

North Tyneside Council Report to Cabinet Date: 25 February 2013

ITEM 3

Title: 2013-2015 Financial
Planning and Budget Process:
Consideration of any
Objections to the Cabinet's
Proposals

Portfolio(s): Elected Mayor
Finance

Cabinet Member(s): Mrs Linda Arkley
Councillor Mrs J
Wallace

Report from Directorate: Chief Executive's Office

Report Author: Ms V Geary, Head of Legal, Governance and Commercial Services and Monitoring Officer (Tel: 643 5339)

Mr D Brown, Legal, Governance and Commercial Services (Tel: 6435358)

Wards affected: All

PART 1

1.1 Purpose:

This report summarises the next stage in the process for approving the 2013/14 Council Tax requirement and Council Tax level for 2013/14, in relation to the General Fund Revenue Budget (including the Dedicated Schools Grant), the 2013-2023 Capital Plan, including prudential indicators for 2013/14 and the proposed Minimum Revenue Provision Policy, excluding Housing, and the Treasury Management Statement and Annual Investment Strategy for 2013/14 in the event that the Council has any objections to the Cabinet's proposals.

1.2 Recommendation(s):

It is recommended that Cabinet:

- (1) Notes the guidance set out in this report; and,
- (2) Considers any Objections to the Cabinet's proposals that are agreed by the Council at its meeting on 21 February 2013.

1.3 Forward plan:

28 days notice of this report has been given and it first appeared on the Forward Plan that was published on 9 January 2013.

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 Budget is guided by Part 4.7(3) covering the process for the preparation, consideration and final approval of the Council's budget. The statutory and constitutional requirements for preparing, considering and approving the Budget ultimately drive the timetable for the Financial Planning and Budget Process of the Council.
- 1.4.2 The development of the Financial Plan and Budget has followed the same timetable as in previous years. The priorities in the Sustainable Communities Strategy provide the strategic framework within which budget resources are allocated. Cabinet will also have due regard for the Council Strategic Plan 2012/15 which covers the period for the 2013/14 Financial Plan and Budget.
- 1.4.3 The Financial Planning and Budget process is a fundamental part of the overall governance and assurance framework of the Council. This in turn provides assurance that is considered as part of preparing the Annual Governance Statement each year. Feedback through the Annual Governance Statement and the Overview and Scrutiny Committee's report into the 2012-2015 Financial Planning and Budget process has been used to inform this year's process.

1.5 Information:

- 1.5.1 The Council, at its meeting on 21 February 2013, will consider the General Fund budget proposals of the Cabinet (including the overall funding of the Capital Plan) and may instruct the Mayor to reconsider the whole or any part of those proposals.
- 1.5.2 In the event that the Council objects and instructs the Mayor to reconsider the Cabinet's proposals, the Mayor must consult with the Cabinet and may either:
- Revise the Cabinet's proposals to take account of any objection and instructions proposed by the Council identifying reasons for such variations; or
 - Determine any disagreement to any objections and instructions proposed by the Council and identify the reasons for such disagreement.
- 1.5.3 This meeting has been called to enable the Mayor to formally consult the Cabinet, as outlined in 1.5.2 above, in the event that the Council objects to the Cabinet's proposals.
- 1.5.4 If the Mayor submits any revisions / disagreements following consultation with the Cabinet, the Council, at a meeting to be held on 5 March 2013, will be requested to consider its decision taken on 21 February 2013, in the light of the Mayor's response, and to finally determine the Authority's Council Tax requirement for 2013/14.

1.6 Decision options:

In the event that the Council objects and instructs the Mayor to reconsider the Cabinet's proposals, the Mayor must consult with the Cabinet and may either:

- Revise the Cabinet's proposals to take account of any objection and instructions proposed by the Council identifying reasons for such variations; or

- Determine any disagreement to any objections and instructions proposed by the Council and identify the reasons for such disagreement.

1.7 Reasons for recommended option:

In order to comply with the Council's constitution, statutory requirements and government guidance.

1.8 Appendices:

None.

1.9 Contact officers:

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

David Brown, Legal, Governance and Commercial Services (Tel. 643 5358)

1.10 Background information:

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

[North Tyneside Council Constitution](#)

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

There are no financial implications arising from this report. The Council must calculate its Council Tax requirement for 2013/14 by 11 March 2013.

2.2 Legal

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 Consultation/community engagement

In accordance with the Budget and Policy Framework Procedure Rules contained in the Council's Constitution, all Cabinet members will be consulted in the event that the Council objects and instructs the Mayor to reconsider the Cabinet's proposals.

2.4 Human rights

Any human rights issues will be included in the main report to Council on 21 February 2012.

2.5 Equalities and diversity

Any equalities and diversity issues will be included in the main report to Council on 21 February 2012.

2.6 Risk management

Any risk management issues will be included in the main report to Council on 21 February 2012.

2.7 Crime and disorder

Any crime and disorder issues will be included in the main report to Council on 21 February 2012.

2.8 Environment and sustainability

Any environment and sustainability issues will be included in the main report to Council on 21 February 2012.

PART 3 - SIGN OFF

- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Strategic Manager Policy and Partnerships