

**Committee:** Council  
**Date:** 22 October 2002  
**Agenda Item No:** 6(ii)  
**Title:** Budget and Council Tax Consultation  
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### **Summary**

- 1 As members are aware from previous Budget Strategy reports, Councils must now undertake some form of public consultation on budget and Council Tax proposals. This report addresses these new requirements as part of the budget making / Council Tax setting process. It suggests some topics for questions based on spending priorities and levels of Council Tax. It also highlights the tight timetable needed if we are to obtain the results of the consultation in time to inform Members in their decision making before the Council Tax for 2003/04 is finally approved on 11 February 2003.
- 2 Using the Council priorities recommended by the Resources Committee to this Council Meeting, and following guidance issued by the Office of the Deputy Prime Minister (ODPM), some suggested topics have been prepared and are shown below for comment and subsequent final approval.

### **Background**

- 3 Officers are working with colleagues from Essex County Council (ECC) to progress a pilot joint consultation exercise. This has the advantages of reducing confusion for the public by not having a series of consultation exercises over a short period. It has to be accepted that this is a transitional year for introducing such a process and unfortunately time is limited. From next year, a county-wide Citizens' Panel will be operational and will greatly assist the process and more time will be available for the overall consultation exercise.
- 4 Although the provisional settlement for the completely new Formula Grant system (replacing the current Revenue Support Grant) will not be known until late November at the earliest, Officers of both authorities see great merit in undertaking the consultation when this information is available. Many possible grant options were included in the Consultation Paper and the eventual outcome could have a major impact on either/both authorities.
- 5 This tight timetable would mean that consultation would take place during early December and the feedback would be included in the Budget Strategy report submitted to the Resources Committee on 23 January 2003. Unless

Members feel otherwise, there would not be separate reports on the outcome of the consultation going to the other Committees during the January cycle.

- 6 It has been agreed between the Officers of the two authorities that more than one method of consultation should be used. No final decision has been taken but the following processes are being discussed:-
  - Half day joint public meeting through invitation
  - Development of a website questionnaire
  - MORI-type sample postal questionnaire
  - Use of the Council Page
- 7 The County Council is providing resources for these options, possibly taking advantage of MORI and their public relations and ICT expertise. Therefore, funding required from this Council should be minimal. Contact has also been made with Northamptonshire County Council and Corby Borough Council who carried out a successful joint consultation public meeting last year.
- 8 Officers will continue to work with ECC in developing the approaches to be taken and Members will be informed on progress before the consultation takes place in December. It is proposed that authority is delegated to the Director of Resources to take the process forward. However, it is important that Members agree the topics which will form the basis of the consultation questions with the general public. The suggested topics are as follows:-
  - Additional runways at Stansted Airport
  - Impact of Government funding level on service standards
  - Balance between low Council Tax and service improvements
  - Priority service areas
- 9 It is important for Members to consider the above and indeed have the opportunity to suggest any other areas for inclusion in a questionnaire. Therefore it is recommended that Members come back to the Director of Resources before 1 November with any amendments or additions. Alternatively if Members feel it is appropriate then a short-term task group could have a meeting in the near future to agree the question topics.
- 10 The Government guidance on Council Tax consultation was issued by the ODPM in June this year. It states that consultation over budget-making is challenging - the general public are not experts in local government finance and also, because of the timing, there is likely to be a lack of final information about the level of central support. Nevertheless, it insists that consultation should apply to budget-setting as much as other issues. Indeed, Council Tax consultation will form part of the Comprehensive Performance Assessment (CPA) framework for district councils, with its associated incentive of financial freedoms. The Government has also announced that capping will not apply when Council Tax decisions have been informed by robust consultation.

RECOMMENDED that:

- 1 Members confirm the topics for consultation questions set out in paragraph 6 above and be invited to submit further suggestions to the Director of Resources by no later than 1 November 2002 or alternatively create a short-term task group to have a meeting in the near future to discuss the areas.
- 2 The Director of Resources be authorised to progress the budget and Council Tax consultation process.

Background Papers:- Council Tax Consultation: Guidelines for Local Authorities – ODPM June 2002