

TITLE OF REPORT: CORPORATE BUSINESS PLANNING PROCESS FOR 2012-13

REPORT OF THE STRATEGIC DIRECTOR OF FINANCE, POLICY AND GOVERNANCE

1. SUMMARY

- 1.1 To provide the Committee with an opportunity to review and comment on the draft timetable for the corporate business planning process for 2012-13.
- 1.2 To inform the Committee on progress of the corporate business planning process for 2012/13.

2. FORWARD PLAN

- 2.1 This report does not contain a recommendation on a key decision and has not been referred to in the Forward Plan.

3. BACKGROUND

- 3.1 The 2011/12 budget was approved by full Council on the 10th February 2011 and the council tax rates for 2011/12 approved by the Council Tax setting Committee on the 24th February 2011.
- 3.2 The extent of the financial pressures on the Council, caused by a combination of factors such as a significant reduction in central government funding, the impact of the economic downturn, pressure on partner organisations and the continued growth in existing costs through inflation meant that in the 2011/12 CBP process it was necessary to consider the prioritisation of services and where expenditure could be reduced in services, whilst also continuing to identify any means of being able to work more efficiently, perhaps in different ways, such as by sharing services with other Authorities or organisations.
- 3.3 It was recognised that any major change to the way services are delivered would likely require a lead in time to fully implement and similarly any reduction in service would likely need a phased approach. As such, it was clear that the CBP process for 2011/12 would be about establishing the agenda for the following four years.
- 3.4 Over £1.9million of efficiencies were identified for 2011/12 to maintain a minimum balance of £1.6million in the general fund reserve. It was recognised that further efficiencies would be required in 2012/13 and onwards and some of these efficiencies would be achieved from work underway to look at alternative means of working.

4. ISSUES

- 4.1 The cyclical nature of corporate business planning means that the process for 2012/13 is a continuation of the 2011/12 process and the work required over the next year will build on the work already started. For example, the first members' workshop in 2011/12 was used to establish the prioritisation of Council services by looking at which services were statutory and which discretionary.
- 4.2 The draft timetable, attached as appendix A, reflects Members wishes to be involved in the process as early as possible. As such, there are two sets of Member workshops scheduled. The workshops in the first week of September will provide Members with an opportunity to identify Council priorities, in the light of financial restrictions. This feedback from Members will assist Heads of Service to identify detailed efficiency and investment proposals for discussion at the second set of workshops in November.
- 4.3 The process ensures the setting of the budget is informed by the Council Priorities document. The Challenge Board forum has the task to ensure all budgets are scrutinised in detail. This includes a challenge of each Head of Service on the relative value for money of their services.
- 4.4 The boxes highlighted on the timetable indicate elements of the process already completed. Challenge Board are currently reviewing the services identified in Service Plans for review in 2011/12, if these are appropriate, or if there are other services which should be reviewed as more of a priority. However, there will be consideration of the appropriate level of resources to commit to service reviews this year given the significant amount of work already being undertaken at looking into alternative ways of working, (for example, shared back office services with East Herts and Stevenage) and the amount of officer capacity following the reduction in FTE employees resulting from the latest restructure.

5. LEGAL IMPLICATIONS

- 5.1 There are no legal implications for the adoption of the timetable, however, Members are reminded of the requirement under section 30 of the Local Government Finance Act 1992 to set a balanced budget

6. FINANCIAL AND RISK IMPLICATIONS

- 6.1 There are no direct financial implications from this report. The 2010/11 revenue and capital monitoring reports are separate items on the agenda for this Committee and there are implications in those reports for the corporate business planning process for 2012/13.

7. HUMAN RESOURCE AND EQUALITIES IMPLICATIONS

- 7.1 There are no direct Human Resource or Equalities implications arising from this report.

8. CONSULTATION WITH EXTERNAL ORGANISATIONS AND WARD MEMBERS

- 8.1 Consultation with Members and external organisations will take place as outlined in the timetable.

9. RECOMMENDATIONS

- 9.1 That the Committee notes the Corporate Business Planning Timetable for 2012/13 and refers any comments for consideration of Cabinet.

10. REASONS FOR RECOMMENDATIONS

- 10.1 Members are aware of the Corporate Business Planning timetable for 2012/13.
10.2 Members have involvement in the process as early as possible.

11. APPENDICES

- 11.1 Appendix A – Corporate Business Planning timetable for 2012/13.

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