

Executive

SERVICE & FINANCIAL PLANNING PROCESS AND BUDGET GUIDELINES FOR 2010/2011

5 October 2009

Report of The Head of Finance and Community and Corporate Planning Manager

PURPOSE OF REPORT

To inform the Executive of the service and financial planning process for 2010/11 and to agree budget guidelines for issue to service managers to enable the production of the 2010/11 budget and update the Medium Term Financial Strategy for 2011/12 onwards.

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| This report is public |
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Recommendations

The Executive is recommended to:

- (1) Note the service and financial planning process for 2010/11
- (2) Consider and agree the proposed budget guidelines and timetable for 2010/2011 budget process.

Executive Summary

- 1.1 The service and financial planning process is underpinned by a robust evidence base that is used to inform decision making. This evidence based includes a social and demographic profile of the district (Living in Cherwell) and a corporate consultation programme.
- 1.2 The consultation programme is comprised of an annual statistically representative customer satisfaction survey and an in-depth piece of qualitative consultation to develop budget priorities with the public. Together these pieces of research provide a good sense of public priorities and levels of satisfaction with the different services the Council provides. The information, refreshed annually, provides a sense of trend and captures new issues that need to be taken into account when service and financial planning.

- 1.3 This year we have also had the additional benefit of the results from the Place Survey and the consultation with over 300 individuals and organisations to develop the sustainable community strategy. Both of these sources of information have added to our evidence base and provide context for the 2010/11 planning process.
- 1.4 The results of the public consultation are used to develop a prioritisation framework which, alongside the corporate strategy and corporate improvement plan, provides the context for budget setting and service planning. The prioritisation framework for 2010/11 is shown at Appendix 1.
- 1.5 The Council needs to set guidelines and a timetable for the preparation of draft estimates for 2010/11. These guidelines should support the objectives contained in the 5-Year Corporate Plan, Improvement Strategy and in particular the updated Medium Term Financial Strategy.
- 1.6 In the context of the current challenging economic climate the council alongside local residents and businesses will experience the effects of the economic downturn and credit crunch. We have made a public promise to reduce expenditure by £1m in 2010/11 and as such it is important we plan for a period of prudent budgeting. The attached guidelines in Appendix 2 proposed for the coming year provide a framework to identify areas of potential cost reductions across the organisation informed by our public consultation, previous investment, value for money reviews and our strategic priorities.
- 1.7 The budget timetable can be seen in Appendix 3.

Background Information

- 2.1 The corporate consultation programme and refresh of the Living in Cherwell document provide a robust and up to date evidence base for the service and financial planning process 2010/11. The development of the evidence base has been undertaken in accordance with Market Research Society guidelines (for consultation events) and uses social and demographic data with clearly identified sources.
- 2.2 The prioritisation framework is based on priorities identified through the public consultation and the focus of previous investment decisions to develop a hierarchy of services. Where services are rated as 1 they are suggested as the highest priority and, where a rating of 7 is given, the lowest. It should be noted that not all services are considered as part of the consultation (for example back office services or transactional services where members of the public may not come into direct contact or usage). As such the prioritisation framework provides a context and information to inform decision making, rather than a set of answers.
- 2.3 The main findings of the consultation this year can be summarised as following:
 - Stable rates of general satisfaction
 - Increased satisfaction for leisure and waste services
 - Stable satisfaction for tackling anti-social behaviour

- The impact of the recession is being felt across the district
- Older people have high rates of satisfaction
- One of the themes from across all consultation this year has been an increasing focus on younger people (for example improving activities for younger people)
- Public priorities remain consistent with 2009/10 and can be seen in Appendix 1.

2.4 Formal consultation on the draft budget will take place in December with sessions with the Chambers of Commerce and the Parish Liaison group. Members of the public who participated in the budget consultation will be informed of the decisions in line with our consultation and engagement strategy.

2.5 Council will be asked to agree the 2010/11 budget and corporate plan (and the service plans that underpin delivery) at their meeting on 22nd February 2010.

Implications

Financial: None at this stage. The exercise will determine the approach to and eventually lead to the production of the Council's budget for 2009/10.

Comments checked by Karen Muir, Corporate System Accountant 01295 21559

Legal: None

Comments checked by Liz Howlett, Head of Legal and Democratic Services 01295 221790

Risk Management: The Council is required to set both revenue and capital budgets. Failure to integrate the preparation of these budgets with service priorities and planning will compromise the Council's ability to deliver on its strategic objectives.

Comments checked by Karen Muir, Corporate System Accountant 01295 21559

Data Quality Consultation work has been undertaken by external market research organisations using industry guidelines to ensure findings are significant and consistent. Where low base sizes have been used these have been highlighted

Comments checked by Neil Lawrence, Project Manager 01295 221801

Wards Affected

All

Corporate Plan Themes

All

Executive Portfolio.

Councillor James Macnamara
Portfolio Holder for Resources and Organisational Development

Document Information

| Appendix No | Title |
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| Appendix 1 | Prioritisation framework 2009 – TO FOLLOW |
| Appendix 2 | Budget Guidelines 2010/11 – TO FOLLOW |
| Appendix 3 | Budget Timetable – TO FOLLOW |
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| Background Papers | |
| | Living in Cherwell 2009 Sustainable Community Strategy – consultation report June 2009 Executive Report – The Place Survey 03 August 2009 Summary of Corporate Consultation Programme September 2009 |
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