

## ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET

1.	<b>Meeting:</b>	<b>Cabinet</b>
2.	<b>Date:</b>	<b>19 October 2011</b>
3.	<b>Title:</b>	<b>Medium Term Financial Strategy and Budget Timetable August 2011– March 2012</b>
4.	<b>Directorate:</b>	<b>Financial Services</b>

### 5. Summary

This report provides detail of the proposed timetable for the revision of the 2011-2016 Medium Term Financial Strategy (MTFS) and for determining the 2012/13 Revenue Budget and the Capital Programme for the period 2012/13 to 2014/15.

### 6. Recommendation

- **That Cabinet Support the proposed MTFS and Budget Timetable in Appendix A.**

## **7. Proposals and Details**

The Council's Medium Term Financial Strategy (MTFS) indicated that it would be developed and revised in the light of changing circumstances and that it would be subject to a formal annual review. Part of this process includes preparing the 2012/13 Revenue Budget which forms the first of the four years covered by the new MTFS. This process will reflect the forecast budget outturn position reported in 2011/12 budget monitoring and other changes and developments including: new spending pressures and savings proposals. It will also reflect the outcomes of the current Local Government Resource Review (including the localisation of Business Rates).

Provision has been made within the proposed timetable for reviewing the Council's currently approved Capital programme and for approving the programme for the period 2012/13 to 2014/15. This is in line with best practice to ensure that the revenue budget implications of capital spending decisions are more effectively integrated into MTFS and annual Revenue Budgeting decision-making. In addition, policy options for the period 2012/13 to 2014/15 will need to apply the Council's Overarching Charging Policy approved by Cabinet on 25 March 2009, which agreed that an annual review of fees and charges should be included as an integral part of the annual budget setting process.

The opportunity to reflect on experience of the 2011/12 Budget Process and to learn lessons that could be applied to improve the delivery of the 2012/13 budget has been used. The proposed timetable has been integrated with that of the Council's Budget Consultation process, reflects the revised scrutiny arrangements for the budget process by including the meetings of the Self Regulation Select Commission and includes the Government's resource review.

Appendix A comprises a timetable for this process over the coming months ending with the full Council meeting on 7<sup>th</sup> March 2012, which will set the Revenue Budget and Council Tax level for 2012/13 and the Capital Programme for the period 2012/13 to 2014/15. The proposed timetable relates only to Member involvement in the budget process.

The proposed timetable has been considered jointly with Corporate Policy and Performance and reflects the work using Budget Matrices that has been undertaken over the Summer. The timetable also includes the Consultation Process that is now underway and attached as appendix B is the Budget Consultation timetable.

## **8. Finance**

There are no direct financial implications arising from this report.

## **9. Risks and Uncertainties**

The Council is required by law to have determined its Budget and Council Tax level by 10 March and this timetable is intended to allow Members the opportunity to have considered in detail the issues, pressures and savings surrounding the Council's Revenue Budget for 2012/13 and to integrate this with the review of the MTFS – the Council's Medium Term Financial Strategy. Given the statutory deadline in early

March 2012 there is limited scope to accommodate slippage in other aspects of the Budget process.

Delivery of the annual Revenue Budget and Capital Programme and the MTFs is essential to the achievement of the Council's key priorities.

#### **10. Policy and Performance Agenda Implications**

As indicated, the Council's Corporate Plan and Community Strategy are represented in financial terms by the MTFs and Capital Programme. Delivery of the Plan and strategy is facilitated by the MTFs and Capital Programme and they underpin the Council's established policy priorities. The annual review of the MTFs, the Capital Programme and the budget setting process allows assumptions within the strategy to be revised and priorities to be reassessed to reflect changes in circumstances both locally and nationally.

#### **11. Background Papers and Consultation**

Provisional Schedule of Council, Cabinet, Board, Committee and Panel Meetings for the Period June 2011 to July 2012.

The Council's Medium Term Financial Strategy (MTFS) 2008-2011.

Overarching Charging Policy: – report of the Strategic Director of Finance, Cabinet 25 March 2009.

The Council's Capital Programme 2011/12 to 2013/14.

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