

North Tyneside Council Report to Council Date: 8 September 2011

<p>ITEM 7 Title: Addendum to Item 7 – Comments from the Overview and Scrutiny Committee</p>
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Portfolio(s): Elected Mayor

Cabinet Member(s): Mrs Linda Arkley

Report Author: Overview and Scrutiny Committee

Wards affected: All

PART 1

1.1 Purpose:

The purpose of the report is to present comments from the Overview and Scrutiny Committee in relation to Item 7 of the Agenda – Report from the Finance Sub-committee Sub-group: Budget Objection Process.

1.2 Recommendation(s):

It is recommended that Council consider the following comments put forward by the Overview and Scrutiny Committee in relation to the proposed Notice of Objection Process by the Budget Objection Sub-group:

- That the revised timelines attached to this report be adopted which provide a separate timeline for amendments related to the HRA account.

1.3 Background

The Overview and Scrutiny Committee considered the report of the Budget Objection Process Sub Group at the meeting on 5 September. Members raised concern that the timeline provided did not give sufficient clarity of the process for objections to be submitted in relation to the Housing Revenue Account (HRA) proposals. It was noted that the approval process for the HRA differed from the budget approval process, with the annual housing rent increase approved at the Council meeting on 2 February 2012 on the basis of a majority vote. Members wished to ensure that adequate time was provided in the process to allow final proposals in relation to the HRA to be fully considered and for any proposed amendments to be submitted and evaluated ahead of the meeting when the decision will be taken. In response to these queries a revised Appendix to the report has been drafted to show a separate timeline for amendments related to the HRA account.

Members also requested clarification of the voting procedure to be followed to determine the budget. The Monitoring Officer has written to members of the Committee with this information.

2012-2015 SERVICE AND SPENDING REVIEW PROCESS
DRAFT 2012/13 NOTICE OF OBJECTION 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.
Wednesday 30 November 2011	Notice of Objection Process commences. Political Groups have the opportunity to commence work on their Notice of Objections as part of the 2012-2015 Service and Spending Review process.
December 2011	Notice of Objection Process continues. Political Groups have the opportunity to continue work on their Notice of Objections as part of the 2012-2015 Service and Spending Review process.
January 2012	Notice of Objection Process continues. Political Groups have the opportunity to continue work on their Notice of Objections 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.
Thursday 2 February 2012 Council	Cabinet submits to the Council its estimates of amounts for the 2012-2015 Council Strategic Plan, budget & council tax levels.
Tuesday 7 February 2012	Suggested final date for questions to be raised by Political Groups on their Notice of Objections (non Housing Revenue Account elements).

ANNEX 2 ADDENDUM

Monday 13 February 2012	Deadline for all Notice of Objection questions raised by the Political Group to be responded to (non Housing Revenue Account elements).
Thursday 16 February 2012	Final Mayoral Amendments Letter sent to All Members with the final Budget Changes for 2012/13.
Monday 20 February 2012	2012/13 Tyne and Wear Fire and Rescue Authority Budget Setting date.
Tuesday 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.
Wednesday 22 February 2012	2012/13 Northumbria Police Authority Budget Setting date.
Thursday 23 February 2012 (if required) Cabinet	Cabinet Meeting to consider any objections to Cabinet's Council Strategic Plan & Budget proposals.
Thursday 1 March 2012 (if required) 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

Notes

1. We have now received notification that the Northumbria Police Authority Budget Setting meeting will be held on Wednesday 22 February 2012. This has the potential to change the dates of the meetings from Tuesday 21 February 2012 Council meeting onwards.

**2012-2015 SERVICE AND SPENDING REVIEW PROCESS
DRAFT 2012/13 AMENDMENTS TO 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.
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	Proposed 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.

<p>Thursday 2 February 2012 Council</p>	<p>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. Annual housing rent increase for 2012/13 approved by Council.</p>
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Notes

1. We are now part way through the detailed implementation phase of the government's Self-Financing reform proposals, which will be given statutory approval as part of the Localism Bill currently going through Parliament.
The government is currently updating the financial model being used to determine the debt allocation we will take on as an authority, and we will enter into consultation on a draft settlement figure in November 2011, with a final settlement figure to be agreed in January 2012. This means that the budget proposals which will be put forward for the HRA on 18 January 2012 may not at that point contain the final proposals and may be based on the draft figures issued in November 2011. It is not envisaged however that the settlement figure in January will be significantly different from the November figures. Assuming the Localism Bill is approved by Parliament in November 2011, the published government timetable states the final self financing determinations will be published in January 2012 and therefore we would anticipate final figures to be available prior to the Council meeting on the 2 February 2012. If the final settlement is not received in line with the Communities and Local Government (CLG) timeline set out above, the dates for Amendments to the HRA may need to be revised. The Council is confirming with CLG whether they intend to introduce any new governance requirements in relation to the adoption of self financing and if this is the case these will be reported to Council and included in the timeline as required. Member briefings are being scheduled in the coming months in relation to self financing.
2. The decision regarding the Housing Revenue Account proposals on the 2 February 2012 will be on a simple majority basis.