

To: Scrutiny Committee

Date: 10 November 2014

Report of: Scrutiny Finance Panel Chair

Title: Scrutiny Review of the Medium Term Financial Strategy (MTFS) 2015-19

Summary and Recommendations

Purpose of report: To propose to the Panel an outline scope and timetable for review of the MTFS for 2015 to 2019.

Key decision: No

Scrutiny Lead Member: Councillor Simmons

Policy Framework: Effective, Efficient Council

Recommendation(s):

1. Comment on and agree the focus for the scrutiny budget review.
2. Comment on and agree the process timetable.

Introduction

1. The draft budget and MTFS is scheduled to be agreed at the City Executive Board (CEB) meeting on 17 December 2014. The paperwork for this meeting will be published by 9 December 2014.
2. The budget proposals are currently being developed via a review of all the grant assumptions, savings and efficiencies, challenges, pressures, reserves and contingencies agreed in the MTFS in February 2014. The Head of Finance has advised that this exercise will involve a more detailed review of base budgets than in previous years.
3. As in previous years, it is proposed that the scrutiny review process will begin once the consultation budget and MTFS is advertised for consultation.

Scope and Timetable

4. The Chair recommends that the focus for the Panel is:
 - Policy and schemes for allocating contingencies and earmarked reserves,

- Assumptions for grants and corporate challenges,
 - Robustness of savings and efficiencies,
 - Estimates for current and new income streams,
 - Budget pressures and link to current spending,
 - All proposals within the HRA and Business Plan,
 - Whether the budget proposals support the City Council's Corporate Plan.
5. The Chair recommends that the Panel follow the process used in previous years, the outline and timing of this process is detailed in Appendix 1.
6. The timetable in Appendix 1 does not allow the final report to go to the City Executive Board via the Scrutiny Committee. Instead it consults all scrutiny councillors at the questioning and final report stages. This is acceptable within the operational arrangements agreed by the Scrutiny Committee. The Scrutiny Committee will have an opportunity to discuss and agree the budget scrutiny process at its meeting on 10 November 2014.

Name and contact details of author:-

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List of background papers: None

Version number: 1

Appendix 1 – Budget Scrutiny timetable

Stage	What happens	Date
Draft budget published	Consultation budget published in City Executive Board paperwork for 17 December meeting.	9 December 2014 (by 5pm)
Scrutiny Members consulted	Request to all Scrutiny Councillors to highlight issues for consideration by the Finance Panel. Housing Panel members asked to consider HRA business plan and to contribute to Housing questions at Housing Panel meeting.	10 December 2014
Initial meeting to identify additional information and questions	Finance Panel members consider the information presented in the consultation budget, all officer bids, budget monitoring for 2014/15, and data on contingencies and decide: <ul style="list-style-type: none"> • Extra information required • Questions 	11 December 2014
Information requests sent	Request for answers and information sent out to the organisation for response.	By 15 December 2014
City Executive Board meeting	Consultation Budget considered by City Executive Board.	17 December 2014
Budget Scrutiny session 1	Scrutiny of Community Services budget with Executive Director and appropriate Board Members.	12 January 2015 at 5.30pm
Budget Scrutiny session 2	Scrutiny of Organisational Development and Corporate Services budget with Executive Director, Chief Executive and appropriate Board Members.	13 January 2015 at 5.30pm
Budget Scrutiny session 3	Scrutiny of Housing and City Regeneration with Executive Director and appropriate Board Members. Housing Panel members invited for Housing discussion.	15 January 2015 at 5.30pm
Draft recommendations agreed	Finance Panel members consider evidence gathered and agree draft recommendations. Other Scrutiny Members are invited to attend.	21 January 2015 at 5.30pm (Finance Panel meeting)
Scrutiny report drafted	Scrutiny report drafted around agreed recommendation areas.	21 January to 5 February 2015
Final Budget Report	Final Budget Report published in the paperwork for the 11 February	3 February 2015 (by

published	City Executive Board meeting.	5pm)
Final review meeting	Finance Panel Members consider any significant changes in the published Budget Report.	3 February 2015
Final changes to Budget Scrutiny report	Any changes made following the final review meeting.	4 February 2015
Report out to Board Member for comment	Opportunity for Board Member to consider recommendations and make comment before consideration at the City Executive Board.	5 February 2015
Report circulated to all Scrutiny Members	Report circulated to all Scrutiny Councillors for consideration as it can't be formally agreed at a Scrutiny Committee Meeting.	5 February 2015
Budget Scrutiny report finalised	Finance Panel agree Budget Scrutiny Report.	5 February 2015 (Finance Panel meeting)
Budget Scrutiny report published	Panel report published as a supplement to the City Executive Board paperwork for 11 February CEB.	6 February 2015
Scrutiny report presented to City Executive Board	Councillor Simmons to present the scrutiny report.	11 February 2015 CEB meeting
Scrutiny report and budget report considered by Council	Councillor Simmons to present the scrutiny report.	18 February 2015 Council meeting