



Budget & Resources Scrutiny Committee

12 March 2019

Review of how the Budget Process is Challenged

- Looking Back at 2019/20 Budget Scrutiny Process
- What additional areas of the budget does the Committee want to consider for the 2020/21 programme?
- What alternative approaches to scrutiny might the Committee want to consider?
- What additional support or training would be helpful?
- Any general changes that should be considered to help the work of the Committee?

Looking back to 2019/20 Budget Process

Meeting	Issues Reviewed
July	Financial Outturn for 2017/18 (Rev & Cap) Annual Treasury Management Strategy ERP Financial Management System Update
September	Revenue and Benefits Performance Update Medium Term Financial Plan Capital Programme Overview
October	Review of Draft Budget Pressures
December	HRA Draft Budget Proposals MKDP ERP Financial Management System Update Review of Council Reserves
January	Review of Draft Budget Reductions and Income Proposals
March	Review of Budget Scrutiny Revenue and Benefits Performance Update ERP Financial Management System Update Review of CIL / S106

What Should the Core Work Items Include?

Core Items

2018/19 Outturn

Treasury Management Strategy

Medium Term Financial Plan and Budget Strategy

Capital Programme Funding, Prioritisation & Delivery

CIL & S106 Funding, Prioritisation and Delivery

Draft Budget Proposals for 2020/21

- GF Proposals (pressures, reductions & income)
- HRA Budget
- Dedicated Schools Grant

Reserves

Budget Risk and Opportunities

What Information Does the Committee Want to be updated on?

Potential Information Items / On Watch	Frequency (Meetings)
Revenues and Benefits Performance	
ERP Performance + Upgrade	
LGSS	
In Year Budget Tracking (including delivery of savings)	
Pension Revaluation Update	January 2020
Brexit Impact	
Staffing – Temporary Staff / Agency	

Review of the Capital Programme

Potential Areas to Consider	How this could be reviewed
Reviewing the process for new schemes being brought forward, evaluated and prioritised.	Review of the bid process, including START documents, the prioritisation criteria used by different Boards.
Funding assumptions	Review of the financing assumptions used, level of risk and affordability.
Delivery	Interview a Programme Board Sponsor to understand how they assess the effectiveness and delivery of projects.
Effectiveness of monitoring and reporting on capital programme delivery	Select a small number of projects and review with the Project Manager the approach to forecasting spend and delivery.
Lessons Learned Review	Select a small number of completed projects, review of LL reports and interviews with Project Manager / Sponsor.

Other Suggestions

- Reviewing budget pressures and reductions together to address the issue of cross over, e.g. homelessness savings were dependant upon increased resources.
- Only reviewing budget changes which meet certain conditions, e.g. value or non-financial thresholds? Information on all changes could still be published to the Committee for transparency.
- Does the committee want to spend any time considering alternative ideas for the budget with Directors / Cabinet Members.

Discussion