

Report to: **Scrutiny Committee for Social Services and Health**

Date: 6 September 2001

By: Director of Corporate Resources

Title of report: Reconciling Policy and Resources

Purpose of report: To give the Committee the opportunity to consider the initial policy and financial strategy set by Cabinet.

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## **RECOMMENDATIONS**

**The Committee is recommended to:**

- 1. note the initial policy and financial strategy and framework set by the Cabinet; and**
  - 2. comment on the specific policy and financial steer relating to the Committee's portfolio interests.**
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### 1. Financial Appraisal

1.1 There are no direct financial implications arising from the report.

### 2. Supporting Information

#### Introduction

2.1 On the back of a brief report from myself, setting out general advice on the necessary elements for the planning process, the Cabinet agreed a framework, including initial policy steers, tabled by the Lead Member for Resources. These are attached. This work was informed by the financial commentary presented to all members at the general induction in June.

2.2 Regulations surrounding the operation of modernised council arrangements rightly require that all council members and scrutiny committees should be given the opportunity to comment on the developing service planning and budget framework.

2.3 This meeting provides one such opportunity. Scrutiny committees will be able to give further consideration to the latest guidelines at planned scrutiny meetings in December; with any comments being considered by Cabinet at their meeting in December.

2.4 For this meeting, the Committee is asked to consider the initial policy and financial steers (attached) as they impact on their portfolio interests. Its comments can then be fed into the Cabinet meeting planned for 16 October.

2.5 The Committee will need to recognise that the Cabinet, on behalf of the whole Council, is seeking to determine a balanced policy and financial strategy for all the Council's services. Any recommended changes in the individual policy or financial steers - affecting one portfolio - will

need to be viewed by the Cabinet in the context of the consequent impact on other parts of the whole strategy.

SEAN NOLAN

Director of Corporate Resources

Contact Officer: Sean Nolan, Tel No. 01273 481412

## **Resolution of Cabinet. 31 July 2001**

### **Reconciling Policy and Resources**

#### **RESOLVED**

1 To endorse the initial policy steers in Appendix A attached as the basis of policy planning for the Council overall and for individual service areas.

2. To note that the forecast increase in SSA of £19.3 million for next year is reduced by £1 million to cover possible SSA data changes and to deploy the remaining £18.3 million as follows:

- a. Education should plan on the basis of receiving an allocation equivalent to the SSA for Education and should bring forward options for the best use of the increased cash funding of £10.5 million implied for next year.
- b. An increased sum of £2.5 million per annum, on top of the existing waste disposal budget, is put aside in anticipation of the increased costs of waste disposal.
- c. A sum of £2.9 million is set aside next year to cover the forecast increase in levies and debt charges.
- d. Balances are restored at the rate of £750,000 per annum from next year onwards.
- e. For all other services, Cabinet members should bring forward proposals showing options and strategies as to how the initial policy steers in Appendix A can be delivered but with a 10% reduction from the standstill budget requirement for next year, for each of the main service areas listed.

3. Consistent with living within its means, in the Council's planning assumption for Council Tax to limit the percentage increase in the Council Tax to the minimum increase built into the Government's own plans for local government spending for future years.

4. To instruct Chief Officers to complete the tasks implied above by the end of September and to report back using the standard pro forma set out in Appendix B.

5. To ask the Director of Corporate Resources to determine the normal standstill budget requirement for next year for each service area and to provide any detailed advice as is necessary on the completion of the pro forma.

6. To ask the Lead Member for Resources, in consultation with Cabinet colleagues and chief officers, to identify other risks or priority areas which need to be accommodated in the medium term strategy on top of normal standstill policy pressures.

7. To note the outline service and financial planning timetable as follows:

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|------------|---|---|
| 31 July    | - | Cabinet determines initial policy and financial steers and sets initial task.   |
| 16 October | - | Cabinet Members, and the Lead Member for Corporate Resources, to report back to the Cabinet on the results of the initial task set. |

Cabinet determines refined policy and financial steers and asks Cabinet to work up more detailed and definite budget and service plans for next year.

Cabinet launches any statutory consultation exercise required on the broad strategy.

- 18 December - Cabinet receives details of the actual Revenue Support Grant for 2002/03 and refines its financial strategy if necessary.
- Cabinet indicates its medium term policy priorities and underpinning financial strategy.
- 31 January - Cabinet considers final budget proposals, capital and revenue, and the proposed Council Plan for 2002/03 and makes recommendations to the County Council.
- 19 February - County Council approves revenue budget and capital programme and the BVPP for 2002/03

APPENDICES A AND B NOT INCLUDED