

North Tyneside Council Report to Cabinet Date: 23 February 2012

ITEM 3

Title: 2012-2015 Council
Strategic Plan and Budget
Setting Process: Consideration
of any Objections to the
Cabinet's Proposals

Portfolios: Elected Mayor
Cabinet Member for Finance

Cabinet Members: Mrs Linda Arkley
Cllr Judith Wallace

Report from: Finance and Resources Directorate

Report Author: Fiona Rooney, (Tel: 643 5724)
Strategic Director of Finance and
Resources (Chief Finance Officer)

Wards affected: All

1.1 Purpose:

1.1.1 This report summarises the next stage in the process for approving the 2012-2015 Council Strategic Plan, the 2012/13 General Fund Revenue Budget, Council Tax Requirement and Council Tax level, the Treasury Management Statement and Annual Investment Strategy for 2012/13 and the 2012-2022 Capital Plan (excluding Housing), which is required when Council has any objections to the Cabinet's proposals. At the Council meeting held on 21 February 2012, the Council instructed the Elected Mayor to re-consider her proposals. The Elected Mayor is now required to consult Cabinet prior to the next Council meeting that has been scheduled for 1 March 2012.

1.1.2 This report forms the basis for that consultation.

1.2 Recommendation(s):

1.2.1 Cabinet is recommended to:

- (a) Note the guidance set out in this report (paragraphs 1.5.1 to 1.5.4); and
- (b) Consider the Objections to the Cabinet's proposals that were agreed by the Council at its meeting on 21 February 2012;

1.3 Forward plan:

- 1.3.1 This report was included in the Forward Plan for the period from 1 February 2012 to 30 May 2012.

1.4 Council plan and policy framework:

- 1.4.1 The Budget and Policy Framework Procedure Rules are set out in Part 4.7 of the Council's Constitution. The Council Strategic Plan is guided by Part 4.7(4), covering the process for the preparation, consideration and final approval of the plans and strategies forming part of the Council's Policy Framework, and the Budget is guided by Part 4.7(3) covering the process for the preparation, consideration and final approval of the Council's budget. The constitutional requirements for preparing, considering and approving the Council Strategic Plan and Budget ultimately drive the timetable for the Council Strategic Plan and Budget Setting Process of the Council.
- 1.4.2 The steps to be followed make the budget related timescales more demanding than those for the Council Strategic Plan. Cabinet has ensured its considerations in relation to the Council Strategic Plan have followed the same timetable as the Budget so that the objectives in the Council Strategic Plan have driven the discussion on where budget resources and any potential re-directions of resources have been allocated. The timetable set down in paragraph 1.6, Table 1 of Annex 1 of the report to Council on 2 February 2012 therefore assumed the same timeline for preparing, considering and approving the Council Strategic Plan with the Budget.

1.5 Information

Guidance on this Stage in the Process

- 1.5.1 The Council, at its meeting on 21 February 2012, further considered the Council Strategic Plan and budget proposals of the Cabinet and has instructed the Elected Mayor to re-consider those proposals.
- 1.5.2 The Elected Mayor must now consult with the Cabinet and may either:
- Revise the Cabinet's proposals to take account of some or all of the objections approved by the Council, identifying reasons for such revisions; and / or
 - Determine any disagreement to any objections approved by the Council and identify the reasons for such disagreement.
- 1.5.3 This meeting has been called to enable the Elected Mayor to formally consult the Cabinet, as outlined in paragraph 1.5.2 above.
- 1.5.4 The Elected Mayor then submits any revisions / disagreements following consultation with the Cabinet on 23 February 2012, to the Council. The Council, at

a meeting to be held on 1 March 2012, will be requested to consider its decision taken on 21 February 2012, in light of the Elected Mayor's response.

Objection Information for Cabinet Consideration

1.5.5 Two Notices of Objection were considered at the Council meeting on 21 February 2012, one from the Labour Group and one from the Liberal Democrat Group. Both of the Objections were agreed at the Council meeting on 21 February 2012. These Objections are attached to this report as Annex 1 (Labour) and Annex 2 (Liberal Democrat) respectively. In considering these Objections, Cabinet should have due regard to any professional officer advice within this report and available at the Cabinet meeting itself.

1.6 Decision options:

1.6.1 Council has instructed the Elected Mayor to re-consider the Cabinet's proposals. The Elected Mayor must consult with the Cabinet and may either:

- Revise the Cabinet's proposals to take account of some or all of the objections approved by the Council, identifying reasons for such revisions; and / or
- Determine any disagreement to any objections approved by the Council and identify the reasons for such disagreement.

1.7 Reasons for recommended option:

The reasons for recommendations are mainly legal in nature, as stated in Section 2.2 of this report.

1.8 Appendices:

Annex 1 – 2012-2015 Council Strategic Plan and Budget Process: Labour Group Notice of Objection

Annex 2 – 2012-2015 Council Strategic Plan and Budget Process: Liberal Democrat Group Notice of Objection

1.9 Contact officers:

Viv Geary, Head of Legal, Governance and Commercial Services
Tel No 643 5339

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Vicki Dixon, Finance Service

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Janice Gillespie, Finance Service
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1.10 Background information:

The following background papers and research reports have been used in the compilation of this report and are available at the offices of the author:

- (a) North Tyneside Council's Constitution including the Budget and Policy Framework Procedure Rules.
- (b) 2012-2015 Council Strategic Plan and Budget Setting Process: 2012/13 Budget Submission to the Authority (incorporating the Housing Revenue Account), Council 2 February 2012 and 15 February 2012.
- (c) 2012-2015 Council Strategic Plan and Budget Setting Process: Elected Mayor and Cabinet Budget Resolution, Council 21 February 2012.
- (d) 2012-2015 Council Strategic Plan and Budget Setting Process: Labour Group Notice of Objection, Council 21 February 2012.
- (e) 2012-2015 Council Strategic Plan and Budget Setting Process: Liberal Democrat Group Notices of Objection, Council 21 February 2012.

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

- 2.1.1 The Council must calculate its Council Tax requirement for 2012/13 by 11 March 2012.
- 2.1.2 All other financial information was contained in the main reports to Council on 2 February 2012 and 21 February 2012, the Labour Group Notice of Objection considered by Council on 21 February 2012 and the Liberal Democrat Group Notice of Objection considered by Council on 21 February 2012.

2.2 Legal

- 2.2.1 The process to be followed for the setting of the budget is set out in the Budget and Policy Framework Procedure Rules in the Council's Constitution. The rules are based upon statutory requirements and government guidance.

2.3 Community engagement

- 2.3.1 In accordance with the Budget and Policy Framework Procedure Rules contained in the Council's Constitution, all Cabinet Members will be consulted in relation to the Council's objections to the Cabinet's proposals.

2.4 Human rights

- 2.4.1 Any human rights issues were included in the main reports to Council on 2 February 2012 and 21 February 2012.

2.5 Equalities and diversity

- 2.5.1 Any equality and diversity issues were included in the main reports to Council on 2 February 2012 and 21 February 2012.

2.6 Risk management

- 2.6.1 Any risk management issues were included in the main reports to Council on 2 February 2012 and 21 February 2012.

2.7 Crime and disorder

- 2.7.1 Any crime and disorder issues were included in the main reports to Council on 2 February 2012 and 21 February 2012.

2.8 Environment and sustainability

- 2.8.1 Any environmental and sustainability issues were included in the main reports to Council on 2 February 2012 and 21 February 2012.

PART 3 - SIGN OFF

- Strategic Director(s)
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer

- Strategic Director with responsibility for Community Engagement



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