

REPORT TO FINANCE COMMITTEE BUDGET ENGAGEMENT / CONSULTATION



Report Reference F-24-08
Meeting Date 3rd March 2025
Agenda Item 8
Undertaken by Town Clerk

1.0 BACKGROUND

The Town Council's budgeting process is principally internal and the council has not previously undertaken external consultation on budget proposals. During the budgeting process for the 2025/26 budget, it was suggested that the council consider this, with reference to the consultation published annually by Nantwich Town Council.

The aim of this report is to provide the basis for a discussion on whether and if so how to undertake public engagement on the council's budget as part of the 2026/27 budget setting process. Section two outlines three approaches, a formal consultation on full budget, formal consultation on changes and a more informal discussion based event.

2.0 OPTIONS

2.1 FORMAL CONSULTATION ON FULL BUDGET

The council could hold a formal consultation on its draft budget. This could be timed between the Finance Committee meeting in December and the January Full Council meeting when the budget is approved i.e. it would be a consultation on an approved draft budget but before the precept and budget are finalised.

Consulting in December is not ideal as many people will be preoccupied by festivity, the council could review its budget timetable to look to agree a first draft budget earlier in November to enable an earlier consultation.

Nantwich Town Council holds a similar consultation with a closing date in early December; the council receives very few responses (eight received for their 2024 consultation), predominantly negative and many confusing the role/budget of the town and borough council.

Members considered the previously circulated reports in relation to the draft budget. The Clerk advised that following their decision to consult with residents on a 8% increase on the precept, the Council had received eight responses which were all of a similar nature asking for the Council to reconsider, but she also commented that many did not understand the difference between services provided by the Town Council and Cheshire East Council.

Consulting on the budget document itself would not be accessible to the majority of respondents. It could be accompanied by an explanatory document that explains and comments on each cost centre/cost code to aid transparency.

2.2 FORMAL CONSULTATION ON CHANGES TO BUDGET

An alternative to a full formal consultation would be a consultation which focuses on changes to the budget. This would set out the existing position and detail significant (at a threshold to be determined) changes in the proposed budget with an explanation of what and why the changes are proposed.

More focused consultations are likely to yield a stronger response. Shrewsbury Town Council recently held a specific consultation on raising its precept £500k to fund additional streetscape services and received a strong positive response.

The primary drawback of this form of consultation is that it becomes relatively binary i.e. it leads to a “do you support this change or not”. It will be inevitable that some responses will be in response to the wider budget.

The timing would need to be considered but the process could take place earlier in the budget cycle i.e. before a full draft budget is agreed. This could then inform the approval of the draft budget. The drawback of that timing is the budget would not have undergone the full scrutiny of the Finance Committee to confirm in principle agreement of the resultant precept.

2.3 BUDGET CONVERSATIONS

An alternative to a formal consultation could be hosting a number of “budget conversations”. These would be an event where a presentation on the council’s budget is given with an explanation of the budget in summary, outlining notable changes and explaining constraints (e.g. contract obligations) and the council’s process. The event would then provide the opportunity for an interactive discussion/Q&A on the budget with the Town Clerk and relevant members (e.g. Town Mayor and Finance Committee Chairman).

As with a full formal consultation, the timing would need to be considered but the process could be adjusted to enable the events to take place in November to enable the engagement to take place on an agreed draft budget.

3.0 DECISIONS REQUIRED

The committee should consider:

- a) Does it wish to make arrangements for budget consultation/engagement as part of the 2026/27 budget process
- b) What form of engagement/consultation it thinks would be best

Subject to decisions, a final proposal would be developed for agreement at the next meeting.