

MIDDLESBROUGH COUNCIL

OVERVIEW AND SCRUTINY BOARD

Budget Consultation Process

Director of Resources: Paul Slocombe

6 April 2010

PURPOSE OF THE REPORT

1. To present information in relation to the Councils current approach to consulting on its budget setting process for review by Overview and Scrutiny Board.

BACKGROUND AND EXTERNAL CONSULTATION

2. Real and proper consultation is an essential part of Council decision making and is required to be embedded into processes such as budget setting. The following five initial factors should be considered, prior to the determination of any consultation process: -
 - a. **Who** the Council consults with
 - b. **What** the Council includes in its consultation
 - c. **How** the Council consults
 - d. **When** the Council consults
 - e. **Where** the Council consults
3. A key element of any consultation process must allow for opportunity to feedback from the consultation prior to final decisions being made.
4. The Council's budget strategy sets out a clear commitment to consult with stakeholders as part of the budget setting process. The purpose of the consultation is to share the Council's assumptions and budget proposals with residents together with Internal and external stakeholders and offer an opportunity to challenge, understand and influence the Council's budget setting before any final decisions have been made.
5. The consultation process, which is integrated into the annual budget cycle and medium term financial planning process, is agreed annually by Executive. As part of the Medium Term Financial Plan report to the Executive on the 15 September 2009 the Executive agreed to consult with the following target groups: -
 - Council Members
 - Residents,
 - the works council
 - Town Centre Partnership Company
 - senior staff within Middlesbrough Council
 - the Youth Parliament,
 - the Local Chamber of Commerce and Middlesbrough Business Forum

- Local Strategic Partnership,
 - Headteachers/ Governing bodies,
 - consultation with the Health & Social Care Forums,
 - consultation with the Middlesbrough Voluntary Sector Partnership
 - consultation with other Strategic Partners & Stakeholders (e.g.; Cleveland Police Authority)
6. The approach has developed over recent years. On average In excess of 20 individual presentations are made each year during January and early February. The list and date of the consultation meetings carried out as part of the 2010/2011 consultation process is attached at **Appendix A**.

Format of Presentations

7. Over recent years the approach has been in the main to give the same presentation to all of the groups so that fairness and transparency is clearly evident. Different groups however do place their own emphasis on factors particularly relevant to them.
8. The key elements of the presentation included:-
- a. Background; setting the context of Middlesbrough Council
 - b. Factors influencing the Councils financial position
 - c. Budget Strategy
 - d. Financial Planning assumptions and projections
 - e. Investments and efficiency targets
 - f. Council Tax levels
 - g. Reserves and Provision's
 - h. Financial Risks
 - i. Capital Investment
9. A copy of the 2010/2011 presentation is attached at **Appendix B**
10. Meetings with the general public are held in the North, South, East and West of Middlesbrough, attended by the Director of Resources and the Executive Member of Resources and usually chaired by the Cluster Group Chair of that area.
11. For the first time this year the Council consulted on all of it's proposed budget reductions and a public meeting was held in the Council Chamber on the 16 December 2009. Each budget proposal was presented and explained. This was considered a challenging exercise given the volume of the proposals and their breadth across service areas. The budget reduction proposals were also made available to those who later attended the general budget presentation meetings.
12. The Council has always been keen to consult with youth representatives. Previous presentations to youth groups have been consistent with those of other groups in an attempt to ensure everyone received the same information and message. It was accepted however and following feedback that this is was not necessarily the most effective way to engage younger people in a discussion about how the Council spends it's money and how Council decisions in setting the budget might affect them. A variation to the presentation was developed this year in an attempt to improve the way the information is presented to younger people. This was

successful to some degree but can be improved further. A copy of the presentation provided to the youth group is attached at **Appendix C**

Feedback

13. In recent years formal feedback from those who have attended the consultation meetings has been collected. A summary of each of the last 2 years feed back is shown in **Appendix D and E**. The information from those feedback forms shows that the consultation presentations are meeting the needs and expectations of those who are attending. A summary of the feedback is provided below: The feedback for the 2010/2011 consultation exercise has been positive: -
 - a) 96% felt that the presentation met their needs
 - b) 97% felt that the presentation was relevant
 - c) 95% felt that the level of the presentation was about right
 - d) 94% felt the way in which the consultation was presented was good/very good
 - e) 94% felt that the opportunity to ask questions was good/very good
14. Any questions that cannot be answered on the day are responded to in writing following the meeting.

Attendance

15. Attendance at the meetings has been variable over recent years at the general public meetings, head teachers and business sector meetings.
16. The dates of the general public meetings are arranged early and publicised through the website and in the Evening Gazette and the Northern Echo. The 2010/2011 meetings were held at the following venues.
 - North - Newport Neighbourhood Centre
 - South – Langdon Square Community Centre, Coulby Newham
 - East – Joe Walton’s Youth Centre, Berwick Hills
 - West – Friends Meeting House, Cambridge Road.
 - All Communities – Mandela Room.
17. Meeting venues have been changed where this has thought to affect attendance. Previously south meetings have been held at Hemlington library and north at Abingdon Road School.
18. The dates of the general public meetings are arranged early and publicised through the website. The meetings are generally attended by the same individuals each year, although engagement is usually very good.
19. In order to maximise the engagement in the process, letters are sent to all members of Community Councils and Community Cluster groups. Additionally letters of invite are sent to anyone who has attended a consultation meeting previously and volunteered their name and address. Notices are also placed in all of the libraries advertising the time date and venue of the meeting in that area.

20. The number of letters sent out with a invitation to meetings in their area were
- North - 400 hand delivered by street wardens
 - South – 130 posted by mail.
 - East – 130 posted by mail.
 - West – 120 posted by mail.
21. With regard to the head teachers meetings, discussions are on going with Children Families and Learning about how we can improve attendance, which is clearly difficult for some headteachers. It may be possible to do the presentation as part of a Schools management forum meeting. This however will be dependent though on the timings of these meetings and the budget consultation period ‘window’ is relatively small.
22. The business sector demonstrates commitment to the process but has asked if we can develop a more bespoke approach with consultation throughout the year. Work has taken place with colleagues in Regeneration to maximise attendance with variable success.
23. For the first time this year a video was made of one of the presentations. This was put on the Council’s website along with a copy of the budget presentation slides. Following the heavy snowfall at the beginning of January, there was concern that individuals may not wish to attend in the bad weather. In response the South consultation meeting was placed on DVD and the Councils Website. Approximately 400 hits were recorded on the Councils and the Gazettes website.

RECOMMENDATIONS

24. Overview and Scrutiny Board are asked to note and consider the contents of the report.

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