

AGENDA MANAGEMENT SHEET

Name of Committee **OSCG - Budget Scrutiny**

Date of Committee **18th December 2008**

Report Title **2009/10 Budget**

Summary To scrutinise the SDLT's Budget Report and Cabinet's budget proposal

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Would the recommended decision be contrary to the Budget and Policy Framework? No.

Background papers None

CONSULTATION ALREADY UNDERTAKEN:- Details to be specified

- Other Committees
- Local Member(s)
- Other Elected Members
- Cabinet Member
- Chief Executive
- Legal
- Finance
- Other Chief Officers
- District Councils
- Health Authority
- Police

Other Bodies/Individuals

FINAL DECISION YES

SUGGESTED NEXT STEPS:

Details to be specified

Further consideration by this Committee

To Council

To Cabinet

To an O & S Committee

To an Area Committee

Further Consultation

Budget Scrutiny

18th December 2008.

Report of the Strategic Director for Performance and Development

Recommendation

That members scrutinise SDLT Budget Report and Cabinet's Budget Proposal, and make recommendations to Cabinet as appropriate

1. Background

- 1.1 The Overview and Scrutiny Coordinating Group (OSCG) recently approved the process for scrutinising the draft budget for the forthcoming financial year (2009/10). The budget will be scrutinised by the Chairs, Vice Chairs and Party spokes of all Overview and Scrutiny Committees together with the Leaders and deputy's of each group on the Council as well as Councillor Kirton. OSCG agreed a protocol for the budget scrutiny event and this is attached as appendix A
- 1.2 The meeting will be split in to two sessions. The morning session will commence at 10 am and will last until approx 12.30. This session will consider SDLT's budget report presented to Cabinet on 11th December.
- 1.3 SDLT will not be providing individual presentations at the meeting though the Chief Executive and the Strategic Director Resources will be providing a brief introduction. Members will be expected to have read SDLT's budget report in advance of the meeting and to use it as the basis for asking questions of SDLT. Members are requested to bring their copies of the report submitted to the Cabinet with them to the meeting.
- 1.4 The afternoon session will commence at 1.15 pm and will a last until approx 4pm. This session will consider the Cabinet's budget proposal, which will be circulated to scrutiny members after the Cabinet meeting on 11th December, in addition to a summary report highlighting any differences between the SDLT's Report and Cabinet's proposal and key lines of enquiry for the scrutiny meeting.

David Carter
Strategic Director for Performance and Development
Shire Hall
Warwick

Warwickshire County Council Protocol for Budget Scrutiny

1. Purpose of Protocol

1.1 The purpose of the this protocol is to set out a basis upon which the challenges and opportunities presented by the budget for the forthcoming financial year can be considered by Overview and Scrutiny outside of political group considerations.

1.2 This protocol sets out the following:

- Principles of Scrutiny
- Objectives of budget scrutiny
- Process for budget scrutiny
- Who and what is being scrutinised?
- Outcome of budget scrutiny

2. Principles of Scrutiny

2.1 Budget Scrutiny should reflect the four principles of effective scrutiny as promoted by the Centre for Public Scrutiny, namely:

- Provide a critical friend challenge
- Be a member led process
- Reflect the voice and concerns of members of the public
- Have a positive impact upon the delivery of public services

3. Objectives of Budget Scrutiny

3.1 The objective of budget scrutiny is for the Council's Overview and Scrutiny function to make a valid and constructive challenge to the Cabinet's budget proposals. It enables Overview and Scrutiny to consider:

- the range of options that are available for the budget for the forthcoming financial year
- how each option links to Corporate Priorities and associated targets, the Corporate Business Plan, the LAA and efficiency targets
- the implications of those options in relation to service outcomes, citizens outcomes, public value, Council employees, and the Council's target and priorities as set out in the Corporate Business Plan and LAA
- how options reflect the voice and concerns of members of the public
- the options which are being supported by the Portfolio Holders and the reasons why
- the reasons why, when there is a choice, one option is being supported over another

3.2 Whilst acknowledging the differing views of the political groups on budget issues, the process is not intended to be an opportunity for political point scoring. The budget scrutiny meeting should allow an open and honest dialogue enabling information gathering and sharing to take place.

