

Item Name: 2025-29 MTFP Budget Consultation Plan  
 Corporate Director and Lead Officer: Stuart Fair, Jon Rea  
 Lead Portfolio Holder: Cllr Woodings

**1. Purpose:**

1.1 This report updates the plan for public and staff consultation on the 2025-26 budget and 2025-29 MTFP proposals. Consultation on the Council’s budget proposals helps us meet our statutory duty to consult and can enable public contribution to the formation of the final budget.

**2. Recommendations:**

2.1 Scrutiny is asked if it wishes to make any comments or recommendations on the information provided.

**3. Governance Interdependencies**

3.1 The budget consultation timetable needs to align with the wider MTFP timetable in order that findings and recommendations can meaningfully inform the decision-making process ahead of the budget being agreed at Full Council 3<sup>rd</sup> March 2025.

3.2 The support and involvement of councillors is critical to the success of the consultation, so endorsement will also be sought from Leadership and Exec Panel.

**4. MTFP/Budget Consultation Proposed Timeline & Methodology**

High Level Project Plan for Budget Consultation

Action	Activity	Who? Division/Lead Officer	Deadline
Planning	Methodology and timings proposed (for CLT, Leadership, Commissioners)	SF/JR/Cllr Woodings	19 <sup>th</sup> Nov
	Consultation timetable and events programme agreed	SF/JR/Cllr Woodings	26 <sup>th</sup> Nov
	Consultation plan published for Exec Board	Governance	9 <sup>th</sup> Dec
	Comms and survey questionnaire agreed and signed off	SF/JR/JOM/ Cllr Woodings	15 <sup>th</sup> Dec
Consultation/ Fieldwork	Consultation goes live	JR	17 <sup>th</sup> Dec
	Engagement events undertaken	JR	18 <sup>th</sup> Dec - 10 <sup>th</sup> Jan

	Consultation Closes	JR	13 <sup>th</sup> Jan
<b>Analysis and Reporting</b>	High level data analysis	JRh/JR	17 <sup>th</sup> Jan
	Final Report to CLT	JRh/JR	28 <sup>th</sup> Jan
	Final Report considered alongside 25/26 Budget and MTFP at Exec Panel	JRh/JR	11 <sup>th</sup> Feb (paper deadline: 3 <sup>rd</sup> Feb

Key dates:

- 17<sup>th</sup> Dec – Budget consultation launch following endorsement of budget proposals by Exec Board
- 13<sup>th</sup> Jan - close of consultation; analysis and interim CLT report following
- 23<sup>rd</sup> Jan - Deadline for CLT papers
- 28<sup>th</sup> Jan - CLT
- 3<sup>rd</sup> Feb - Deadline for Exec Board papers
- 11<sup>th</sup> Feb - Exec Board
- 3<sup>rd</sup> March - Full Council

### Background

4.1 Consultation on the Council’s budget proposals takes place annually as part of the planning and preparation for budget setting and sign-off. Consultation enables us to fulfil our statutory obligations to consult, both Best Value and common law requirements (legitimate expectation). See *Appendix A - Guide to Consultation for further details*. Section 65 of the 1992 Local Government Act prescribes a legal obligation for local authorities to consult with business ratepayers on the draft budget and draft capital programme. Beyond that, the doctrine of legitimate expectation and the circumstances giving rise to a duty to consult is summarised below:

The legitimate expectation applies:

- When there has been a clear promise of consultation
- Where official guidance or policies imply a promise to act in a particular way
- Where there is a withdrawal of a benefit with significant impacts to be considered
- Where the nature of the relationship would create unfairness if there were to be inadequate consultation.

4.2 Essentially, where people have come to legitimately expect a process of consultation, for example, with local authority budget cuts or healthcare changes, there are grounds for a judicial review should a public consultation not take place. The Gunning Principles are used in Judicial Review proceedings to determine whether consultation has been planned and carried out in a fair, transparent and accessible manner. The four principles are:

- I. Consultations should be conducted before an issue has been decided on and has therefore not been pre-determined;
- II. The public should be given sufficient information about the issue to enable them to come to an informed view;
- III. Participation in the consultation should be sufficiently well-resourced as to allow all people access to the process; and,
- IV. Input of the public's views and opinions should be evidenced as having had an impact on the decision-making process, and this evidence should be visible in the final decisions made.

4.3 This year's budget consultation will be set within the context of the Medium-Term Financial Plan 2025-29, which aims to deliver a balanced and sustainable budget based on a four-year planning horizon. The MTFP sets out our anticipated funding gap and will contain several proposed elements to achieve financial sustainability including:

- 2025-26 budget proposals
- Assumptions around the contribution of the ongoing Transformation Programme to deliver significant savings over the medium-term
- Assumptions around the assumed level of funding from the Local Government Settlement and any proposed changes in basic council tax from April 2025

4.4 The plan below sets out the general consultation approach to be undertaken following agreement at Exec Panel of the proposed budget (17<sup>th</sup> Dec). Additional targeted consultation on specific savings and/or reduction measures may be required for some proposals, especially where a proposal impacts on a defined group (e.g., where there are proposals to stop a service). Analysis of budget proposals will determine where direct and targeted consultation is required in addition to the general consultation approach outlined below.

