



Council Overview Board
6 July 2016

Budget Scrutiny

Purpose of the report: Scrutiny of Services and Budgets.

To receive an update on discussions in relation to the arrangements for scrutiny of the 2017/2018 budget and consider whether to make recommendations to the Cabinet or Scrutiny Boards in relation to the process.

Report:

- 1 At its meeting in April 2016, members of the Council Overview Board were invited to share feedback on the budget scrutiny process for the 2016/2017 financial year as part of an informal discussion, prior to the Board considering options at this meeting for improving the engagement of Scrutiny Boards in the process. It was clear from the discussion that Members felt unable to make any really meaningful contribution to the budget scrutiny process, and the key issues raised during the discussion were as follows:
 - There needs to be a more open discussion about service pressures and savings/impacts, and a commitment from the top to ensure Scrutiny Boards can have meaningful involvement.
 - Scrutiny needs to be involved in the process earlier, eg July or September to look at planned savings for the following year (to provide the opportunity to help inform Cabinet decisions rather than just respond to them).
 - Arrangements for Scrutiny Board involvement should be consistent across the Council (in terms of timeliness of the opportunity to contribute and the quality of the information provided).
 - Most value is added when officers share their thinking and seek Members' views on options, including on potentially difficult/sensitive areas.
 - Information should be circulated to Members in advance, rather than provided orally or tabled on the day of the budget discussion.
- 2 The Board acknowledged that there were particular difficulties this year caused by both the lateness of the Government settlement and the

challenging nature of it, but Scrutiny Board Members have had concerns for some time about their ability to get involved in a meaningful way to help the Council address the significant on-going challenges it faces.

- 3 The arrangements Member scrutiny of budgets were last reviewed in 2014, and a process involving the establishment of Performance & Finance Sub-Groups was agreed with the Leader of the Council. An outline of this process attached as an annex, along with the terms of reference for the Sub-Groups.
- 4 As a result of the concerns highlighted by Council Overview Board Members, the Chairman has arranged to meet the Leader of the Council and the Chief Executive with a view to agreeing arrangements for the engagement of Scrutiny Boards in the budget process (including the timeliness and level of the information shared), and establishing a structured process for carrying out a review of budgets which addresses the issues raised by the Council Overview Board as set out above.
- 5 The Chairman will report back to the Board at the meeting on the outcomes from any discussion with the Leader of the Council and the Chief Executive, and the Board is invited to consider its next steps in the light of this.

Recommendation

That the Board considers the outcomes from the Chairman's discussion with the Leader of the Council and the Chief Executive in relation to the involvement of Scrutiny Boards in the budget scrutiny process, and agrees recommendations to the Cabinet and/or Scrutiny Boards as appropriate.

Next steps

The Council Overview Board will consider responses to any recommendations made at its next meeting as necessary.

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Sources/background papers: None