

TITLE OF REPORT: CORPORATE BUSINESS PLANNING PROCESS FOR 2013-14

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 2013-14.
- 1.2 To inform the Committee on progress of the corporate business planning process for 2013/14.

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 2012/13 budget was approved by full Council on the 9th February 2012 and the council tax rates for 2012/13 approved by the Council Tax setting Committee on the 27th February 2012.
- 3.2 The Council has already identified over £8.7million of savings over the last six years – including £1.9million in 2011/12 alone - in the drive to become more efficient and enable investment in Council priorities. In 2012/13 the efficiencies totalled some £609,000. Achieving significant further savings over the coming years will not be easy, and will involve some tough decisions.
- 3.3 The 2012/13 government settlement made no mention of funding for 2013/14 onwards, and so considerable uncertainty remains for future years. The method of Local Government funding is likely to change, and assumptions will need to be varied accordingly as that process evolves. The stated intent is to give Councils more control of their resources so that they become less dependent on Central Government grants. This may include potential opportunities arising from changes such as the New Homes Bonus, application of Tax Increment Financing and retention of a proportion of local Business Rates.

4. ISSUES

- 4.1 The cyclical nature of corporate business planning means that the process for 2013/14 is a continuation of the 2012/13 process and the work required over the next year will build on the work already started.
- 4.2 The draft timetable is attached as Appendix A. As such, there are two sets of Member workshops scheduled. The workshops in September will provide Members with an opportunity to identify Council priority services, in the light of financial restrictions. This feedback from Members will assist Heads of Service/Corporate Managers to identify detailed efficiency and investment proposals for discussion at the second set of workshops in November. The Committee will have the opportunity to review these at its December meeting.
- 4.3 The process ensures the setting of the budget is informed by the Council's Priorities for the District 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/Corporate Manager 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 have agreed that the services subject to value for money reviews will be Careline, the Management Support Unit and the Customer Service Centre. These will be undertaken in addition to the consideration of the Shared Support Services project with East Herts and Stevenage.
- 4.5 A report will be taken to the June meetings of Overview and Scrutiny and Cabinet on the completed projects against the Priorities for the District 2012/13. This report recommends that the Priorities for 2013/14 remain unchanged. In addition the draft Corporate Business Planning timetable for 2013/14 is attached as an annex to this report.
- 4.6 Actions required to deliver agreed priorities for 2013/14 will be discussed at SMT on 19 June.
- 4.7 Officers will need to consider the potential implications of the Government consultation papers, issued in May 2012 on the localisation of council tax support and business rates retention. These implications will need to be taken into account as the Medium Term Financial Strategy is finalised in July. The Council is not likely to have certainty about funding until very late in the 2013/14 budget process so it is likely scenario analysis will need to be used to develop a potential budget for a 'worst case' scenario.
- 4.8 The final timetable is subject to change as the consultation process is currently under review. Some Members have suggested that the circulation of the budget report and proposals to Area Committees is not an effective use of resources, given the input all Members can have into the budget process at the Member workshops. Consideration is currently being given to using a research agency called Opinion Research Services to hold Citizen Panel / Stakeholder budget forums as a means of obtaining further public opinion on budget options.

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 2011/12 revenue and capital monitoring outturn reports are separate items on the agenda for this Committee and there are implications in those reports for the corporate business planning process for 2013/14.

7. HUMAN RESOURCE IMPLICATIONS

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

8. EQUALITIES IMPLICATIONS

- 8.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give **due regard** to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 8.2 Reviewing the Corporate Business Planning timetable ensures the Council are meeting the stated outcomes of the district priorities, meeting its targets and delivering accessible and appropriate services to the community to meet different people's needs. All proposals for projects of a 'significant size' (determined by criteria) are equality analysis checked and the environmental and social benefits or risks are considered – the outcomes of such equalities analysis, where completed, must accompany any report to Cabinet to inform the decision making process under new equalities legislation. This then fulfils the council's relevant obligations arising from the Public Sector Equality Duty.

9. CONSULTATION WITH EXTERNAL ORGANISATIONS AND WARD MEMBERS

- 9.1 The method of consultation is currently under review but consultation will be undertaken and included within the timetable.

10. RECOMMENDATIONS

- 10.1 That the Committee notes the Corporate Business Planning Timetable for 2013/14 and refers any comments for consideration of Cabinet.

11. REASONS FOR RECOMMENDATIONS

- 11.1 Members are aware of the Corporate Business Planning timetable for 2013/14.
- 11.2 Members have involvement in the process as early as possible.

12. APPENDICES

- 12.1 Appendix A – Corporate Business Planning timetable for 2013/14.

13. CONTACT OFFICERS

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