

Wiltshire Council

Overview and Scrutiny Management Committee

24 May 2016

Review of the Budget Scrutiny Process 2016/17

Purpose

1. To present the findings and recommendations of the Financial Planning Task Group following its review of the budget scrutiny process 2016/17.

Background

2. The Financial Planning Task Group leads on member scrutiny of the council's draft Financial Plan on behalf of the Management Committee. It also makes recommendations to the Management Committee regarding arrangements for effective scrutiny input into the budget process.
3. As part of discharging its duties, the task group undertakes an annual review to consider the strengths and weaknesses of the previous year's process and, where appropriate, makes recommendations for amendment in the following year.
4. For reference the key events in the budget scrutiny process were:

28 Jan	Financial Planning Task Group (scrutiny of draft Financial Plan)
2 Feb	Members' budget briefing
3 Feb	OS Management Committee (scrutiny of draft Financial Plan)
9 Feb	Cabinet (agreeing Financial Plan)
12 Feb	OSMC (scrutiny of opposition group amendments).
24 Feb	Council (adoption of Financial Plan)
5. There were also four public budget consultation events held between 1st and 10th February in Devizes, Chippenham, Trowbridge and Salisbury.
6. The task group are grateful for the input provided by the Cabinet Member and Associate Director for Finance, which has been incorporated into its review.

Findings

7. Overall the 2016/17 budget scrutiny process was considered successful and the process established over the past few years a robust one, with no need for major adjustment.

8. The member briefing on the draft Financial Plan provided by the Cabinet Member with support from officers remains a useful step in the process, helping to clarify technical issues for members in advance of the committee and Full Council debates.
9. The two-step process of the task group, then Management Committee, considering the draft Financial Plan is considered robust. The dedicated task group meeting allows for detailed questioning and analysis, with outcomes being fed into to the Management Committee debate.
10. The opportunity for Opposition Groups' budget proposals to be scrutinised by the Management Committee remains a strength of the Wiltshire model and a demonstration of constructive working relationships. This year the Management Committee's scrutiny of the largest opposition group's budget amendment proposals, and the administration's responses to these, was considered to have added value to the process and the subsequent debate at Full Council.
11. The sequencing of budget events (see paragraph 5) is considered to be logical, with the possible exception that the members' budget briefing would ideally take place before the meeting of the task group. Officers are currently scheduling the budget scrutiny process for 2017/18 and dates will be circulated shortly.
12. Although robust overall, the process could benefit from greater engagement with the select committees, which could bring to bear their in-depth knowledge of specific service areas. The task group now has a summary of the Financial Plan 2016/17 broken down by select committee area and this will be used to identify the key savings and investments and monitor their delivery. It is suggested that the chairman of the task group meet with the chairmen and vice-chairmen of each select committee to discuss this and agree key areas for scrutiny focus. This includes focus from the task group on the delivery of savings and investments and from the select committees on the potential impacts for service delivery and on communities.
13. It is suggested that further liaison between the task group and select committees takes place just before the budget scrutiny process. This would enable the knowledge gathered by both parties during the financial year to be shared and enhance the discussions at task group and Committee budget meetings. (The task group will also continue to invite select committee chairmen and vice-chairmen to meetings when relevant items appear on its agenda. It will also continue to refer information gathered through its meetings to the relevant select committees).
14. It was reported that a 4-year financial settlement is expected from central government in October, which should provide a less challenging budget development timetable for 2017/18.

Proposal

15. To consider the results of the Financial Planning Task Group's review of the Budget Scrutiny process for 2016/17

Recommendations

That the Overview and Scrutiny Management Committee:

1. **Agrees that overall the budget scrutiny process for 2016/17 was robust and constructive and can be repeated without significant adjustment in 2017/18;**
2. **Repeats its invitation to all opposition groups to bring budget proposals to the Management Committee for discussion prior to Full Council in 2017/18;**
3. **Considers the task group's suggestions for greater select committee engagement in the budget scrutiny process so that their knowledge of specific services and issues can be brought to bear. This to include meetings between the chairmen of the task group and select committees to discuss the relevant key savings and investments, both in terms of financial monitoring and service impact.**

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