

COMMITTEE: PERFORMANCE, RESOURCES AND ASSETS
SCRUTINY

DATE: 6TH FEBRUARY 2008

SUBJECT: BUDGET AND CAPITAL PROGRAMME

REPORT BY: DIRECTOR OF SCRUTINY

CONTACT OFFICER: BERT SIONG 01582 546781

IMPLICATIONS:

LEGAL	✓	COMMUNITY SAFETY
EQUALITIES		ENVIRONMENT
FINANCIAL	✓	CONSULTATIONS
STAFFING		OTHER ✓

WARDS AFFECTED: NONE

PURPOSE

1. The purpose of this report is to submit the report of the Head of Corporate Finance on the budget for 2008-09 and the capital programme (Appendix A) to the committee for scrutiny before it is considered by the Executive.

RECOMMENDATION(S)

2. **Performance, Resources and Assets Scrutiny Committee is recommended to consider the appended report of the Head of Corporate Finance having regard to the terms of the budget scrutiny protocol.**

BACKGROUND

3. The protocol for the scrutiny of the budget and the timetable for the budget process for 2008-09 (Appendix B) was agreed and scheduled in the calendar of meetings at the beginning of the municipal year.

4. All scrutiny committees have had the opportunity to ask questions, raise issues and put forward suggestions in the September/October 2007 cycle of meetings before the budget had been constructed.
5. On 13th December all of the scrutiny committees met to consider the base budgets for services and all the options for change developed by officers.
6. On 4th February 2008 the committees met again to consider the proposals for change recommended to the Executive by the Corporate Leadership Management Team.

REPORT

7. All Members of the Council have been invited to attend this meeting of the committee. The purpose is to provide them information about the challenges facing the Council in developing the budget, the medium term financial plan and the capital programme. They will also be informed about how those challenges have been met in the proposed budget.
8. All scrutiny committees, including this committee, have already had the opportunity to review budgets and proposals at the level of individual services. The purpose of this meeting is for Performance, Resources and Assets Scrutiny Committee to focus on the overall budget position and to consider what it implies, not only for 2008-09, but also for subsequent years, in relation to the goals the Council has set out in the vision for 2011.
9. Similarly, the capital programme has been developed against the backdrop of increasing financial stringency and the focus of the committee should be on the overall position and the implications for future service delivery.

PROPOSAL/OPTION

10. It is suggested that the committee invites the Head of Corporate Finance and (other officers as appropriate) to make their presentation to the committee, followed by questions and answers. Questions of fact should be addressed to officers and questions of policy to Executive Members. The committee may then wish to tender advice to the Executive when they meet on 11th February to consider their recommendations to the Council.

LEGAL IMPLICATIONS

11. There are no legal implications to this report and this has been agreed with Mary Cormack in Legal Services on 16 January 2008.

FINANCIAL IMPLICATIONS

12. The financial implications are set out in the attached joint report of the Head of Corporate Finance and Head of Capital and Asset Management.

OTHER IMPLICATIONS

13. The budget has wide ranging implications potentially affecting all aspects of the Council's services and their delivery. The implications of individual proposals were a matter for consideration at the meetings of all of the committees on 4th February. The implications for consideration by this meeting relate to the strategic level, such as the overall size of the budget, its funding and the prioritisation of services within the envelope of the total budget.

APPENDIX

- Appendix A – Overall Budget 2008/09 and Capital Programme – joint report of the Head of Corporate Finance and Head of Capital and Asset Management (to be submitted to the Executive on 11th February 2008) –
- Appendix B – Budget protocol

To Follow

LIST OF BACKGROUND PAPERS

LOCAL GOVERNMENT ACT 1972, SECTION 100D

- 'Budget Prospects' report of the Head of Corporate Finance submitted to the September/October 2007 cycle of scrutiny committee meetings.
- 'In the spotlight' briefing note prepared for and published by the Centre for Public Scrutiny.
- Reports and base budgets submitted to the scrutiny committees when they met on 13th December 2007.
- Reports and Draft budget 2008-09 – the 'green book' incorporating additions to (growth) and deductions from (savings) the draft budget