

POLICY AND RESOURCES SCRUTINY COMMITTEE

13TH OCTOBER 2014

CHIEF EXECUTIVE'S OFFICE

**JOINT REPORT OF THE CHIEF EXECUTIVE,
DIRECTOR OF FINANCE AND CORPORATE SERVICES,
HEAD OF CORPORATE STRATEGY AND DEMOCRATIC
SERVICES, HEAD OF HUMAN RESOURCES, HEAD OF ICT,
HEAD OF FINANCIAL SERVICES AND HEAD OF LEGAL
SERVICES**

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ITEM 1

1. BUDGET STRATEGY PROPOSALS 2015/16

Purpose of Report

- 1.1 To provide Members of the Policy and Resources Scrutiny Committee with relevant information concerning the budget strategy proposals for 2015/16 and beyond with a view to aiding the scrutiny of those proposals.

Background

- 2.1 The Council has been advised by the Minister for Local Government to plan for a reduction in the settlement from Welsh Government in 2015/16 of up to -4.5% and for similar orders of settlement in the following two years. This change in the amount of funding that local government gets has created an unprecedented funding gap for Neath Port Talbot Council and other councils across Wales. More specifically, for 2015/16 the Council will need to deliver £23 million of savings in 2015/16 to achieve a balanced budget with some £50 million to be cut from expenditure in the next three years. This amounts to 10% of spending in 2015/16 and 25% of spending over the three year period.
- 2.2 All areas of the Council will be required to reduce spending over the three year period. In some areas services will cease altogether, in other areas, services will reduce or be delivered in very different ways.
- 2.3 Over the summer months heads of service and corporate directors have been working up proposals for achieving the required level of savings. The output of that work was set out in a report to the Cabinet on 1st October 2014 by the Corporate Directors' Group "Budget Strategy for 2015/16 (and beyond)".

- 2.4 Additional scrutiny committee meetings have been arranged at the request of the Chief Executive to ensure that Members of scrutiny committees have a full opportunity to scrutinise the proposals set out in the report of 1st October, prior to the Council setting the Council Budget in early 2015.
- 2.5 This report provides each scrutiny committee with a copy of the proposals that have been authorised by the Cabinet for public consultation. Where considered appropriate, officers have also provided supplementary information to inform the scrutiny process. Clearly, Members of the Scrutiny Committees may also request additional information should they consider that necessary.

3. Papers Included for Policy and Resources Scrutiny Committee

- 3.1 The following reports are included for consideration by the Policy and Resources Committee
- (a) Cabinet Report 1st October 2014 – Report of the Corporate Directors’ Group “Budget Strategy for 2015/16 (and beyond);
 - (b) Cabinet Report 10th September 2014 – Report of the Director of Finance and Corporate Services “Budget Savings Proposals 2015/16 – Corporate Services”.
 - (c) Supplementary Information

4. Recommended

- 4.1 That Scrutiny Members consider the information provided with this report and scrutinise the budget proposals for 2015/16 and beyond identified for the Chief Executive and Finance and Corporate Services directorates.

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