

CHESHIRE EAST COUNCIL

REPORT TO: STAFFING COMMITTEE

Date of Meeting:	7 th January
Report of:	Borough Treasurer and Head of Assets
Subject/Title:	Business Planning Process 2010-13 - Pre Budget Report
Portfolio Holder:	Councillor Keegan

1.0 Report Summary

- 1.1 Cheshire East Council has developed a series of budgetary and capital proposals for the next three years as part of its Business Planning Process.
- 1.2 These proposals will be published in the first Cheshire East Pre-Budget Report.
- 1.3 This document will be circulated for feedback on the proposals.
- 1.4 Trade Unions will be consulted at their regular meeting with the Staffing Committee.

2.0 Decision Requested

- 2.1 The purpose of the meeting is to receive comments on the proposals in the Pre-Budget Report.

3.0 Reasons for Recommendations

- 3.1 The Authority has a statutory duty to consult with stakeholder groups and will follow the practice established in previous years of consulting with all interested parties during January.
- 3.2 Feedback on the proposals will be used to inform Cabinet deliberations on the final Budgetary position.

4.0 Wards Affected

- 4.1 Not applicable.

5.0 Local Ward Members

- 5.1 Not applicable.

6.0 Policy Implications including - Climate change - Health

6.1 The report contains policy proposals which will impact on service delivery.

7.0 Financial Implications for Transition Costs (Authorised by the Borough Treasurer)

7.1 None.

8.0 Financial Implications 2009/10 and beyond (Authorised by the Borough Treasurer)

8.1 The report includes details of policy proposals which will affect service budgets from 2010-11 onwards.

9.0 Legal Implications (Authorised by the Borough Solicitor)

9.1 The Medium Term Financial Strategy must be underpinned by robust estimates and the level of reserves maintained by the Authority must be adequate.

9.2 The Council must have a robust process for budget setting in order to fulfil its fiduciary duties.

10.0 Risk Management

10.1 The steps outlined in this report will significantly mitigate the main legal and financial risks to the Council's financial management:

- a. The council must set a balanced Budget
- b. The council must set a legal Council Tax for 2010-11
- c. The council should provide high quality evidence to support submissions for external assessment. This can have the affect of reducing scrutiny, and audit charges that can be related to risk.
- d. That council borrowing will comply with the Treasury Management Strategy.

10.2 A risk assessment for all individual proposals being put forward over £100,000 has been carried out by each Directorate.

11.0 Background and Options

11.1 Cheshire East Council agreed a comprehensive Business Planning Process at Cabinet in July. The aim of the process was to match limited resources to priority areas and set out how services should do this by considering growth pressures, efficiencies and areas of disinvestment. As the Authority faced a funding gap over the next three years the process also included savings targets for each Directorate to achieve.

11.2 Cabinet Members and Directors have developed their responses to the process. These have been challenged to ensure the Authority has a robust set of proposals. The current funding gap is £2.7m and further work is being

undertaken to close the gap in preparation for the full Budget Report to be presented to Council on 25th February.

- 11.3 This further work includes sharing proposals and receiving feedback from stakeholders on the following dates:

7 January	Trade Unions
12 January	Schools Forum
13 January	Businesses
18 January	Town and Parish Councils
20 January	People and Places eg third sector organisations

and the public via the website and libraries.

- 11.4 A Cheshire East Council Pre Budget Report will be circulated containing all the revenue and capital proposals and Trade Unions are asked for their feedback. This document will not be available until early January 2010.

12.0 Overview of Year One and Term One Issues

- 12.1 The MTFs and the associated planning assumptions will impact on the first Term by setting a framework for the development of budgetary and policy options and Capital Schemes which will impact on service delivery and Council Tax levels.

13.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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