

BUDGET SCRUTINY 2016

Co-operative Scrutiny Board



- 1.1 Each year the Co-operative Scrutiny Board is required to consider the approach it wishes to take in scrutinising the budget. This paper sets out possible options based on experience of previous budget scrutiny approaches and best practice from other authorities.
- 1.2 The key purpose of Overview and Scrutiny is to hold the Cabinet to account and to ensure that the authority is working towards, and delivering services in line, with its agreed corporate priorities. A significant element of that function is the scrutiny of the budget, which is undertaken by the Co-operative Scrutiny Board.
- 1.3 In considering the options for the scrutiny of the budget, the Board needs to be mindful of the predicted level of reduction in the Revenue Support Grant based on the information released so far by the Government and the Chancellors request for central government departments to model two scenarios of 25% and 40% of savings within their resource budgets by 2019-20 in real terms.
- 1.4 The Centre for Public Scrutiny (CfPS) identified four key roles and areas where overview and scrutiny can add value to the Council's budget and financial management:
- Scrutiny can challenge whether the processes are effective and accessible: Is there a level of integration between corporate and service planning and performance and financial management?
 - Scrutiny can challenge how resources are allocated, monitor how they are used, and examine their impact.
 - Scrutiny can test out and make explicit whether the Council is directing its resources effectively to meet its priorities and demonstrate whether it is achieving value for money.
 - Scrutiny can provide an additional and transparent challenge to the Cabinet's management of the Council's finances
- 1.5 It is important for Members also to be mindful of their 'fiduciary duty' to look after the best interests of local taxpayers in the management of the council's resources, which requires a robust overview and scrutiny role in the budget process, in particular members will be expected to consider –

Affordability	Is the wider picture of revenue and expenditure appropriately balanced?
Prioritisation	Is there a coherent and justifiable division of resource between programmes of work?
Value for Money	What is the extent to which Directorates and Departments are spending their allocations well and achieving outcomes?
Budget Processes	How is planning, performance and financial management integrated?

2.0 The Committee has three options:

Option 1

2.1 The Board could choose to use the three days set aside for the scrutiny of the budget to undertake a wide ranging review of the 2016/17 budget and its impact on service areas.

- 2.2 This option would be similar to budget scrutiny held in previous years and would focus on forecast out turn, planned spend and delivery plans of individual departments. The process to be undertaken would be as follows –

Session	Topic
Day One	
Session One	Forecast out-turn 15/16 Planned budget
Session Two	Transformation and Change (HR, Finance, ICT, Legal, Customer Service and Portfolio Office)
Session Three	Office of the Director of Public Health (Civil Protection Unit, Public Health and Public Protection Service)
Session Four	Strategic Co-operative Commissioning (Integrated fund, Commissioning strategies)
Day Two	
Session Five	Children Young People and Families (Children and Young People in Care, Children in the Community, Safeguarding, Youth Services and Family Support)
Session Six	Learning (Education and Learning, Special Educational Needs and Disability, Access and Planning)
Session Seven	Communities (Safer Plymouth, Social Inclusion, Regeneration and Sports Development)
Session Eight	Street Services (Waste Services, Street Cleansing, highways and parking)
Day Three	
Session Nine	Strategic Planning and Infrastructure (Transport, Infrastructure and Investment and Planning Services)
Session Ten	Economic Development (Arts and Heritage, Employment and Enterprise, Land and Property and Strategic Development)

- 2.3 The Board's findings would then be presented to Cabinet meeting which would recommend the budget to Council.

Option 2

- 2.4 Undertake a similar process to that of last year

Session	Topic
Day One	
Session One	Forecast out-turn 14/15 Planned budget 15/16 – 16/17 – 17/18

Session Two	Impact on partners and their role in the whole system transformation Alignment in the planning and delivery of services
Day Two	
Session One	Transformation Adult Social Care Children's Social Care
Session Two	Board to confirm recommendations developed over sessions Leader and Chief Executive to cover progress against corporate plan

- 2.5 The Board's findings would then be presented to Cabinet meeting which would recommend the budget to Council.

Option 3

Scrutiny Task Group

- 2.6 Establish a separate scrutiny task group comprising of members from all parties who are not on the Co-operative Scrutiny Management Board.
- 2.7 The Task Group could receive evidence from the Leader of the Council, the Chief Executive, the Section 151 Officer and others. Members would also consider relevant documents.
- 2.8 The Task Group could hear from Panel chairs on the outcomes of their panel meetings during the municipal year and hold discussions with Cabinet Members.
- 2.9 The group's findings would then be presented to a meeting of the Co-operative Scrutiny Board, in advance of the Cabinet meeting which would recommend the budget to Council.

Option 4

Member Challenge Group

- 2.10 In order to build on the advantages of both of these approaches, an alternative method would be a hybrid. The Overview and Scrutiny Panels would hold initial in depth discussions with Cabinet Members, service users and staff on budget proposals
- 2.11 This would be followed by the Chairman and Vice-Chairman of the OSPB leading a cross party group of members who would provide a more in-depth challenge to the Panel Chairmen on their findings.
- 2.12 The group of members would also take evidence from the Leader of the Council, the Chief Executive, the Chief Financial Officer, the Senior Finance Manager, and the Equality and Diversity Manager and attend the official budget consultation meetings and consider relevant documents.