### **Proposed Consultation - Overview**

4.5 Public consultation on the proposed budget for 2025-26 and wider 2025-29 MTFP will take place over a four-week period from Tuesday 17<sup>th</sup> December to Monday 13<sup>th</sup> January.

4.6 The budget process is complex, so to simplify and help public and staff understanding of the proposals the following methodology is proposed:

- In previous consultations, proposals requiring public consultation have been presented in terms of whether a proposal is to manage demand differently, increase charge, reduce a service, or cease a service. An alternative approach is to group proposals by population affected, e.g., Adults, Children, Communities, Citywide, or to group them by Directorate. However, our experience is that grouping by proposal type is more easily understood by the public, especially when changes are operational or transactional in nature.

- Where proposals are essentially strategic in nature the proposed change will be communicated as simply and clearly as possible, so that respondents can take a view on the impact this will have and what mitigations might apply.
- Proposals not requiring public consultation (i.e. those for internal staff consultation purposes) will be arranged by order of Directorate.
- All the proposals in the consultation process will have a public-facing narrative, so the full context can be understood. (This is of particular significance for staff consultation.) The narrative text will include the following information: Directorate, Service, Title, Narrative, Value, FTE.
- Where there is more than one proposal for a specific service area, the different options will be explained, and views sought on the preferences (if any) of respondents
- As with previous years, questions about any proposed changes to Council Tax will be included, if not previously covered elsewhere.
- The summary of proposals available to the public will be complemented by the more detailed figures in the Executive Board report. A link to this report will be provided on the Engage Nottingham Hub survey landing page as part of the toolkit of supporting documentation.

4.7 Supported by widespread communications activity, the budget consultation will achieve the objective of enabling the public to be effectively engaged in the process through a variety of means and provide them with sufficient opportunity to comment on the proposals.

4.8 Participation in the consultation will be through the following methods inviting general comments and the opportunity to comment on individual proposals from the published budget proposals deemed to be for public consultation:

- a) An online survey with universal access (with potential for hard copy where needed)
- b) One in-person meeting and one online meeting for the general public; and
- c) Virtual engagement events with a range of stakeholder groups including business, voluntary sector and equalities partners

### **Consultation Methodology**

#### i) Online survey

4.9 An online survey built in MS Forms and hosted on the council's Engage Nottingham Hub webpage will provide the public with the opportunity to feedback their views on the proposals and give any other suggestions they may have. In line with previous years, the survey will invite respondents to comment on proposals outlined in the published budget book. A simplified version of the budget book will be prepared for accessibility, summarising the proposals. In addition, a link to the full budget report will also be available.

4.10 Responses to the survey will primarily be in open text form. Responses will be coded during the collation and analysis phase for thematic reporting. It is expected that responses will cover a range of spending themes, with a focus on those services where proposed spending reductions will have the greatest impact on service users.

4.11 For accessibility purposes, hard copies of the survey will be available for completion and submission at local library branches. The online survey tool features a translation function which enables responses in the chosen language of the respondent.

ii) In-person events for the general public

4.11 In-person events provide information about the budget and promote the consultation survey. They also provide an alternative method for consultation with those who might feel excluded and/or who might benefit from a more targeted approach.

- One town hall-style public meeting at the Council House to launch the consultation.
- One in-person meeting with young people
- One in-person meeting with disability group representatives

iii) Online public meetings and stakeholder engagement events

Online events provide information about the budget and promote the consultation survey. Events will be held on Teams Live, which will enable presentation of information about the budget, and questions and answers with the audience.

- One online session for the public
- One online session for Partners & Businesses (in partnership with Nottingham Partners)
- One online session for Community & Voluntary Sector and Faith Groups (in partnership with One Nottingham)

**Additional Consultation**

i) Targeted consultation and engagement activity

4.12 Certain budget proposals may require additional focus in terms of both promoting engagement in the consultation and specific targeted consultation activity. Each proposal will be risk assessed for the likely level of public interest, based on the nature of the service or strategic area under consideration, previous level of engagement and other current public concerns and issues. Action to promote the

consultation survey and facilitate additional consultation where needed will be taken accordingly.

ii) Internal Staff Engagement

4.13 We will run a series of in-person and virtual budget roadshows for staff to hear more about the proposals from senior managers. Online events will be recorded, and the Q&A session at each event will be transcribed for wider circulation and access. This work will be co-ordinated by HR, Internal Comms and the REC Team, in liaison with the Leader and Chief Executive. Sessions may include online sessions on Teams Live and in-person sessions at site venues across the city.

iii) Union Consultation

4.14 It is an established part of the budget consultation process that provision is made for wider engagement around the full package of proposals, beyond the collective consultation with Trade Unions concerning proposals affecting individual people.

