

from the  
**BEST VALUE COMMISSIONERS**

Dear Chief Executive, Leader,

This week, Commissioners have had various meetings with Cabinet members, Statutory Officers and others to discuss BCC budget preparation. Commissioners have reviewed the savings proposals put forward by officers. Significant work has been done to short timescales to pull this list together ahead of the November 7 deadline, and teams should be commended for moving at pace.

However, there is much to be done to improve the current list if BCC is going to develop a lawful, deliverable budget that can be owned by the cabinet and put to members for approval. The current list of savings suffer from a number of challenges:

- **The savings are weighted towards cuts.** While cutting services will be necessary to bridge the substantial gap, they should be supplemented and supported by efficiency savings and a robust plan for the transformation of services.
- **Some savings are not practically deliverable.** A proper robustness check is required on all line items to ensure the savings presented are deliverable. Crucially, where a saving is declared undeliverable, another saving must take its place to fill the gap.
- **The phasing of the savings require work.** Whole-year savings have been presented for items that would take some time to work through before the benefits are realised. Work must be done to ensure that savings are only included if realistic.
- **There are notable gaps.** Commissioners believe that there are significant areas of Council spending that have not presented savings. All options must be on the table at this point.

This week, we have also heard that the budget position has significantly worsened. The gap for 24/25 is in the region of c.£250m. Credible options must be presented to cabinet and wider members as a matter of urgency.

As a result of these concerns, Commissioners have required that by November 24 the Council present a revised list of savings proposals. This list must meet a number of criteria:

1. This list must be owned by the Corporate Leadership Team and Chief Executive. Any saving presented must be practically deliverable and supported by the full team.

**The Commissioners:**

Max Caller CBE, John Coughlan CBE, Chris Tambini, Pam Parkes FCIPD, Jackie Belton, Myron Hrycyk, Lord John Hutton, John Biggs.

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2. Savings must be presented from high-spending areas.
3. Cross-cutting efficiency savings are required. This will require work at pace to develop but is essential if this budget is to reach its target.
4. Where possible, current savings should be re-considered and work completed to maximise the efficiency element.
5. All savings should be classified as either efficiencies, service reductions or income. They must have clear, comprehensible headings and a coherent description.
6. All savings must have an SRO and delivery lead identified.
7. Each saving must be RAG rated for delivery.
8. Impacts on staff should be considered carefully, with a communications strategy ready to support any decisions.
9. The budget timeline must be reprofiled, and consultation landed at the right time.

To support this, the Council must immediately implement direct corporate resource to drive a programme of work. This must be corporately owned, with non-finance Director-level engagement and resource alongside finance colleagues. Where required, urgent external support should be brought in. CLT should dedicate extensive time to reviewing and collectively agreeing this list before it is presented to commissioners on November 24. Consideration should be given to the infrastructure and team required to oversee the successful delivery of budget savings once agreed.

Commissioners will support the organisation to design a legitimate process. This will include a cabinet/lead member scrutiny of the budget once proposals are identified.

Setting an unlawful budget is not an option. Any gap in the budget must be accounted for by a requisite saving. The budget must now become your number one priority. This requires a step change in pace and urgency. Failure to do so will be an abdication of responsibility as leaders of this organisation.

Yours Sincerely,

**Max Caller CBE**, on behalf of the Best Value Commissioner team.

**The Commissioners:**

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