

## **Draft Budget and Medium Term Financial Strategy 2019-2020**

### **Confident Capable Council Scrutiny Panel 28 November 2018**

Claire Nye, Director of Finance, presented the Draft Budget and Medium Term Financial Strategy report which sets out the financial position of the Council and work done to address the projected budget challenge. The Director of Finance commented that proposals classed as financial transactions and base budget revisions will be managed through internal processes. The panel were invited to comment on the budget reduction proposals and comment on the budget scrutiny process.

The panel discussed the value of their contributions about budget proposals and expressed some concern about the size of the report and the number of appendices which need to be considered and referenced to get a full understanding of the plan to achieve a balanced budget. The Director of Finance commented that the Council has a legal responsibility to set a balanced budget and that Councillors are consulted on the proposals. The Director of Finance agreed to consider ideas for making the information more manageable as part of the budget consultation review.

Louise Miles, Cabinet Member for Resources, commented that the public had been invited as part of the budget consultation process to say how they would like to be consulted in the future. The Cabinet Member for Resources advised that there had been discussions with Chair of Scrutiny Board about the role of scrutiny members in the budget scrutiny process, which may include looking at the whole budget, rather than on the basis of Cabinet portfolio responsibility.

The panel commented on the current arrangements where panels scrutinise budget proposals within their remit and suggested that a different approach was needed to understand the impact on the Council as a whole, to have a more effective budget scrutiny process.

The panel commented about the lack of detail about the implications of savings proposals and the presentation of figures which do not properly explain the difference between a budget reduction or an income generation idea.

The panel commented on the remit of the panel which requires a different approach to the budget scrutiny process to understand the implications of proposed changes on how services are delivered in the future. The panel discussed the list of risks detailed in Table 3 of the report and suggested there was a need to explore them in more detail to better understand the impact on policy and service delivery. The panel considered that the current information makes it difficult to understand how key risks were considered during the budget process and other cross cutting issues.

The Director of Finance agreed to consider how to present the information about risks associated to the medium-term financial strategy to meet the concerns of the panel in future reports about the budget.

The Cabinet Member for Resources commented on the overall poor level of attendance at the public budget consultation events and further thought would be given to what could be done to improve the situation.

The Cabinet Member for Resources praised the positive meeting with members of Wolverhampton Youth Council as part of the budget consultation process.

The panel discussed the value of panel members making comments on the budget proposals and the limited scope to make significant changes. The panel suggested that a different approach was needed to the scrutiny of the draft budget and medium-term financial strategy document.

The panel suggested the panel should consider the budget consultation process and procedure, and an assessment of risks. The Director of Finance commented that training sessions on the budget had been offered to Councillors to support them in understanding the Council's budget previously, but attendance had been poor. The Director of Finance agreed to discuss with colleagues about offering briefing sessions on the budget as part of the consultation process. The panel commented on the importance of the panel understanding the whole budget and the implications of what is being proposed.

The Cabinet Member for Resources commented that during the public consultation events there was consensus in the responses in wanting to have issues put into context so that they could better understand the implications of the budget proposals. In addition, information could be presented differently with an explanation to help people better understand the budget proposals.

The panel suggested that a special meeting should be arranged to consider and comment on scrutiny process of the budget, in recognition of its wider remit and responsibility for financial matters to support the delivery of Council services