4. Process

4.1 The budget scrutiny meeting will take place in mid December, after SDLT's budget proposals have been considered by Cabinet and Cabinet has "moved" its proposals, but prior to Cabinet making a formal budget resolution in January and full Council consideration in February. Appendix 1 outlines how budget scrutiny aligns with the Business and Financial Planning Framework 2008/09.

4.2 In order to provide a co-ordinated approach the budget scrutiny will be managed by the Overview and Scrutiny Co-ordinating Group, with Vice Chairs and Party Spokes being invited to participate in the meeting. The meeting will be chaired by the Chair of the Overview and Scrutiny Co-ordinating Group.

4.3 It is acknowledged that the political groups on the Council will have differing views on budget priorities. It is however important to remember that for scrutiny to be most effective it should be carried out in a non partisan way. The Chair will be responsible for ensuring that the meeting is constructive, non political and well mannered. Recognition also needs to be given to the further challenges that may arise in setting the 2009/10 budget, due to the forthcoming election. This reinforces the need for scrutiny to remain focussed upon the impact and service outcomes of proposals, with a full debate taking place in relation to the principles underpinning the proposed budget at full Council in February 2009.

5. Who and what is being scrutinised?

5.1. The budget scrutiny meeting will be split in to two sessions.

5.2. The first session will be to enable members to establish with Strategic Directors the facts relating to the budget and in particular:

- How the SDLT proposed budget was arrived at?
- How individual Directorate bids were arrived at? What is the rationale underpinning the proposals?
- What do individual Directors need to accommodate in budget – eg efficiency savings
- How will the proposals impact upon service outcomes?
- How each option links to Corporate Priorities and associated targets, the Corporate Business Plan, the LAA and efficiency targets

5.3 The afternoon session will enable members to ask Portfolio Holders to questions in relation to Cabinet's budget proposal, the proposed budget for their respective Portfolios and in particular:

- How Cabinet proposals differ from SDLT proposals and the reasons for this?
- When there has been a choice, why has one option been supported over another?
- How proposals link into the Corporate Business Plan and LAA, and associated priorities and targets?
- Portfolio Holders views in relation to:
 - How proposals will impact upon service outcomes?
 - What will be the consequences if the proposals are not implemented?
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6. Outcome from budget scrutiny

6.1 The expected outcome from the budget scrutiny exercise is that a report summarising the points made by OSCG in considering budget proposals, options being supported and associated impact upon service delivery, citizens outcomes, public value, WCC employees and the Councils priorities and targets as set out in the Corporate Business Plan and LAA, will be presented to Cabinet in January when they meet to agree a formal budget resolution. OSCG may decide to make recommendations relating to specific budget proposals to the Cabinet.

Appendix 1 - Business & Financial Planning Framework 2008/09

Month	Business & Financial Planning Framework 2008/09		
	Budget process	Corporate Business Plan	Directorate Service Plans
May			
June	Corporate Vision and Priorities reaffirmed by Cabinet and SDLT		
July	Corporate Business and Financial Planning process agreed by Cabinet		
	Budget process agreed by Cabinet made request made to SDLT to propose a budget		
Aug			
Sept	Directorate Spending proposals and risk assessments submitted to the Corporate Finance Team	Corporate risk assessment considered by SDLT	
Oct	SDLT consider spending for each service as part of the Star Chamber process	Directorate contributions to the CBP developed through engagement with Directorate Leadership Teams and Performance Leads	Initial Service planning guidance sent out to Directorates as part of the revised Perf. Mang't Framework (incl. guidance on risk assessment)
Nov	SDLT issue formal budget proposals to Cabinet	SDLT issue CBP proposals to Cabinet	Directorate/service priorities considered and clarified and risk assessment completed
Dec	Formal budget proposals considered by Cabinet	CBP proposals considered by Cabinet and Political Groups	Detailed Service Planning Framework distributed to Directorates based upon Cabinet affirmation of the Priorities
	Political Groups & OSCG consider the formal budget proposals		
Jan	Responses from O&S Committees considered by Cabinet and formal budget resolution and any amendments agreed	O&S Committees consider the CBP proposals	
		Responses from O&S Committees considered by Cabinet and formal CBP resolution and any amendments agreed	
Feb	Budget agreed by full Council	CBP agreed by full Council	Specific targets for the Directorate Service Plans agreed
March	MTFP considered and agreed by Cabinet and Council		
April	CBP and MTFP published on the WCC website		Directorate Service Plans published on the intranet and copies placed in Group Rooms