

CHESHIRE EAST COUNCIL

Corporate Overview & Scrutiny Committee

Date of Meeting: 1st December 2016
Report of: Peter Bates
Subject/Title: Pre-Budget Consultation 2017 to 2020

1.0 Report Summary

- 1.1 The Council has started the conversation about proposals to vary the 2016/17 approved budget in a way that allows the Council to achieve it's Corporate Plan within a sustainable financial strategy. Corporate Scrutiny were briefed on 4th November about how the Pre-Budget consultation would be conducted and are being engaged again on how the committee can support the process.

2.0 Recommendation

- 2.1 That the Committee receive a further update, from the Chief Operating Officer, on the Pre-Budget Consultation process, and note specifically that:
- a. Consultation has started and feedback, to inform the Cabinet's Budget recommendations to Council, can be received up to 10th January 2017
 - b. The Council's request for a Multi-Year financial settlement, from the Department of Communities and Local Government, has been formally accepted
 - c. The Chancellor's Autumn Statement has not raised specific risks in relation to estimates contained within the Pre-Budget Consultation document
- 2.2 That the Committee provide feedback on the Pre-Budget Consultation Document and:
- a. Confirm any further requirements for engagement
 - b. Confirm how the Committee could provide feedback as part of the consultation process.

3.0 Reasons for Recommendations

- 3.1 Cheshire East Council provides over 500 services, and has a population of over 370,000 residents within a diverse local mix of rural and urban environments. Balancing service needs within achievable resources is a difficult challenge. The Pre-Budget Consultation document provides options to create sustainable services focused around an even split between raising additional funds through taxation and reducing costs through service change.

- 3.2 The Council is performing well both financially and non-financially and reports are provided to the Committee at least quarterly to provide evidence of achievements related to the Corporate Plan 2016/20. However, in the medium term the Council is facing significant financial pressure from reductions in government grants and increasing demands for services, particularly in relation to social care.
- 3.3 In response to the financial challenges facing the Council a conversation has been started, with all stakeholders, centred on a Pre-Budget Consultation document which includes over 100 pages of detail on proposed changes to the Council's current budget framework.
- 3.4 When the Committee received an initial briefing, at the launch of the consultation process, it was noted that the Council had not received feedback on its submitted Efficiency Plan, and was also awaiting the Governments' Autumn Statement. The Committee noted that both of these events could increase risks associated with the estimates within the consultation document. The Council has however received confirmation that the Multi-Year Agreement, associated with the Efficiency Plan, has been agreed and further that the Autumn Statement did not create any specific areas of risk associated with the Pre-Budget Consultation.
- 3.5 Corporate Overview & Scrutiny Committee now have the opportunity to provide feedback as part of the consultation process which can support the overall options selection that can create a sustainable, financially balanced, position.

4.0 Wards Affected

- 4.1 Not applicable

5.0 Local Ward Members

- 5.1 Not applicable

6.0 Policy Implications

- 6.1 Not applicable

7.0 Financial Implications

- 7.1 The Pre-Budget consultation process will support development of the Council's Medium Term Financial Strategy 2017 to 2020. Points raised by the Overview & Scrutiny Committee will form part of the overall consultation feedback.

8.0 Legal Implications

- 8.1 None

9.0 Risk Management

- 9.1 Not applicable

10.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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