

CABINET

BUDGET AND POLICY FRAMEWORK UPDATE

20 January 2009

Joint Report of Corporate Director (Finance and Performance) and Head of Financial Services

PURPOSE OF REPORT				
To seek Cabinet's approval of the draft 2009/10 Budget and Policy Framework proposals to be used in a limited consultation exercise in accordance with the agreed timetable prior to submission to Council.				
Key Decision	X	Non-Key Decision	Referral from Officers	
This report is public.				

OFFICER RECOMMENDATIONS

- 1 That Cabinet approves the draft 2009/10 Corporate Plan attached as Appendix A as a basis for consultation in accordance with the agreed timetable and as the basis for determining its budget proposals.
- 2 That, subject to 1 above, Cabinet considers and approves its revenue and capital budget proposals as a basis for consultation in accordance with the agreed timetable.
- 3 That the draft 2009/10 Corporate Plan and revenue and capital budget proposals be referred on to Council for consideration on 04 February 2009.

1 POLICY FRAMEWORK – CORPORATE PLAN

- 1.1 At its December meeting, Cabinet noted progress that had been made to date in drafting a refreshed Corporate Plan for 2009/10, minute 105 below refers.

- (1) That the latest progress made in refreshing the 2009/10 Corporate Plan be noted
- (2) That progress made in respect of the MTFs and budget exercise be noted

Since that meeting, work has continued to develop the plan and the latest version is attached as **Appendix A**.

- 1.2 The format of the Plan has been updated to clearly reaffirm the purpose and status of the Plan. In particular, the Corporate Plan is:

A document that provides guidance for people (members and officers) who work in the Council and, more importantly, information for our residents about:

- what issues the Council believes are important (**priorities**)
- how we intend to address them (**objectives**)
- how we propose to go about our work over the next three years (**actions and projects**)
- and how we will measure progress (**targets**)

- 1.3 The draft Plan uses as its underlying assumption that the council will seek to maintain current service levels in this difficult financial climate rather than driving service improvements or growth. In particular, it includes the following information:

Statutory Responsibilities

The Council is required to ensure that residents receive a range of mandatory services, either directly provided by the council, or by way of partnership /contractual arrangement. These services are summarised below but are set out in more detail in the appendix to the Plan.

The Council however does have choice in the scope and standard of service delivery for each of these mandatory service activities and this has been reflected in the budget proposals that support this Plan.

- Regulatory services such as Licensing, Planning and Environmental Health
- Council Tax and Housing Benefits
- Waste Collection and Street Cleansing
- Homelessness services
- Elections

Contribution to Deliver the Sustainable Community Strategy

The Council recognises that all the aspirations of its communities cannot be delivered solely by the Council. In this respect, the adoption by the Council at its November meeting of the Lancaster District Local Strategic Partnership's (LDLSP) Sustainable Community Strategy (SCS) now profoundly influences the content of our Corporate Plan. The SCS sets out, following a comprehensive public consultation exercise, what the LDLSP will deliver through its associated agencies and organisations over the next three years.

The LSP consists of seven thematic groups each with the responsibility for delivering a range of actions to achieve the agreed SCS's priorities. The Council, in addition to providing community leadership and administrative support for the LSP, will contribute to delivering some of these actions but not all. The draft Corporate Plan therefore includes and reflects those actions that the Council will contribute to delivering, whether as the lead or otherwise, over the next three years.

Discretionary Services

In addition to the above, the Corporate Plan also includes a range of discretionary services/activities that surveys confirm are important to local people and which the Council has chosen to finance.

1.4 In addition to the above, the Council also recognises that the Corporate Plan can only be delivered if there is an effective framework of support services in place, some of which are mandatory, which underpin the council's frontline services and partnerships. This is implicit and reflected in the Council's budget proposals. These can be summarised as follows:

- Financial Services
- Legal Services
- Democratic Support
- Human Resources
- Information Technology
- Policy and Performance Management

1.5 Please note that at this stage of the process, targets and outcomes for each corporate priority/proposed action have not been determined. This will only take place once Council has agreed the Priorities and Actions to be included in the Corporate Plan and which are to be resourced within the budget proposals.

1.6 References to the decisions recently made by Council at its December meeting in respect of Morecambe Town Council, participation in the Sustainable Community Act, and a review of overlapping city and parish council functions and funding, are included in the projects section of the draft but will depend on the resources being made available during the budget process and within service business plans to deliver them.

1.7 Following the Cabinet's approval of the draft Corporate Plan, the next stage will be to undertake a limited consultation process by means of a presentation of the draft Cabinet's budget and policy framework proposals to a special meeting of the Budget & Performance Panel on 27 January. All members of Council will be invited to this meeting, together with key partners from the LDLSP Management Group

1.8 Following this meeting, the proposals with any feedback from the Panel meeting will be presented to full Council on 4 February for their consideration.

1.9 Following Council's adoption of the Corporate Plan, the detailed targets and outcomes for each corporate priority will be worked up and presented to the Council's Business Committee for their approval under delegated powers as in previous years. Service Business Plans will then be refreshed to reflect the content of the approved Corporate Plan.

2 BUDGET FRAMEWORK

2.1 As part of this budget and policy framework update, three separate reports are currently being prepared, covering:

- Council Housing Revenue Budget and Capital Programme
- General Fund Capital Programme
- General Fund Revenue Budget

These will provide more detailed financial information and will take account of the financial implications of other reports elsewhere on this agenda. Also, in the meantime, information will continue to be fed into Star Chamber.

- 2.2 Cabinet is therefore requested to formulate its revenue and capital budget proposals, which reflect its proposed Corporate Plan proposals and take account of the latest base budget information included in the budget reports. The combined proposals can then be used as the basis for the next stage of consultation, and can also be referred on to Council on 04 February as appropriate.

3 **OPTIONS ANALYSIS**

3.1 **Corporate Plan**

Option 1:- To approve the draft Corporate Plan as set out in Appendix A as a basis for consultation in accordance with the agreed timetable and as the basis for determining its budget proposals.

Option 2:- To approve an amended version of the draft Corporate Plan as set out in Appendix A as a basis for consultation in accordance with the agreed timetable and as the basis for determining its budget proposals.

- 3.2 Basic options regarding budget proposals (for consultation and referral to Council) will be included in each of the three budget reports referred to above,

4 **Officer Preferred Option**

Option 1 is the preferred option regarding the Corporate Plan as this best reflects the latest position on local priorities.

5 **Conclusion**

- 5.1 Cabinet will need to consider the proposals set out in the report and agree its Corporate Plan and Budget preferences in order for it to meet the requirements of the agreed timetable for bringing forward its Budget and Policy Framework proposals.

RELATIONSHIP TO POLICY FRAMEWORK

Implementation of the Budget and Policy Framework timetable will ensure that Council approves its Plans, Strategies, and Budgets in accordance with the statutory requirements. The budget proposals will represent in financial terms what the Council plans to achieve as set in its policy framework documents.

CONCLUSION OF IMPACT ASSESSMENT

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

None arising directly from this report.

FINANCIAL IMPLICATIONS

None arising directly from this report; financial information will be included within the three separate reports to follow.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments to add.

LEGAL IMPLICATIONS

Legal Services have been consulted and have no comments to add

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

None.

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