

**TELFORD & WREKIN COUNCIL****BUDGET & FINANCE SCRUTINY COMMITTEE – 31 JULY 2012****2012/14 WORK PROGRAMME****REPORT OF SCRUTINY OFFICER****1.0 PURPOSE**

- 1.1 To enable the Budget & Finance Scrutiny Committee to agree the Committee's work programme.

**2.0 RECOMMENDATIONS**

- 2.1 To endorse the proposed schedule of meetings and the approach to the work programme set out in Appendix 1.
- 2.2 To agree provisional meeting dates for the year.

**3.0 PREVIOUS MINUTES**

- 3.1 None

**4.0 BACKGROUND INFORMATION**

- 4.1 The Scrutiny Management Board met on 4<sup>th</sup> July 2012 to consider the scrutiny work programme and the suggestions which had been put forward. The Board agreed:
- That there would be a two year work programme, refreshed after 12 months, to allow for continuity of work.
  - The allocation of suggestions to each Scrutiny Committee for further consideration by the Committees, and the endorsement of recommendations made by the Chairmen.
  - That resource would be allocated to support 6 formal meetings per Scrutiny Committee per year, with additional resource allocated by the Scrutiny Management Board according to the demands of the work programme.
  - That the role of the Scrutiny Management Board would include holding Cabinet members to account.

- 4.2 The Budget & Finance Scrutiny Committee now needs to consider and agree a schedule of meetings for its work programme which is aligned to the budget setting and consultation process.

#### **5.0 BUDGET & FINANCE SCRUTINY COMMITTEE WORK PROGRAMME**

- 5.1 There was only one new suggestion for the Budget & Finance Scrutiny Committee which was the changes to local government finance from the Local Government Resources review. This could be delivered as an informal briefing, or at a Members' Information Seminar.
- 5.2 Appendix 1 sets out the new scrutiny suggestion and the items carried over from the 2011/12 work programme with a proposed schedule of meetings. The schedule has been designed to take account of the items in the forward plan, the indicative timetable for consultation on the budget proposals and to eliminate duplication of work with other Scrutiny Committees or other Committees of the Council.
- 5.3 Monitoring capital receipts is on both the Budget & Finance Scrutiny and Audit Committee work plan. A report will be taken to the Audit Committee in September and it is proposed that Members of the Budget & Finance Scrutiny Committee attend that meeting to avoid duplicating work. Thereafter, further concerns will be taken up by the Budget & Finance Scrutiny Committee and capital receipts may also be looked at as part of scrutinising the budget proposals.
- 5.4 The Cabinet Member for Resources & Service Delivery had indicated the intention to start consultation on the budget earlier than usual. A report will be brought to Cabinet in September and a scrutiny meeting has been scheduled around this early consultation.
- 5.5 Notwithstanding early consultation, the Council's grant settlement is not expected until December 2012 and the Service & Financial Planning Strategy proposals are therefore unlikely to be agreed by Cabinet for consultation until late December 2012 or early January 2013. The Committee's work schedule will therefore be concentrated around this period in order to scrutinise the published proposals.
- 5.6 Scrutiny of the budget proposals will include detailed consideration of revenue and capital proposals and may include: savings proposals and the impact of service changes; the capital programme, capital receipts and levels of borrowing; the use of one-off resources, the level of balances and contingencies; the budget consultation process, views of the public and whether spending proposals reflect the needs and wants of residents; Council Tax increases recommended by Cabinet;

assumptions made in the medium term financial strategy. The Committee will also consider any alternative budget proposals.

- 5.7 Members may choose to scrutinise any aspect of the proposals during the consultation period before making recommendations to Cabinet, and may wish to look at issues previously identified such as the cost of care placements, Supporting People or savings through procurement as part of this process.
- 5.8 The schedule highlights some of the work of other scrutiny committees which may involve elements of financial scrutiny and joint meetings may be held in these cases.
- 5.9 The work programme is Member-led and changes may be made by agreement of the Committee within the provisions agreed by the Scrutiny Management Board. Where there are competing demands for resources, the Scrutiny Management Board will agree the allocation of resources.

## **6.0 EQUAL OPPORTUNITIES**

There are no specific equal opportunity impacts arising from this report.

