement Overview & Scrutiny Committee and Cabinet as part of the 2013/14 draft budget consultation process.

- 3.4 Under the new Scrutiny Committee structure the Corporate Overview and Scrutiny Committee (COSC) has the overall responsibility for budget monitoring throughout the year. As such it was agreed at a meeting of Council in September 2017 that it would continue this role and appoint BREP from within its Members of the COSC.
- 3.5 The purpose of the Budget Research and Evaluation Panel was subsequently agreed as the following:
- To achieve consensus on the direction of the budget over the life of the medium term financial strategy.
  - To achieve a detailed overview and assessment of the budget proposals where the expertise and knowledge of each Committee contributes to a Corporate understanding and appreciation of the draft budget proposals;
  - To assist the Council to develop a budget for the forthcoming year that aims to meet the needs of the communities of Bridgend County Borough;
  - To facilitate firmer understanding of the budget setting process and the draft proposals in order to assist the Committees in making informed comments, constructive challenge or recommendations to Cabinet as part of the budget consultation process.
- 3.6 Each Subject Overview and Scrutiny Committee (SOSC) would continue to receive an individual set of Directorate Budget proposals to scrutinise in December, as has previously been the case. The comments and recommendations from each Committee would then be consolidated along with the BREP's comments into one report which would be presented to Cabinet.

#### **4. Current Situation/Proposal**

- 4.1 The BREP has met on seven separate occasions and examined by means of semi-structured interviews with Directors and Officers the Budget Strategy for the Council as a whole.
- 4.2 Detailed information was requested from Officers to inform discussions regarding the rationale behind the early draft proposals, their impact and how they linked to the Corporate priorities.
- 4.3 The BREP also invited the Cabinet Member – Resources/Deputy Leader to attend each meeting to be part of the BREP process.
- 4.4 The Corporate Overview & Scrutiny Committee is asked to consider the findings of the Budget Research and Evaluation Panel attached at Appendix A and determine whether the recommendations should be forwarded to Cabinet along with the consolidated responses from all four Overview and Scrutiny Committees at Appendix B as part of the budget consultation process.

#### **5. Effects on the Policy Framework and Procedure Rules**

5.1 This item relates to the role of Overview & Scrutiny Committees as consultees in respect of the budget setting process.

## **6. Equalities Impact**

6.1 The report received by Cabinet on 28 November 2017 on the Medium Term Financial Strategy 2018-19 to 2021-22 states that the proposals contained within the report cover a wide range of services and it is inevitable that the necessary budget reductions will impact on the local population in different ways. In developing these proposals, consideration has been given to their potential impact on protected groups within the community and on how to avoid a disproportionate impact on people within these groups.

6.2 The Cabinet report further stated that an Equality Impact Assessment will be carried out and included within the Final MTFS in February 2018.

## **7. Financial Implications**

7.1 The report relates to the budget setting process and the financial implications associated with that.

## **8. Recommendations**

The Committee is asked to determine whether it wishes to submit the recommendations outlined at Appendix A and B to Cabinet as part of the budget consultation process, subject to any modifications and amendments that the Committee decides are appropriate.

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## **Background Documents:**

Bridgend County Borough Council Constitution  
Part II of the Local Government Act 2000: Executive Arrangements