

WILTSHIRE COUNCIL

OVERVIEW & SCRUTINY MANAGEMENT COMMITTEE

5 FEBRUARY 2014

BUDGET SCRUTINY – EXPLANATION OF PROCEEDINGS

Purpose of the Report

1. To clarify the purpose of the special meeting of the Overview and Scrutiny Management Committee and how it will run.

Background

2. The meeting provides an opportunity for the members of the Management Committee to hear from the Cabinet Member and the Associate Director of Finance on the process of updating the Financial Plan for 2014/15 and to offer constructive challenge on the proposals and assumptions made. As last year an invitation has been extended to all councillors to attend and contribute with questions and comments.
3. The Management Committee's Financial Planning Task Group has worked with the Cabinet Member and the Associate Director on both the budget monitoring and budget setting process. It has also heard from officers on the development of thematic and service plans resulting from the Business Plan and the senior management restructure, as well as a revised, fit for purpose performance and risk regime. The Task Group was aware of the work still needed to align these developments with the 4-year Medium Term Financial Plan (MTFS) and the annual budget. This report has therefore been written under the direction of the Task Group.
4. In-house finance seminars will be arranged during the year, open to all councillors. The Associate Director has indicated that he would welcome requests for particular areas where councillors would like further information.
5. The intended outcome of the meeting is to submit a summary of the views expressed and for these to be considered by Cabinet on 11 February and taken into account by Council on 25 February when the 2014/15 budget is agreed.

Evidence and Informed Discussion

6. Councillors will be familiar with the need for any views, conclusions and recommendations arising from a scrutiny exercise to be informed and evidence based. Consequently, if any councillor wishes to make a proposal on the content of the draft budget report, he/she should be able to demonstrate credible evidence for the proposal. The case for a proposal will need to be strong enough to convince the Committee to support it, and to stand-up to challenge at the Council meeting.
7. Councillors will also be familiar with the need to focus their questions on strategic and policy matters when considering the budget as opposed to a forensic review of every budget line. This will be made clear in the Associate Director's report which will be the prominent document for Scrutiny, and the subsequent presentation to the Committee.

Any “political” comments are best left for full Council and localised issues taken up elsewhere directly with the relevant Cabinet Member or officer. If needs be you also can ask the Scrutiny Team to refer a budget issue to the appropriate officer. Where possible these will be answered in time for full Council.

Roles and Responsibilities

8. The Chairman will open by explaining how the meeting will run. Cllr Dick Tonge, Cabinet Member for Finance will then briefly talk about the budget challenges and opportunities followed by a short presentation from the Associate Director of Finance. The presentation will cover various aspects of the budget under the themes listed below with an opportunity for questions after each:

1 - Introduction – how the papers flow

2 - 2013/14 Budget Position (including reference to the key pressure areas identified in budget monitoring, and detailed further in the Associate Director’s report circulated with the budget papers.)

3 - How much funding have we got?

4 - How much do we need to invest for the Business Plan and are we sure it is enough/ not too much?

5 - What has been the process to identify savings? (There will be more detail in the Associate Director’s report particularly relating to strategic savings)

6 - Other budgets – fees and charges, Capital, HRA, Schools

7 - Reserves

8 – What does that mean for Council Tax and has it been calculated correctly?

9 – Finally, there will be opportunity to ask any further questions on the budget papers.

9. Members of the Financial Planning Task Group will report on their ongoing work on the budget in terms monitoring, referrals to select committees and influencing the approach to budget setting. The key outcomes from this meeting of the Management Committee will be considered further by the Task Group or relevant Select Committee as necessary.

10. Members of the Management Committee followed by remaining Councillors will then be given the opportunity to pose questions based on the evidence presented and any other outstanding issues from the presentations.

Budget Material

11. The Budget Report will be released for consideration in the public domain on 28 January and circulated to all councillors. This will need to be brought to all forthcoming meetings involved in setting the budget including this meeting of the Management Committee –

see covering letter. The Business Plan 2013-17 which included the 4-year Financial Model was approved by Council last year and remains the overarching document for setting the budget. Further information may be circulated as the position develops moving towards the full Council meeting.

12. Overall, the Management Committee will need to be confident that the proposed budget is sufficiently robust and resilient to deliver the priorities in the Business Plan. A particular focus will be made on the 12 deliverables in the Plan and how these have been aligned in the Budget, with any consequential impacts on the Medium Term Financial Plan.
13. It has also been reported to the Financial Planning Task Group that management of performance and risk has been developing to become more aligned with the Business Plan. Service Plans are being designed to take an organisational structure view whilst Thematic Plans fit underneath and will be outcome focussed. In conjunction with this a Corporate Planning Cycle will enable the delivery of a Performance Management Framework which will integrate with the development and review of the Medium Term Financial Planning process through active performance management. This will enable the Council to set its own standards and criteria for success that delivers on the required outcomes for the public.

Order of Debate & Procedure

14. Normal rules of procedure and debate as set out in the Council's Constitution will apply as necessary.
15. The Chairman will run the meeting as described above and will clearly give prominence to the members of the Financial Planning Task Group and the Management Committee in asking questions. At the conclusion of the debate the Chairman will look to highlight and summarise and key themes and seek the endorsement of the Committee.

Conclusion

16. A summary of the comments made at this meeting will be submitted to Council for consideration on 25 February as part of the budget setting debate, and will also be made available to Cabinet on 11 February when it determines its budget recommendation. Councillors will therefore have further opportunity to influence the budget as it progresses through to final adoption.

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