

# North Tyneside Council Report to Council Date: 1 March 2012

## ITEM 3

Title: 2012-2015 Council Strategic Plan and Budget  
Setting Process: Consideration of Elected Mayor's Response to 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: 634 5358)

Wards affected: All

### PART 1

#### 1.1 Purpose:

This is a holding report summarising the next stage in the process for approving the 2012 – 2015 Council Strategic Plan, the 2012/13 General Fund Revenue Budget (including the Dedicated Schools Grant), Council Tax requirement and Council Tax level, and the 2012 – 2022 Capital Plan (excluding Housing).

#### 1.2 Recommendation(s):

It is recommended that Council:

- (a) Notes the guidance set out in this report; and
- (b) Considers the Elected Mayor's revisions/disagreements to the objections agreed by the Council at its meeting held on 21 February 2012 and determines the 2012 – 2015 Council Strategic Plan, the 2012/13 General Fund Revenue Budget (including the Dedicated Schools Grant), Council Tax requirement and Council Tax level, and the 2012 – 2022 Capital Plan (excluding Housing).

#### 1.3 Forward plan:

This report was included on forward plan for the period 1 December 2011 to 31 March 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 development of the Council Strategic Plan and Budget has followed the same timetable as in previous years although, where possible, strategic planning and engagement has taken place earlier than in previous years, to allow more time for proposals to be considered and appropriate consultation to be undertaken. The priorities in the Council Strategic Plan provide the strategic framework within which budget resources are allocated. The timetable therefore assumed the same timeline for preparing, considering and approving the Council Strategic Plan with the Budget.
- 1.4.3 The Council Strategic Plan and Budget Setting 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 2011-2015 Service and Spending Review process has been used to inform this year's process.

## **1.5 Information:**

### **Details**

- 1.5.1 In accordance with the Budget and Policy Framework Procedure Rules contained in the Constitution, the Council meeting on 21 February 2012 considered the Council Strategic Plan and Budget proposals of the Cabinet and two Notices of objection received to those proposals. The Council approved objections submitted by both the Labour and Liberal Democrat Groups. A third Notice of objection was received but was withdrawn at the Council meeting.
- 1.5.2 The Elected Mayor is now required to consult with Cabinet in relation to those objections and she will do so at an Extraordinary Cabinet meeting to be held on 23 February 2012. The Elected Mayor may:
- (a) in whole or in part revise the proposals to take account of the objections approved by the Council identifying reasons for such revisions; and/or
  - (b) determine any disagreement to the objections approved by the Council and identify the reasons for such disagreement.
- 1.5.4 The Elected Mayor is required to give notice of any revisions/disagreements and these will be considered at this further Council meeting whereupon a final determination will be made on the budget and Council Strategic Plan.
- 1.5.5 At this further meeting, where any proposal of the full Council in respect of the Budget or Council Strategic Plan does not accord with the Cabinet's proposals in that respect (including any revised proposals submitted by the Elected Mayor) then the Cabinet's

proposals will prevail unless at the meeting of the Council a two thirds majority of the Members present vote to impose the full Council's own proposals. No new objections may be introduced at this meeting.

#### **1.6 Decision options:**

The Council will consider the Elected Mayor's revisions/disagreements and will make a final determination on the 2012 – 2015 Council Strategic Plan, the 2012/13 General Fund Revenue Budget (including the Dedicated Schools Grant), Council Tax requirement and Council Tax level, and the 2012 – 2022 Capital Plan (excluding Housing). Where any proposal of the full Council in respect of the Budget calculations or Council Strategic Plan does not accord with the Cabinet's proposals in that respect (including any revised proposals submitted by the Elected Mayor) then the Cabinet's proposals will prevail unless at the meeting of the Council a two thirds majority of the Members present, vote to impose the Council's own proposals.

#### **1.7 Reasons for recommended option:**

To make a final determination in relation to the 2012 – 2015 Council Strategic Plan, the 2012/13 General Fund Revenue Budget (including the Dedicated Schools Grant), Council Tax requirement and Council Tax level, and the 2012 – 2022 Capital Plan (excluding Housing) in accordance 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's Constitution.  
Local Government Act 2000  
Local Government Finance Act 1992  
Localism Act 2011

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

Financial implications will be covered in the main report. The Council must calculate its Council Tax requirement for 2012/13 by 11 March 2012.

## **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 relation to the Council's objections to the Cabinet's proposals.

## **2.4 Human rights**

Any human rights issues will be included in the main report.

## **2.5 Equalities and diversity**

Any equalities and diversity issues will be included in the main report.

## **2.6 Risk management**

Any risk management issues will be included in the main report.

## **2.7 Crime and disorder**

Any crime and disorder issues will be included in the main report.

## **2.8 Environment and sustainability**

Any environment and sustainability issues will be included in the main report.

## **PART 3 - SIGN OFF**

- Chief Finance Officer
- Monitoring Officer
- Strategic Director with Responsibility for community engagement