

Meeting: Overview and Scrutiny Committee

Date: 28 May 2012

Title: Overview of the Budget Setting Process

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Service: Finance Service

Directorate: Finance and Resources

Wards affected: All Wards

1. Purpose of Report

- 1.1 This report outlines the process for the setting of the Council Strategic Plan and Budget as requested at the Extraordinary meeting of the Overview and Scrutiny Committee on 9 May 2012.

2. Recommendations

- 2.1 It is recommended that Overview and Scrutiny Committee notes the contents of this report.

3. Details

At the Extraordinary meeting of the Overview and Scrutiny Committee on the 9 May 2012, a report was requested to be submitted to the next meeting of Overview and Scrutiny Committee which outlined the process for the setting of the Council's Budget.

By virtue of the fact this Council has adopted a joint process for developing its Council Strategic Plan and Budget along the same timescales, this report therefore covers both.

As the setting of the Council Strategic Plan and Budget is an annual process, the overarching framework for the process is agreed in advance by Cabinet, along with an engagement strategy. In addition, for the 2012/13 Notice of Objection element of the Budget Setting Process, the detailed process and timescale were agreed by Council following a review by the Finance Sub Committee.

Attached as Annex 1, is the report to Cabinet of the 12 September 2011, which set out the framework for the 2012-2015 budget setting process. This report incorporated the key milestones and dates related to the process and set out the proposed budget

engagement strategy. Table 1 below has been updated to reflect actual dates and events, where appropriate.

Table 1: 2012/13 Council Strategic Plan and Budget Setting Timetable of Key Milestones

Date / Meeting	Detail
4 July 2011 Overview and Scrutiny Committee	All Member Conference to consider the CEI programme and how Scrutiny can provide challenge and support to the programme. Chief Executive and Strategic Directors to attend.
28 July 2011 Council	Council considers the report on the proposed restructure of the Overview and Scrutiny arrangements. This determines the Scrutiny process for the 2012/13 Budget.
*5 September 2011 Overview and Scrutiny Committee	Overview and Scrutiny Committee meeting to consider how scrutiny of the 2012/13 Budget and Council Plan proposals should be undertaken.
5 September 2011 Overview and Scrutiny Committee 8 September 2011 Council	Report of the sub group established by Finance Sub Committee to examine the Notice of Objection process for 2012/13 presented firstly to Overview and Scrutiny Committee and then to Council.
6 September 2011	Council Strategic Plan and Budget Engagement process begins. Ends in January 2012.
12 September 2011 Cabinet	Cabinet approves the process being proposed for 2012–2015 Council Strategic Plan and Budget Engagement Strategy for 2012/13.
12 September 2011 to 31 October 2011	Detailed work undertaken on the 2012-2015 Council Strategic Plan and Budget Setting process
27 September 2011 All Members' Council Strategic Plan & Budget Briefing	First All Members' Council Strategic Plan & Budget Briefing for consideration of the CEI programme & Service and Spending Review process.
31 October 2011	Initial Equality Impact Assessments (EIAs) to be completed.

Date / Meeting	Detail
28 November 2011 Cabinet	Cabinet considers its 2012-2015 Council Strategic Plan proposals & initial budget proposals in relation to general fund, schools, housing revenue account & Capital Plan.
29 November 2011 All Members' Council Strategic Plan & Budget Briefing	Second All Members' Council Strategic Plan & Budget Briefing for consideration of the Cabinet's initial 2012-2015 Council Strategic Plan & Budget proposals.
* 1 December 2011 All Members' Council Strategic Plan & Budget Briefing	Rerun of Second All Members' Council Strategic Plan & Budget Briefing for consideration of the Cabinet's initial 2012-2015 Council Strategic Plan & Budget proposals.
*8 December 2011	2012/13 Provisional Local Government Finance Settlement announced
End of December 2011	Full EIAs completed
9 January 2012 Overview and Scrutiny Committee	Overview and Scrutiny consider the results of their review of the 2012-2015 Council Strategic Plan and Budget Setting process.
18 January 2012 Cabinet	Cabinet considers its draft Council Strategic Plan & budget proposals for 2012-2015 in relation to general fund revenue, schools, housing revenue account & Capital Plan, taking into account feedback received as part of Council Strategic Plan and Budget Engagement.
2 February 2012 Council This meeting was adjourned	Cabinet submits to the Council its estimates of amounts for the 2012-2015 Council Strategic Plan, budget & council tax levels. Annual housing rent increase for 2012/13 approved by Council.
*15 February 2012 Council	Reconvened Council meeting to approve the Annual housing rent increase for 2012/13.
21 February 2012 Council	Reconvened Council meeting to consider Cabinet's estimates of amounts for the 2012-2015 Council Strategic Plan, budget & council tax levels. Consideration of any Notices of Objection.
23 February 2012 Cabinet	Cabinet Meeting to consider any objections to Cabinet's Council Strategic Plan & Budget proposals.
1 March 2012 Council	Council meeting to agree the Council Strategic Plan for 2012-2015, the general fund revenue budget for 2012/13; the council tax level for 2012/13 & Capital Plan for 2012-2022.

