

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO THE CORPORATE OVERVIEW AND SCRUTINY COMMITTEE

31 JANUARY 2023

REPORT OF THE CHIEF OFFICER - LEGAL AND REGULATORY SERVICES, HR AND CORPORATE POLICY

MEDIUM TERM FINANCIAL STRATEGY 2023-24 TO 2026-27 AND DRAFT BUDGET CONSULTATION PROCESS

1. Purpose of 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 corporate well-being objectives / other corporate priorities

2.1 This report assists in the achievement of the following corporate well-being objective/objectives under the **Well-being of Future Generations (Wales) Act 2015**:

1. **Supporting a successful sustainable economy** – taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.
2. **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.
3. **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

3.1 In considering the challenges associated with continued budget reductions, Members recognised the need for a 'whole Council' response to be adopted in managing anticipated reductions to services against a backdrop of increasing demand and the challenging financial outlook.

- 3.2 It was therefore recommended, in 2017, that a Budget Research and Evaluation Panel (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.
- 3.3 The Corporate Overview and Scrutiny Committee (COSC) has the overall responsibility of scrutinising budget monitoring reports 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 members from within the COSC membership.
- 3.4 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.
- 3.5 The Panel would be presented with the budget reduction proposals and budget pressures and have the opportunity to discuss these with the Chief Executive and Corporate Directors and be asked to consider the information contained in these reports to determine whether they wish to make comments or recommendations for consolidation and inclusion in the report to Cabinet, as part of the budget consultation process.
- 3.6 Members of Scrutiny Committees would be presented with the draft Medium Term Financial Strategy 2023-24 to 2026-27 and asked to consider the information contained in the report and determine whether they wish to make comments or recommendations for consolidation and inclusion in the report to Cabinet on the MTFS as part of the budget consultation process.

4. Current situation/proposal

- 4.1 The Budget Research and Evaluation Panel (BREP) met on four occasions and was supported by the Democratic Services Manager and Scrutiny Team, Chief Officer - Finance, Performance and Change and Section 151 Officer, Deputy Head of Finance and the Cabinet Member for Resources.
- 4.2 At the BREP meetings the Panel considered information provided by the Chief Officer – Finance, Performance and Change and Section 151 Officer on the financial position for the MTFS 2023-24 to 2026-27, considered early draft budget reduction proposals and budget pressures and heard from Corporate Directors and

the Chief Executive on the impact that the budget plans and proposals would make to their Directorates.

- 4.3 Each of the four Overview and Scrutiny Committees met and considered the draft Medium Term Financial Strategy 2023-24 to 2026-27 including the proposed budget pressures and budget reduction proposals within the related Directorate and remit of the Scrutiny Committee and made comments / recommendations for consolidation and inclusion in the report to Cabinet as part of the budget consultation 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.
- 4.5 The Corporate Overview & Scrutiny Committee is asked to identify alternative proposals to ensure the budget remains balanced if their recommendations are submitted and accepted by Cabinet.

5. Effect upon 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. Equality Act 2010 implications

- 6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh language have been considered in the preparation of this report. As a public body in Wales, the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

- 7.1 The Act provides the basis for driving a different kind of public service in Wales, with 5 ways of working to guide how public services should work to deliver for people. The following is a summary to show how the 5 ways of working to achieve the well-being goals have been used to formulate the recommendations within this report:
 - Long-term - The consideration and approval of this report will assist in the budget setting process for both the short-term and in the long-term.
 - Prevention - The consideration and approval of this report will assist in the budget setting process by approving and shaping preventative measures provided by Directorates to generate savings.

- Integration - The report supports all the wellbeing objectives
- Collaboration - The consideration and approval of this report will assist in the budget setting process by approving and shaping collaboration and integrated working to generate savings.
- Involvement - Publication of the report ensures that the public and stakeholders can view the work that has been undertaken by Scrutiny members.

8. Financial implications

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

9. Recommendation

9.1 The Committee is asked to determine whether it wishes to submit the Recommendations in **Appendices A and B** to Cabinet on 7 February 2023 as part of the budget consultation process, subject to any modifications and amendments that the Committee decides are appropriate.

If the Committee determines to submit the recommendations they are asked to identify alternative proposals to ensure the budget remains balanced if their recommendations are accepted by Cabinet.

K Watson

CHIEF OFFICER - LEGAL AND REGULATORY SERVICES, HR AND CORPORATE POLICY

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Background documents: None