4.15 It is proposed that the non-staffing budget proposals are picked up monthly with the Trade Unions as part the fortnightly departmental collective consultation meetings, with lead on specific proposals by Corporate Directors and Councillors where appropriate. This work will be led by the HR team, in conjunction with the REC Team.

**Communications**

4.16 Communications support for the consultation process will accompany all stages of the four-week timetable. A Communications Plan detailing this work will be provided separately.

4.17 A dedicated website for the budget consultation will be hosted on the Engage Nottingham Hub site. This will contain the survey, links to the budget report, a simple summary, FAQs, links to Equalities Impact Assessments for the proposals (and the budget consultation EIA), a calendar of engagement events (including registration booking links for virtual events), where to find hard copies of the survey, and information about accessibility.

4.18 For both public and staff engagement events programmes, the Comms team will produce a slide deck presentation to accompany the budget consultation engagement events, which can also be used in other forums in which Councillors and senior officers are required to present (e.g. partner meetings).

4.19 Hard copy versions of the survey will be available across the Council's community library network. Survey respondents will leave with the library for collection and input by the REC Team. Information about this service will be available on the Engage Nottingham Hub budget consultation website

## **Review of Previous Budget Consultations**

- 4.20 The budget has largely followed the same methodology over the last four years, albeit that the 2020 and 2021 budget consultations were impacted by Covid, which affected the programme of engagement activities to promote it.
- 4.21 The timing of the 2023-24 budget consultation was delayed compared to previous years due to delays in the finalisation of the 2023-27 Medium Term Financial Plan, leading to a shortening of the consultation period to five weeks (down from the usual eight weeks).
- 4.22 The high level of response to the 2024-25 budget consultation reflected wide public interest in the scope and impact of the proposals and heightened levels of media activity around the budget setting process. Changes to the survey questionnaire enabling greater detail of responses resulted in better feedback and insight.

Response rates:

2021-22 - 687 survey respondents

2022-23 - 632 survey respondents

2023-24 - 371 survey respondents

2024-25 - 5,000+ respondents

## **Review of Budget Consultations Across the Core Cities**

- 4.23 Nottingham appears to provide residents with a high level of opportunity to comment on and influence the budget through consultation, compared to its Core Cities partners.
- Sheffield and Newcastle share a similar approach to Nottingham, with a wide ranging annual public consultation. In Newcastle this takes place over eight weeks, while Sheffield's is relatively short at just three weeks. Both are well promoted.
  - Birmingham City Council conducted a consultation on a long-term vision for their budget in 2020, but do not appear to consult extensively on the detail on an annual basis.
  - Liverpool City Council consult on the principals and priorities, while locally, Nottinghamshire County Council also consult extensively on the priorities for residents and have previously followed up this upstream consultation with a further short consultation period when a substantive draft budget proposal is put forward.

## **5. Financial Implications:**

- 5.1 A small facilitation budget of no more than £1,000 will be required to provide resources for consultation engagement activities and ensure inclusion of citizens.

## 6. **Legal Comments** (if applicable)

- 6.1 No direct comments from Legal, but Legal team colleagues are engaged and have provided a high-level review of the proposals to confirm if they require public consultation. Advice is ongoing.

## 7. **Risk Management Considerations:**

- 7.1 Safety of Councillors, officers and members of the public at in-person budget engagement events is paramount. Budget consultations can provoke emotional responses from audiences, so these will need to be planned and managed to minimise risk of disruption or incident. All in-person public engagement events will risk assessed in advance.

## 8. **HR and EDI Considerations:**

- 8.1 EIAs for budget proposals will be conducted before the consultation opens and updated throughout the process. The Equalities team will liaise with budget managers to ensure these are part of the supporting information for the consultation on the Engage Nottingham Hub website. The consultation survey will be built in MS Forms which has a translation function enabling the English text to be translated into most global languages. Responses in other languages will be translated into English using Google Translate. Requests for translations in hard copy format will be considered on a case-by-case basis.

## 9. **Carbon Reduction and Sustainability Considerations:**

- 9.1 Hard copy paper versions of the survey will be minimal. However, a few copies will be available in our community library network for those without digital access.

