

CABINET

**Budget and Planning Process 2013/14
09 October 2012**

Report of Chief Executive

PURPOSE OF REPORT			
To agree a process for reviewing the Council's Budget and Policy Framework for 2013/14.			
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Referral from Officers	<input checked="" type="checkbox"/>
Date Included in Forward Plan	N/A		
This report is public.			

RECOMMENDATIONS OF COUNCILLORS BLAMIRE AND BRYNING:

- 1 That the reported be noted and the outline budget and planning timetable set out at Appendix A be approved.

REPORT

1 Introduction

- 1.1 The Council's Constitution requires Cabinet to bring forward each year recommendations for updating the Budget and Policy Framework. This report proposes an outline timetable for doing so and it covers four main aspects, namely:
 - the Corporate Plan
 - other plans and strategies in the Policy Framework
 - other key plans and strategies supporting the Policy Framework
 - the Budget and Medium Term Financial Strategy (MTFS).
- 1.2 The draft budget and planning timetable for 2013/14 is set out in **Appendix A**. The timetable must remain flexible, however, to ensure that the Council can take account of changing circumstances and prospects.

2 Corporate Plan

- 2.1 The Corporate Plan brings together the Council's plans and strategies, focusing on its medium term priorities to be progressed over a three-year period and drawing on its key themes of working in partnership, managing resources well and operating in an environmentally sustainable way.
- 2.2 The process for updating the Corporate Plan has varied over the years depending on the extent of change needed. The aim in last year was to strengthen the focus of the Corporate Plan and simplify its presentation, to give a clearer message on what the Council's core purpose, values and vision are. This will continue for 2013/14 onwards.
- 2.3 In terms of reviewing and refreshing Plan, it is envisaged that no fundamental review is required unless Cabinet or Council indicates otherwise. Nonetheless, the proposed timetable needs to make provision for considering and responding to the following:
- Legislative and regulatory changes
 - National policy changes and funding prospects
 - Changing needs of the district and its residents and visitors
 - Recent performance and experience
 - Local views and perceptions

3 Other Policy Framework Documents

- 3.1 In addition to the Corporate Plan, the Policy Framework includes various other strategies and plans, a number of which were required as a result of government Regulations or other drivers. An updated schedule will be reported to Cabinet for consideration in due course but for now, Cabinet is requested to note the following points :

(a) Housing Strategy and Regeneration Strategy

The need to prepare a new form of Regeneration Strategy has previously been reported to Cabinet, to match the Council's approach to regeneration given the current economic climate and public funding prospects. It was also envisaged that the revised strategy would incorporate housing and any other relevant strategies within it as an integral part; the housing aspects are particularly relevant given the work underway in finding a solution for Chatsworth Gardens and in developing an empty homes strategy, as examples. The aim is to present the new draft regeneration strategy to Cabinet in February.

(b) Local Plan

Further to Council on 12 September, the Draft Local Plan was approved for the purposes of public consultation and therefore arrangements are already in hand to review this aspect of the policy framework. Following consultation, responses will be carefully considered and the Council will be asked to decide on the form of a final version of the plan to be placed on deposit with the Secretary of State. A full public examination will take place before the Council can decide on whether to adopt the Plan.

(c) **Community Safety Plan**

It is anticipated that a refresh of the three-year Plan will be presented initially to Cabinet in January, allowing some time for review following the Police Commissioner elections in November.

4 Other Supporting Plans and Strategies

4.1 In recent months Cabinet has considered various strategic developments; direction on areas such as tackling empty homes and markets provision are the subject of reports elsewhere on this agenda. The section below outlines other planned areas for review.

(a) **Corporate Property and ICT Strategies**

These aspects are currently being reviewed for presenting to Cabinet as part of the 2013/14 budget process. At this point, it is unlikely that any aspects need to be incorporated into the policy framework for approval by Council, but this will be appraised fully in due course.

(b) **Climate Change Strategy**

The Climate Change Cabinet Liaison Group's terms of reference include "consider and make recommendations for the ongoing development of the Council's Climate Change Policy – Vision for 2020." Given the shift in emphasis in recent years, it is planned to update the Council's related strategies, with a strong focus on reducing energy usage, being more efficient in what we do use, and finally on generating income – but also taking account of the resource needs involved.

5 Budget Framework

5.1 The crux of the Budget Framework is the Medium Term Financial Strategy (MTFS) and the half-yearly review is scheduled for the November Cabinet meeting. Typically it is then that Cabinet is requested to review council tax targets, although nationally there is much concern and uncertainty surrounding funding prospects and the implications of the Local Government Finance Bill – as far as possible, an update will be included in the November report. That report will also cover General Fund capital investment priorities, which drive future capital spending and financing plans.

5.2 Underpinning the MTFS is the detail of the 3-year Revenue Budget and 5-year Capital Programme. Again the key milestones for preparing these budgets are included in the appendix and work is already underway.

5.3 Cabinet will again provide the forum for developing a full set of proposals to balance the budget and it is proposed that the budget process runs in much the same way as last year. Key points to note are:

- The Local Government Finance Settlement is expected to be later this year – perhaps around the middle of December.
- Detailed budget review meetings with Service Heads and Portfolio Holders are scheduled to take place before Christmas.

- Potential savings options will be developed by Service Heads alongside the preparation of the current year’s revised and future years’ base budgets.
- Informal Cabinet Budget Briefings will be held, to report on progress overall and to provide direction on specific aspects of budget development, including potential areas for redirection of resources. At present the timetable include only the usual scheduled briefing but more will be arranged as need be.

5.4 A flexible approach is required, to respond to information from Government as well as more local matters including public consultation.

6 Options and Option Analysis

6.1 The following options are available to Cabinet.

- (1) Approve the proposals and timetable set out in the report for reviewing and revising the Council’s Budget and Policy Framework.
- (2) Approve an amended version of the proposals, drawing on any specific issues that Cabinet have.

7 Details of Consultation

7.1 General consultation surrounding supporting families and more specific consultation in connection with council tax / welfare reforms is reflected in the proposed timetable. Furthermore, provision is made for consultation with Budget and Performance Panel and other stakeholders in the usual way.

8 Officer Preferred Option

8.1 Assuming that Cabinet has no other specific issues to address, Option 1 is the Officer preferred option, as it sets out a structured approach for Cabinet to review the existing Budget and Policy Framework, to identify savings/efficiency options, and for it to bring forward its budget and policy framework proposals for 2013/14 and beyond, within the statutory timescales. As usual, the consideration and management of risk forms a key part of the process.

RELATIONSHIP TO POLICY FRAMEWORK

The plans and strategies outlined in the report together make up the Council’s Budget and Policy Framework.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability etc)

The annual review of the budget and policy framework ensures that the Council’s plans and strategies are kept up to date and compliant with the above criteria for assessing their impact on local communities.

FINANCIAL IMPLICATIONS

None directly arising from this report, at this time.

SECTION 151 OFFICER'S COMMENTS

The S151 Officer has contributed to the production of this report.

LEGAL IMPLICATIONS

Legal Services have been consulted and have no observations to add to this report.

MONITORING OFFICER'S COMMENTS

The Deputy Monitoring Officer has been consulted and has nothing to add to this report.

BACKGROUND PAPERS

None.

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