## **7.0 ENVIRONMENTAL IMPACT**

There are no specific environmental impacts arising from this report.

## **8.0 LEGAL COMMENT**

The proposals accord with the Scrutiny Procedure Rules set out in Part 4 Section 5 of the Council's Constitution and the provisions of the Scrutiny Handbook.

## **9.0 LINKS WITH CORPORATE PRIORITIES**

Budget & Efficiency and capital receipts are key priorities for the Council.

## **10. OPPORTUNITIES AND RISKS**

There is an opportunity for scrutiny to take part in consultation on budget proposals earlier than in previous years. There is a risk that the

heavy work load around January may put undue pressure on members' diaries.

**11. FINANCIAL IMPLICATIONS**

The proposed scrutiny work programme will have to be managed within existing resources and adjustments made accordingly to ensure that this is the case. Any variances will be reported through financial monitoring. A key piece of work is scrutiny of the budget proposals. Consultation is an important part of the budget setting process and once Cabinet has published its proposed Service & Financial Planning Strategy (anticipated in December/January) there is an opportunity for Scrutiny to review and comment on the detailed proposals. Responses will be considered by Cabinet prior to the final strategy being presented to Council in March. The outcome of the Local Government Resources Review will fundamentally change the way local authorities are funded. The Government is currently consulting on proposals, based around local retention of business rates, and a briefing will be provided to the Budget & Finance Scrutiny Committee Members outlining the changes and impact when more information is available.

**12. WARD IMPLICATIONS**

There are no specific ward implications arising from this report.

**13. BACKGROUND PAPERS**

None

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### Budget & Finance Scrutiny Committee Work Programme

#### Items on the Forward Plan:

- Budget consultation and proposals
- Procurement – monitoring savings
- Capital receipts – monitoring
- Cost of care placements – position against budget
- Supporting People - update
- Small Business Loans Fund – model and impact of investment
- Local Government Finance (new suggestion)

#### Proposed schedule of Budget & Finance Scrutiny Committee meetings:

Date	Type of meeting	Items
Late Sept/early October	Formal Committee meeting	Budget consultation
25 <sup>th</sup> September	Audit Committee	Report on Capital Receipts. Members of the Budget & Finance Scrutiny Committee invited to attend.
Autumn	Informal briefing (or Members' Information Seminar): Local Government Finance	To brief members on the changes to and impact of the Local Government Resources Review.
October/November	CfPS regional scrutiny development session on budget scrutiny.	For Chairman plus one other Member.
October/November	Informal meeting	Meeting to agree framework/questions for budget scrutiny meetings. Members attending the regional session to feedback.
Late December / early January.	Formal Committee meeting	To receive the Service & Financial Planning Strategy proposals. Scrutiny of proposals and consultation process. Identify areas for further scrutiny.
January	Formal Committee meeting	Detailed scrutiny of budget proposals. <ul style="list-style-type: none"> <li>- To consider further information requested by members.</li> <li>- Alternative budget proposals if appropriate/available</li> </ul>
January (Optional)	Formal Committee meeting	Detailed scrutiny of budget proposals. <ul style="list-style-type: none"> <li>- Further evidence gathering</li> <li>- Alternative budget proposals if</li> </ul>

		appropriate/available
Early February	Formal Committee meeting	Agree recommendations on Service & Financial Planning Strategy.
End Feb	Cabinet	Chairman to present Budget & Finance Scrutiny Committee recommendations on the Service & Financial Planning Strategy proposals to Cabinet.
March-May	Formal Committee meeting	Items to be agreed by Committee e.g. procurement savings, income generation proposals, Small Business Loans Fund.

#### Joint Committee meetings:

18 <sup>th</sup> September	Children & Young People Scrutiny Committee	Children in Care Placement Strategy. May include element of costs. One or two members of Budget & Finance committee may be nominated to attend.
TBC	Co-operative & Communities Scrutiny Committee	Welfare benefit reforms. Costs to the Council and impact on communities.
TBC	Health & Adult Care Scrutiny Committee Formal	Scrutiny suggestion to look at Continuing Health Care may include budget element.
TBC	Housing, Economy & Infrastructure	Scrutiny of Waste Management Procurement may include financial elements.