## 10. **Input from Other Internal Departments**

- 10.1 The IT team will support hosting of the Teams Live online engagement events. The consultation programme will be supported by team members from Communications and Marketing

## 11. **Next Steps**

- Confirmation of budget methodology and development of the survey questionnaire
- Finalisation of narratives for all proposals in the consultation, both public and non-public
- Sign-off of all consultation materials, ready for launch on 17<sup>th</sup> December



## **APPENDIX A - Statutory Provisions, Common Law and the Gunning Principles**

Delivery of the consultation survey and supporting engagement events programmes helps meet our legal duties to Best Value and Common Law (legitimate expectation) requirements. The Consultation Institute provides the following advice and guidance about two areas of legal duty:

- statutory provisions
- doctrine of legitimate expectation (common law)

Statutory provisions are legal requirements which state that a consultation must occur. They exist in several key areas.

The concept of 'due regard' was reinforced in 2012 during the review of the Public Sector Equality Duty which "requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities".

### **The Duty to Consult on Budget Proposals**

Some statutes set out the requirement to consult and are prescriptive about the manner and way in which the consultation must be carried out.

In other cases, there is a statutory requirement to consult but the Council has a broad discretion about how any Consultation exercise should be carried out.

In relation to the budget proposals the relevant legislation and requirement to consult arise from the following legislation;

- **Local Government Finance Act 1992** - the council has a statutory duty to consult ratepayer representatives on its annual spending proposals, ahead of setting its budget and before it makes its calculations. If the Council wish to increase its council tax above the annual threshold set by Government, then it would need to gain support for its proposals by holding a local referendum.
- **Local Government Act 1999 'Best Value Duty'** - the council has a statutory duty to consult representatives of a wide range of local persons. It also has a duty to consult ratepayer representatives to help ensure that service delivery is continuously improved in relation to economy, efficiency and effectiveness. The Revised Best Value Statutory Guidance 2015 sets out some reasonable expectations on the way councils should work with voluntary and community groups and small businesses when facing difficult funding decisions. The guidance states that authorities are required to 'consider overall value, including economic, environmental and social value, when reviewing service provision'. The council has a statutory requirement to consult when thinking about buying or stopping payment for services provided by voluntary and community groups or small businesses.

Neither of these statutes are prescriptive about the way we must consult on budget proposals, only setting out that in the Local Government Finance Act that it must be ahead of the Council setting its budget and before it does its calculations.

Therefore, in the absence of such direction it is incumbent on the Council to demonstrate that it has acted fairly and in accordance with the doctrine of legitimate expectation. This is a common law doctrine developed by the Courts in response to consultee's rights to expect a fair process. The legitimate expectation applies:

- when there has been a clear promise of consultation
- where official guidance or policies imply a promise to act in a particular way
- where there is a withdrawal of a benefit with significant impacts to be considered
- where the nature of the relationship would create unfairness if there were to be inadequate consultation.

Essentially, if people can legitimately expect a process of consultation, there are grounds for a judicial review should a public consultation not take place.

Broadly, the more serious the impact, or where there is likely to be a withdrawal of a benefit with significant impacts the more likely it is that demonstrating fairness will require the involvement of affected individuals in the decision-making process by some form of consultation.

Similarly, a consultation must be conducted properly should the choice be taken to embark on one (whether a legal requirement exists for it or not). This is part of ensuring that the consultation process remains a fair one.

**The Gunning Principles** are widely accepted as the guiding principles to ensure that consultation is fair;

- The consultation must be at a time when proposals are still at a formative stage - if consultation is to be meaningful, it needs to be undertaken at a point where the mind of the decision-maker is still open to change and can, therefore, be influenced by the responses to the consultation.
- The proposer must give sufficient reasons for any proposal to permit of intelligent consideration and response. – if consultees are consulted too early and don't have enough idea of the decision-maker's rationale for the proposals put forward or the key factors that are likely to be important in the decision-making process, it may be difficult for any effective response to be made. To overcome this, consultees should be aware of the criteria that will be applied when considering proposals and which factors will be considered decisive or of substantial importance at the end of the process.
- Adequate time must be given for consideration and response.
- The product of consultation must be conscientiously taken into account.

Other relevant considerations when developing proposals (included for completeness)

**The Equality Act 2010** - addresses discrimination and inequalities and protects all individuals from unfair treatment. The council has a number of statutory duties arising from the Act to better advance equality into our service planning and decision-making processes. The duties require the council to consider how the decisions we make, and the

services we deliver, affect people from different equality groups who share a 'protected characteristic'.

**Localism Act 2011** - The public sector equality duty came into force in 2011. This contains the general duty (which replaces the previous race, gender, and disability duties) and requires local authorities (and other public sector bodies) to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation
- advance equality of opportunity between different groups
- foster good relations between different groups

Equality Impact Assessments can help to demonstrate that decision makers are fully aware of the impact that changes may have on stakeholders.

**Health and Social Care Act 2012** - Section 14Z2, which states that “the clinical commissioning group must make arrangements to secure that individuals to whom the services are being or may be provided are involved (whether by being consulted or provided with information or in other ways).”