

## Agenda Item:

**Report to:** Resources Overview and Scrutiny Committee

**Date:** 13<sup>th</sup> December 2006

**Report from:** Policy and Performance Unit

**Title of report:** **CORPORATE PLAN AND BUDGET CONSULTATION**

**Purpose of report:**

1. To invite the Overview and Scrutiny Committee to comment on the principles that will underpin development of the Council's Corporate Plan 2007 – 2010 and 2007/08 Budget
2. To inform Members of the timetable for developing the Council's Corporate Plan 2007 – 2010 and 2007/08 Budget.

**Recommendation:** That Members submit their comments on the principles that will underpin development of the Council's Corporate Plan 2007/2010 and 2007/08 Budget.

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### 1.0 Introduction

- 1.1 The Council is currently developing its plans and budgets for the next 3 years. The output of this work will be the 07/08 Budget and a Corporate Plan that has a 3-year horizon as well as detailed performance targets and milestones for 2007/08.
- 1.2 The move towards a three-year strategic planning cycle has been supported by changes to the financial and performance framework within which Local Government now operates, i.e.
  - Government financial settlement – is now done on a 3 yearly cycle
  - Best Value Performance Indicators – we are required to set 3 year targets
  - Local Area Agreements (LAA) targets – take a three year timescale
  - Community Strategy milestones – are measured on a three yearly cycle.
- 1.3 Under section 6 of the Local Government Act 1999, all local authorities are required to publish a Local Performance Plan by the end of June each year. However, for all authorities categorised in Comprehensive Performance

Assessment as 'excellent' or 'good', the Government will accept their annual corporate plan as meeting the statutory requirement to prepare a Performance Plan providing that it is identified as such.

1.4 Additionally, all local authorities must prepare summary performance information by 31<sup>st</sup> March each year. This is included with Council tax bill mailings.

## 2.0 Consultation on Principles

2.1 A key stage in the development of the 2007/2010 Corporate Plan and 2007/8 Budget is to engage local people, Members and staff in early decisions about the principles that will underpin the development of our plans and resource allocation.

2.2 Consultation is currently underway with the Citizens' Panel on the principles outlined below. Additionally consultees are being asked to identify what they consider core services to be; to identify services they feel need to be improved and to identify what activities/services we should no longer provide.

2.3 In setting out these principles it is important to explain the context and parameters for the options and decisions open to the Council in setting its work plans and budget. It is proposed that these are as follows:

- That for every £1 of Council Tax paid – only 15p goes to the Borough Council
- Every additional 1% of Council Tax levied by the Borough Council yields around £60,000
- Government will continue to expect local government to make 2.5% efficiency gains per annum
- The Council has been using its reserves (savings) in recent years to support its revenue budget. These reserves are reducing and can therefore only be used to a lesser extent in this way
- Uncertainty exists around continuation of several external funding streams
- That we face a number of significant financial pressures and face future funding shortfalls

2.4 With these parameters in mind, it is proposed that the following principles be applied in setting our plans and budgets:

- Continue our primary focus on the regeneration of Hastings and St Leonards
- Prioritise activities that contribute to improving the town's 5 E's

- § Economy
- § Education
- § Employment
- § Environment (including Housing)
- § Enjoyment

- Provide good quality, customer focussed cost effective services
- Focus on affordability and recognise that our financial position means we have to make every penny count.
- Ensure our expenditure is in line with income and we focus on our 'core' activities and work with others to bring in external funds for anything extra.
- Recognise that we may not be able to deliver as wide a range of services in future
- Increase joint-working with local authority partners and others to share resources, improve the quality, resilience and cost efficiency of our services
- Deliver services in the most efficient, effective and equitable way either in-house or by others in the private or voluntary sector.
- Make savings by not funding activities which can be funded from elsewhere
- Keep Hastings Borough Council's Council Tax increase as low as possible whilst providing the services the town needs.
- Recognise that the Council cannot be a funder of last resort when funding from other sources is reduced or ends.

### 3.0 Corporate Plan and Budget consultation timetable

31. The following is the timetable for production of the Corporate Plan and Budget

<b>Date</b>	<b>Process</b>	<b>Action</b>
4 <sup>th</sup> December	Cabinet	Agree consultation principles
<b>Phase 1 Consultation 5<sup>th</sup> Dec – 4<sup>th</sup> Jan</b>		
5 <sup>th</sup> December	Local people consulted on principles to underpin Budget and Corporate Plan	Press release and via website
W/c 5 <sup>th</sup> December	Citizens' Panel survey on corporate priority themes	1600 people on Panel consulted, aim for response of at least 1,100.
13 <sup>th</sup> December & 14 <sup>th</sup> December	Overview and Scrutiny Committees	Consulted on principles to underpin Budget and Corporate Plan
W/c 18 <sup>th</sup> Dec	Citizens' Panel Focus Group	Consulted on principles to underpin Budget and Corporate Plan
To be	Staff & Management	Consulted on principles to underpin Budget and

confirmed	Forum	Corporate Plan
4 <sup>th</sup> January '07	Deadline for comments	Comments considered and incorporated into draft documents.
<b>Phase 2 Consultation 22<sup>nd</sup> Jan – 19<sup>th</sup> Feb</b>		
22 <sup>nd</sup> January	Budget Cabinet	Agrees draft Budget and Corporate Plan for consultation
23 <sup>rd</sup> January – 20 <sup>th</sup> February	Consultation on draft Budget and Corporate Plan	<ul style="list-style-type: none"> <li>• Press release in local press inviting feedback from individuals</li> <li>• Well-publicised web-based consultation with LSP and partner organisations</li> <li>• Follow-up session with Citizens' Panel focus group</li> <li>• Consultation with local groups and organisations</li> </ul>
19 <sup>th</sup> February	Deadline for comments	Comments reported to Budget Cabinet
21 <sup>st</sup> February	Budget Cabinet	Outcomes of consultations and amendments made to draft Corporate Plan reported.
22 <sup>nd</sup> February	Budget Council	Agrees Budget and Corporate Plan
31 <sup>st</sup> March	Publish summary of performance information	Summary production delegated to Chief Executive in consultation with Leader
30 <sup>th</sup> June	Publish Corporate Plan	Contains year-end performance management data for 2006/07

#### 4.0 Members Comments

4.1 The relevant excerpt from the Citizens' Panel questionnaire is attached as Appendix 1.

4.2 The views of the Members of the Overview and Scrutiny Committees are sought on:

- a) the principles that will underpin development of the Council's Corporate Plan 2007 – 2010 and 2007/08 Budget outlined in 2.3 above and in Appendix 1
- b) Comments they may wish to make on what they consider core services to be; which services they feel need to be improved and what activities/services we should no longer provide, as listed in Appendix 1.

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Background Papers

ODPM Circular 05/2006, Local Government Act 1999: Part 1 Best Value & Performance Improvement, Addendum to ODPM Circular 02/2004, Guidance on Best Value Performance Plans, p2- 4

ODPM Circular 02/2004, Local Government Act 1999: Part 1 Best Value & Performance Improvement, Addendum to ODPM Circular 03/2003, Guidance on Best Value Performance Plans, p5

ODPM Circular 03/2003, Local Government Act 1999: Part 1 Best Value & Performance Improvement, p22

Council Tax Consultation – Guidelines for Local Authorities, ODPM, p1