

**FINANCIAL STRATEGY, MEDIUM TERM PLAN 2007-2011 AND BUDGET
2006/7
(Report by the Head of Administration)**

1. PURPOSE

- 1.1 To report on the deliberations of the Overview and Scrutiny Panel (Planning and Finance), following discussion with the Executive Councillor for Finance on the Budget, Medium Term Plan (MTP) and Financial Strategy.

2. SUPPORTING INFORMATION

- 2.1 At the request of Members, Councillor T V Rogers attended the meeting of the Overview and Scrutiny Panel (Planning and Finance) on the 14th March 2006 to discuss the principles and procedures to be adopted in identifying potential savings in the Council's budget and to advise the Panel of the details of those savings which had been identified to date.
- 2.2 Councillor Rogers informed the Panel of those savings which already had been achieved and those measures which were anticipated to produce further savings during the course of the next two years, the result of which was that the targets for efficiency savings and reductions in expenditure contained in the Financial Strategy were likely to be met.
- 2.3 The Panel has welcomed the efforts being made to address the financial situation facing the Council, but is conscious of the need for further reductions in expenditure in the longer term. If those involve variations to the Budget or MTP, the Panel has acknowledged that changes will require Council approval which will provide the Panel with an opportunity to comment on any proposals. However the Panel is concerned that other changes may be made by Cabinet without an opportunity for scrutiny. By way of example, the Panel felt that any restructuring at Head of Service level or above which involved the deletion of posts from the establishment should be open to the scrutiny process.
- 3.2 The Panel has therefore expressed a wish to be consulted before any future reductions in expenditure or efficiency savings are approved by Cabinet or any senior posts deleted from the establishment.

4. CONCLUSION

the Cabinet is therefore requested to consult the Overview & Scrutiny Panel (Planning & Finance) on future reductions in expenditure required to meet the Council's Financial Strategy.

BACKGROUND PAPERS

Minutes of the Overview and Scrutiny Panel (Planning and Finance) held on the 14th March 2006

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