

**COMMITTEE:** ENVIRONMENT AND NON EXECUTIVE  
FUNCTIONS SCRUTINY

**DATE:** 16<sup>th</sup> OCTOBER 2008

**SUBJECT:** BUDGET PROSPECTS 2009/10

**REPORT BY:** DIRECTOR OF SCRUTINY

**CONTACT OFFICER:** GEOFF. BOCUTT 01582 546073

**IMPLICATIONS:**

LEGAL	✓	COMMUNITY SAFETY
EQUALITIES		ENVIRONMENT
FINANCIAL	✓	CONSULTATIONS
STAFFING		OTHER

**WARDS AFFECTED: NONE**

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**PURPOSE**

1. The purpose of this report is to submit to all of the scrutiny committees, the report of the Head of Corporate Finance and the Head of Capital and Asset Management to the Executive on the prospects for the Council's budget for the forthcoming and subsequent years, and the changes that have been made to the way in which the budget is developed and the evidence on which it is based (Appendix 1). It also provides an opportunity for the Corporate Directors to brief the committees about key issues and major projects and for Members to ask Directors and Heads of Services about budget pressures and their plans for the development and improvement of services, both in terms of service standards and value for money.

**RECOMMENDATION(S)**

2. (i) Environment and Non Executive Functions Scrutiny Committee is recommended to adopt the budget scrutiny

protocol set out as appendix B of the report attached as Appendix 1.

- (ii) **The Committees are recommended to consider the report, invite Heads of Service to comment on current year budget pressures and to indicate the challenges and opportunities facing their services in the forthcoming year and ask questions in order to gain an understanding of the position as work begins on preparing the budget.**
- (iii) **The committees are also recommended to receive briefings from the Corporate Directors about key issues and major projects.**

## **BACKGROUND**

- 3. In recent years there has been a protocol agreed between Executive and Scrutiny governing the process by which the Council's budget has been scrutinised. The first stage in the process is this opportunity for the committees to gain an understanding of the Council's financial position and the outlook for next year and to have an input at the very beginning of the preparation of the next budget.

## **REPORT**

- 4. Attached as an appendix is the report of the Head of Corporate Finance and Procurement and the Head of Capital and Asset Management to the Executive on the Council's budget strategy for 2009-10 and future years. The report includes at appendix B a draft protocol for scrutinising the budget for the forthcoming year as it is developed. The protocol is identical to the one that was applied to the budget process last year except for the dates of meetings, which have been changed to reflect the approved programme of meetings for 2008-09. I will report orally on the decision of the Executive relating to the adoption of the protocol for this year's budget process.
- 5. Heads of Service have been invited to attend so that they can apprise the committees of any challenges they anticipate in framing the budgets for their services. The disposition of Heads of Service in relation to scrutiny committees for budget scrutiny purposes has previously been agreed by the Scrutiny Board. The arrangements for this year are as set out in the following table:

<b>SCRUTINY COMMITTEE</b>	<b>SERVICE AREA COVERED</b>
Environment & Non-Executive Functions	Environment & Regeneration Department <u>excluding</u> Regeneration (Laura Church) and

	Environmental and Consumer Services (Colleen Welfare)
Children and Young People	Children & Learning Department
<b>SCRUTINY COMMITTEE</b>	<b>SERVICE AREA COVERED</b>
Performance, Resources & Assets	Overall budget Customer and Corporate Services Department
Regeneration & Citizenship	Regeneration (Laura Church) Environmental & Consumer Services (Colleen Welfare) Leisure & Community (Pam Garraway/ Commissioning Manager) Chief Executive's Department
Social Inclusion	Housing and Community Living Department <u>excluding</u> Leisure & Community

### **PROPOSAL/OPTION**

6. Members are asked to consider the report and any presentations and to ask questions so that they can gain an understanding of the backdrop to the preparation of the Council's budget.
7. Environment and Non Executive Functions Scrutiny Committee is asked to consider the budget scrutiny protocol for 2009-10 set out in appendix B of the report of the Head of Corporate Finance and Procurement and to approve its adoption and application for this year's budget process.

### **LEGAL IMPLICATIONS**

8. There are no legal implications to this report and this has been agreed with Mary Cormack in Legal Services on 15 August 2008.

### **FINANCIAL IMPLICATIONS**

9. The financial implications are set out in the report attached at Appendix 1 to this report.

### **APPENDIX**

10. Report of the Head of Corporate Finance and Procurement and the Head of Capital and Asset Management to the Executive on 15<sup>th</sup> September 2008.

**LIST OF BACKGROUND PAPERS**  
**LOCAL GOVERNMENT ACT 1972, SECTION 100D**

11. Budget Scrutiny Protocol – see appendix B to the report of the Head of Corporate Finance and Procurement.
12. Scrutinising finance and budgets – ‘in the spotlight briefing’ – Centre for Public Scrutiny.
13. ‘on the money – the scrutiny of local government finance’ published by the Centre for Public Scrutiny in collaboration with the Local Government Information Unit and the Chartered Institute of Public Finance and Accountancy.