



SCRUTINY MANAGEMENT COMMISSION 29 JULY 2009

Report of the Director of Corporate and Adult Services

Scoping Report – Review of the Council’s Budget Setting Process

RECOMMENDATION

- 1.1 To consider and agree the scoping report on the Council’s budget setting process.

SUPPORTING INFORMATION

- 2.1 Some members have been fairly critical of the Council’s budget setting process in recent years. Their main criticism has been that the process is difficult to understand especially as the format is changed from one year to the next and that they are given insufficient time to properly assess the proposals. At the 3 March 2009 meeting of the Scrutiny Management Committee members agreed to “Review how budget is set and what could be done to improve the process – also best way of presenting the information” in this years programme.
- 2.2 This scoping report seeks to provide a framework for the review.

Purpose of the review

- 2.3 The review will give members a better understanding of how the Council’s budget is set, what issues are considered during the budget setting process, who is involved and at what stage of the process. It will also give members an opportunity to understand and familiarise themselves with the terminology used in budget setting. The review will also look at how the process could be improved to agree a consistent approach in presenting information to members.

Terms of Reference

- 2.4 The terms of reference of the review are to :
- Examine the current budget setting process
 - Agree a consistent framework for presenting the budget
 - To consider the timescales for when the budget should be presented to members and the public for comments
 - consider how the budget setting process could be improved
- 2.5 In order to conduct the review it is proposed to invite the following witnesses:

- Director and/or Assistant Director of Resources to explain how the budget is currently set, key elements that need to be considered when setting the budget and identify issues that impact on the budget
- Members of a Commission to state which elements of the budget they found difficult to understand, identify what support/ assistance they require to be able to understand the process. They could also suggest timescale for consideration by Commissions what support assistance they require. Members may also explain what worked well and which elements need amending
- Look at the process of some other local authorities to understand how they conduct budget scrutiny

Timescales

- 2.6 It is proposed to conduct the over the summer period and present a report to the September meeting of the Council Cabinet for their consideration/ action. It is envisaged that this review will take approximately two/three meetings to complete. One or two meetings to consider the evidence and one meeting to agree the report and recommendations from the commission.

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Background papers:

List of appendices: Appendix 1 – Implications

IMPLICATIONS

Financial

1. A successful outcome of the review will help to improve the Council's budget setting process

Legal

2. None arising from this report

Personnel

3. None arising from this report.

Equalities impact

4. Effective and responsive scrutiny benefits all Derby people.

Corporate Objectives

5. This report links with the Council's priority of giving value for money.