

North Tyneside Council Report to Cabinet 24 February 2014

ITEM 3

2014-2018 Financial Planning
and Budget Process:
Consideration of any
Objections to the Cabinet's
Proposals

Portfolio(s): Elected Mayor
Finance and Resources

Cabinet Member(s): Mrs N Redfearn
Councillor R
Glindon

Report from: Chief Executive's Office

Report Author: Ms V Geary, Head of Law and Governance (Tel: 643 5339)

Wards affected: All

PART 1

1.1 Purpose:

This report summarises the next stage in the process for approving the 2014/15 Council Tax requirement and Council Tax level for 2014/15, in relation to the General Fund Revenue Budget (including the Dedicated Schools Grant), the 2014-2018 Investment Plan, including prudential indicators for 2014/15 and the proposed Minimum Revenue Provision Policy, excluding Housing, and the Treasury Management Statement and Annual Investment Strategy for 2014/15 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 20 February 2014.

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 27 January 2014.

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 Authority's Constitution. The Budget is guided by Part 4.7(3) covering the process for the preparation, consideration and final approval of the Authority's budget. The statutory and constitutional requirements for preparing, considering and approving the Budget drive the timetable for the Financial Planning and Budget Process.
- 1.4.2 The development of the Financial Plan and Budget has followed the same timetable as in previous years. The priorities in the 2014-2018 Council Plan 'Our North Tyneside' provides the strategic framework within which budget resources are allocated.
- 1.4.3 The Financial Planning and Budget process is a fundamental part of the overall governance and assurance framework of the Authority. 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 2013-2015 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 20 February 2014, will consider the General Fund budget proposals of the Cabinet (including the overall funding of the Investment 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 4 March 2014, will be requested to consider its decision taken on 20 February 2014, in the light of the Mayor's response, and to finally determine the Authority's Council Tax requirement for 2014/15.

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 Authority's constitution, statutory requirements and government guidance.

1.8 Appendices:

None.

1.9 Contact officers:

Fiona Rooney, Head of Finance and Commercial Services (Chief Finance Officer)
(Tel. 643 5724)

Dave Brown, Law and Governance (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 2014/15 by 11 March 2014.

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 Authority'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 Authority'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 20 February 2014.

2.5 Equalities and diversity

Any equalities and diversity issues will be included in the main report to Council on 20 February 2014.

2.6 Risk management

Any risk management issues will be included in the main report to Council on 20 February 2014.

2.7 Crime and disorder

Any crime and disorder issues will be included in the main report to Council on 20 February 2014.

2.8 Environment and sustainability

Any environment and sustainability issues will be included in the main report to Council on 20 February 2014.

PART 3 - SIGN OFF

- Chief Executive X
- Head of Service X
- Mayor/Cabinet Member(s) X
- Chief Finance Officer X
- Monitoring Officer X
- Strategic Manager Policy, Partnerships, Performance and Communications X