



Haringey Council

Agenda item:

[No.]

Overview and Scrutiny Committee

On 27 July 2009

Report Title: Financial Planning - Budget Scrutiny

Report of: Chief Financial Officer

Wards effected: All

1. Purpose

- 1.1. To approve the timetable for budget planning and scrutiny within the Council's financial and business planning framework and to consider the financial strategy issues for the three-year planning period.

2. Recommendations

- 2.1. To agree the budget scrutiny and associated timetable for the coming months as set out in this report.
- 2.2. To consider any further issues in respect of the financial strategy for the Cabinet to consider in the budget setting process.

Report authorised By:

**Gerald Almeroth
Chief Financial Officer**

Contact Officer:

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3. Executive Summary

- 3.1. This sets out the process for scrutiny of the budget within and aligned to the

Council's financial and business planning framework.

4. Policy Implications

4.1. The business planning and budget preparation process is a fundamental part of the process in ensuring the Council is using its resources effectively to support the Community Strategy priorities and the scrutiny of the budget should support that process.

5. Local Government (Access to Information) Act 1985

5.1. Report of the Chief Financial Officer to the Cabinet on 21 July 2009 – **Financial Planning 2010/11 to 2012/13**

For access to the background papers or any further information please contact Kevin Bartle on 020 8489 3743

6. Background

- 6.1 A key role for all Members is to assist in the achievement of the Council's priorities, aims and objectives as set out in the Community Strategy. The business planning process plays an important role in aligning resources to the key priorities and ensuring that the Council is achieving value for money. The scrutiny of the budget formulation plays an important role in that process.
- 6.2 This report sets out the budget scrutiny process and the timetable for business planning and budget setting over the coming months.
- 6.3 The report also sets out the overall financial issues for the three-year planning period as reported to Cabinet on 21 July 2009 and asks the Committee to consider any further issues for Cabinet to consider in the business planning process.

7. Budget Scrutiny

- 7.1 Members have considered the role of scrutiny in respect of the budget and on-going financial scrutiny process throughout the year. Key activities highlighted in the paper which sets out the process are:
- Challenging and seeking to influence how the budget is constructed and commenting on how well it matches the Council's priorities; and

- Ensuring value for money is being achieved and that the Council is obtaining maximum benefit from the resources it is using.

7.2 In order to achieve these aspects of the role the following actions are required:

- In respect of the annual budget process that the new savings and investments from the PBPRs are considered at meetings during December and that Chief Officers and business unit managers attend to present their proposals and to answer questions on them;
- Regarding the scrutiny of value for money that the Committee ensure that wherever possible, in scrutiny reviews the specific issue of value for money is investigated, underpinning the importance of efficiency, performance and perception; and,
- That the Committee additionally consider the budget review areas recently identified with a view to assessing their impact on delivering Council priorities and value for money.

7.3 For the budget scrutiny process sufficient background information will be made available in a pack for members that will include summary budget analysis by business unit, savings and investment totals previously approved and, where requested, the full individual PBPRs.

7.4 The key dates in the timetable for the business planning and budget setting process are set out in the table below.

Activity	Date	By
Send out PBPR forms with: <ul style="list-style-type: none"> • Growth and savings forms • Savings targets • Capital bid forms • Guidance notes 	Friday 24 July 2009	Corporate Finance and Policy & Performance
Complete PBPRs and associated forms	11 September 2009	Business Units
Internal review & challenge process	14 - 25 September 2009	Chief Officers
Agree draft PBPRs with Cabinet Members and submit for Budget Challenge process	By early October 2009	Business Units
Internal budget challenge meetings	By mid October 2009	Various

Activity	Date	By
Financial planning report- agree preliminary budget proposals	17 November 2009	Cabinet
Overview & Scrutiny review preliminary budget proposals	7 December 2009 16 December 2009 & 5 January 2010 (provisional)	Overview & Scrutiny
Financial planning report - agree final budget proposals	26 January 2010	Cabinet
Financial planning report- agree final budget proposals and set Council Tax	8 and 22 February 2010	Council
Finalise individual business plans and Council Plan	March/April 2010	Business Units

7.5 The training sessions provided in recent years were understood to be well received and will be offered again this year during October. Content will include general local government finance and the budget process. Members are asked to consider the content and whether there are any additional requests for inclusion in the seminar.

8. Financial Planning

8.1 The Cabinet considered the Financial Planning report at its meeting on 21 July 2009. This strategy covers the period 2010/11 to 2012/13. The report is attached as Appendix 1 and as agreed at Cabinet, as part of the budget setting consultation process, is reported to Overview and Scrutiny Committee for consideration.

8.2 Overview and Scrutiny are invited to comment on the overall strategic position for feedback into the consideration of the budget process and financial strategy by the Cabinet.