

**North Tyneside Council  
Report to Cabinet  
Date: 18 January 2012**

**ITEM 3(a)**

**Title: 2012-2015 Council Strategic Plan and Budget Setting Process: Cabinet's Draft Council Strategic Plan and Budget proposals**

<b>Portfolio(s):</b> Elected Mayor Finance Housing	<b>Cabinet Member(s):</b> Mrs Linda Arkley Cllr Judith Wallace Cllr Paul Mason
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**Report from Directorate:** Senior Leadership Team

**Report Authors:** Fiona Rooney, Strategic Director of Finance and Resources      **Tel: 643 5724**

Julia Veall, Interim Strategic Director      **Tel: 643 2005**

**Wards affected:** All

**PART 1**

**1.1 Purpose:**

1.1.1 The main report will submit Cabinet's draft council strategic plan and budget proposals (estimates of amounts) for 2012–2015, including the 2012-2022 capital plan.

1.1.2 The purpose of the report will be:

- (a) To inform Cabinet of the progress made in relation to this year's Council Strategic Plan and Budget setting process;
- (b) To agree the 2012-2015 draft Council Strategic Plan in order to inform consideration of the estimates of amounts to be set down in the main report;
- (c) To inform Cabinet of the headline results and key messages from the Council Strategic Plan and Budget Engagement process;
- (d) To confirm with Cabinet the key principles that have been adopted in preparing the Financial Strategy for the Council, including approval of the Council's Reserves and Balances Policy;

- (e) To provide a contextual statement of the medium-term financial challenges and financial risks facing the Council that need to be resolved / addressed as part of the Financial Strategy;
- (f) To provide an assessment of the provisional local government finance settlement for 2012/13 announced on 8 December 2011;
- (g) To provide an assessment in relation to the current year's budget monitoring information (2011/12) that should inform Cabinet's estimates of amounts;
- (h) To present Cabinet's estimates of amounts in relation to the 2012/13 general fund revenue budget, dedicated schools grant, housing revenue account, and the 2012-2022 capital plan;
- (i) Agree the updated Local Prudential Code for 2012-2015 in terms of borrowing requirements for the Councils capital plan.
- (j) Approve the Treasury Management Statement incorporating the Annual Investment Strategy for 2012/13.
- (k) To inform Cabinet of the implications of the final housing revenue account self financing determinations, the April 2012 rent increase indicated as required under the Government's rent restructure formula, and present proposals to increase housing service charges and garage rents for 2012/13;
- (l) To present Cabinet's proposals for the housing revenue account 2012-2015 financial plan forecasts and associated business plan;
- (m) To obtain appropriate delegations as set down in the report; and,
- (n) To advise Cabinet how it is proposed to consider responses to any recommendations that may be proposed by the Overview and Scrutiny Committee, following the Budget and Council Plan Study Group's scrutiny and challenge of the 2012-2015 Council Strategic Plan and Budget Setting process and Cabinet's proposals as set down in the report of 28 November 2011.

1.1.3 The main report is also received by full Council on 2 February 2012. In addition, the Housing Revenue Account Budget for 2012/13 and associated business plan is agreed along with any rent / service charge increases. To aid the decision-making process at full Council, the report will be clearly structured to show the decisions that are required on each item.