*** Change to the timetable which was not included in the initial Council Strategic Plan and Budget Setting timetable in the report at Annex 1.**

Annex 2, which was agreed by Council on 8 September 2011, established the procedure and timeline to be followed for the 2012/13 Notice of Objection aspect of the 2012-15 Council Strategic Plan and Budget Setting Process. Detailed timetables for both the General Fund and Housing Revenue Account budgets were included in this report. There were no changes to the timetable for the General Fund, however, there were some changes to the actual timescales and events for the Housing Revenue Account Amendments process and these are set out in Table 2 below.

Table 2: 2012/13 Amendments to the Housing Revenue Account (HRA) Timeline

Date	Detail
Tuesday 27 September 2011 First All Members' Council Strategic Plan & Budget Briefing	First All members' Council Strategic Plan and Budget Briefing for consideration of information on the 2012-2015 Council Strategic Plan and Budget.
Monday 28 November 2011 Cabinet	Cabinet considers its 2012-2015 Council Strategic Plan proposals & initial budget proposals in relation to general fund, schools, housing revenue account & Capital Plan.
Tuesday 29 November 2011 Second All Members' Council Strategic Plan & Budget Briefing	Second All Members' Council Strategic Plan & Budget Briefing for consideration of the Cabinet's initial 2012-2015 Council Strategic Plan & Budget proposals.
* 1 December 2011 All Members' Council Strategic Plan & Budget Briefing	Rerun of Second All Members' Council Strategic Plan & Budget Briefing for consideration of the Cabinet's initial 2012-2015 Council Strategic Plan & Budget proposals.
Wednesday 30 November 2011	Amendment Process commences. Political Groups have the opportunity to commence work on their Amendments to the Housing Revenue Account as part of the 2012-2015 Service and Spending Review process.
December 2011	Amendments Process continues. Political Groups have the opportunity to continue work on their Amendments to the Housing Revenue Account as part of the 2012-2015 Service and Spending Review process.
January 2012	Amendments Process continues. Political Groups have the opportunity to continue work on their Amendments to the Housing Revenue Account as part of the 2012-2015 Service and Spending Review process.
Monday 9 January 2012 Overview and Scrutiny Committee	Overview & Scrutiny consider the results of their review of the 2012-2015 Service & Spending Review process.

Wednesday 18 January 2012 Cabinet	Cabinet considers its draft Council Strategic Plan & budget proposals for 2012-2015 in relation to general fund revenue, schools, housing revenue account & Capital Plan, taking into account feedback received as part of Council Strategic Plan and Budget Engagement.
Tuesday 31 January 2012	Initial date for Amendments to the Cabinet's Housing Revenue Account proposals to be submitted in writing to the chief finance officer on behalf of the Chief Executive by 4.00pm.
*Thursday 2 February 2012 Council This meeting was adjourned	Cabinet submits to the Council its estimates of amounts for the 2012-2015 Council Strategic Plan, budget & council tax levels. Consideration of any Amendments to the Housing Revenue Account aspects of the proposals.
*Tuesday 14 February 2012	Final Amendments to the Cabinet's Housing Revenue Account proposals to be submitted in writing to the chief finance officer on behalf of the Chief Executive by 4.00pm.
*Wednesday 15 February 2012 Council	Reconvened Council meeting to consider any Amendments to the Housing Revenue Account aspects of the proposals. Annual housing rent increase for 2012/13 approved by Council.

*** Change to the timetable which was not included in the Housing Revenue Account Amendments timetable in the report at Annex 2.**

Together, the two reports detailed above fully document the process.

4. Appendices

Annex 1 – 2012-2015 Service and Spending Review Framework – Cabinet 12 September 2011

Annex 2 – Notice of Budget Objection Process – Council 8 September 2011

5. Background Information

The following documents have been used in the compilation of this report and may be inspected at the offices of the author.