



## Belfast City Council

<b>Report to:</b>	<b>Strategic Policy &amp; Resources Committee</b>
<b>Subject:</b>	<b>Financial Planning Cycle Update</b>
<b>Date:</b>	<b>18 April 2008</b>
<b>Reporting Officer:</b>	<b>Trevor Salmon, Director of Corporate Services</b>
<b>Contact Officer:</b>	<b>Trevor Salmon, Director of Corporate Services</b>

### **Purpose**

The purpose of this report is to update Members on work being done to revise the current financial planning cycle.

### **Relevant Background Information**

The financial plans of the organisation are simply a monetary expression of what the Council wants to deliver and therefore they need to reflect our key priorities and objectives. The best organisations ensure that their business and financial planning are very closely aligned and integrated. A key action therefore for the Council this year is to further align and integrate financial and business planning.

### **Key Issues**

Officers are currently working to develop a revised integrated and aligned business and financial planning cycle. A full report which will detail the outcome of this work will be presented to Strategic Policy and Resources Committee in May.

The work completed to date, however, has highlighted an issue which needs to be brought to Members attention before the May meeting. In previous years the financial planning cycle started in September with the Director of Corporate Services issuing budget guidance to departments. For the new corporate plan, however, the organisation will have to find ways of financing new priorities and still deliver core services. This will be a significant challenge as basically we will have to do more with the same amount of money. It is therefore likely that many resource conflicts will arise which will require significant time to resolve. In order to allow sufficient time to identify the budget needs of both core services and new priorities and develop options for resolving conflicts between them, it is recommended that the financial planning cycle should start in June 2008.

This will mean that the Director of Corporate Services will require in June an indication from Members of what their ambitions will be for the district rate for 2009/10. To facilitate this, the Director of Corporate Services will provide Members with the rates finalisation figures for 2007/08 and an analysis of the Council's financial performance for the same period. Members will be provided with a more detailed briefing as part of the corporate plan briefings which are due to held on 21-23 May 2008.

### **Recommendations**

The Committee is requested to agree:

1. To start the financial planning cycle in June 2008.
2. To receive a detailed report on integrated financial and business planning in May.
3. To provide the Director of Corporate Services with an indication of Members ambition for the district rate for next year at the June meeting of Committee.