

# OVERVIEW AND SCRUTINY BOARD AND COMMITTEES



Report subject	<b>O&amp;S Budget working group - scoping report</b>
Meeting date	To be provided to the following Overview and Scrutiny meetings: Environment & Place O&S Committee - 11 September 2024 Children's Services O&S Committee – 19 September 2024 Overview and Scrutiny Board – 23 September 2024 Health & Adult Social Care O&S Committee – 24 September 2024
Status	Public Report
Executive summary	The O&S Board/ Committee is asked to confirm the establishment of a budget working group, including membership and key lines of enquiry, to undertake detailed scrutiny work to contribute to the developing 2025/26 council budget during September – November 2024.
Recommendations	<p><b>It is RECOMMENDED that the Overview and Scrutiny Committee consider and confirm:</b></p> <ul style="list-style-type: none"> <li><b>a. The establishment of a budget working group, including the membership, lead member and lead officer for the group, as detailed at paragraphs 5 to 9 of the report.</b></li> <li><b>b. Key lines of enquiry for the working group, as detailed at paragraphs 10-14 of this report.</b></li> <li><b>c. The measures of effectiveness for the working group, as set out at paragraph 15 of this report.</b></li> </ul>
Reason for recommendations	<p>To provide opportunity for scrutiny of budget proposals consistent with Procedure Rule 4 'The Formulation of Budget Proposals' within the Budget &amp; Policy Framework Procedure Rules of the Council's Constitution.</p> <p>To ensure that the arrangements and scope of the working group are clearly established in line with the requirements of the Council's Constitution.</p>

Portfolio Holder(s):	Not appropriate for an O&S Working Group
Corporate Director	Graham Farrant, Chief Executive
Report Authors	Lindsay Marshall, Overview and Scrutiny Specialist
Wards	Council-wide
Classification	For Decision

## Background

1. In September 2024, all Overview and Scrutiny (O&S) committees will be invited to establish a working group to contribute to the development of the 2025/26 budget. One working group can be established per O&S committee.
2. Through the working groups, each O&S Committee is invited to explore key lines of enquiry relating to budget matters within their areas of responsibility. The working groups form part of a wider programme of budget scrutiny (see Appendix 1) developed in consultation with O&S lead members and executive councillors and officers. O&S engagement in the budget process has been developed to be consistent with good practice.
3. The programme timeline provides a series of opportunities for all councillors to be involved in the development of the 25/26 budget, with public scrutiny and all member sessions built into the process. The aim is to develop a budget that is robust, tested and inclusive of wider councillor views. Channelling work through the O&S committees will also provide opportunity for public test and challenge as the budget develops.
4. The opportunities available for scrutiny of the 2025/26 developing budget have been communicated to all councillors during the summer of 2024.

## Membership, Resources and Timetable

5. The Constitution states that O&S working groups may be formed by non-executive councillors (not limited to committee members). By this report, the committee is asked to confirm the membership, lead member of the group and lead officer for the work. A maximum of four working group members is suggested. There is no requirement for this to be politically balanced.
6. The lead member will be responsible for chairing working group meetings, liaising with officers and reporting on findings. The lead officer will provide strategic advice and direction to the group. It is suggested that this be a director or the relevant budget holder within the service area being scrutinised. Democratic Services will provide administrative support to the group.
7. In line with the programme of budget scrutiny, all O&S committees are being invited to establish budget working groups to undertake work during September – November 2024. The timing of working group meetings will ensure that test and challenge can be provided to the budget in its development phase, maximising the impact of scrutiny engagement.

8. To ensure an even spread of resources, one to two meetings will be held per working group with dates to be communicated.
9. In line with standard scrutiny practices, working group meetings will be held on a non-public basis. Transparency will be ensured through the reporting of findings to the O&S Board meeting of 18 November 2024 in a dedicated feedback session.

### **Methodology and Key Lines of Enquiry**

10. Short, sharp O&S working groups with a clear and focussed remit will be able to provide maximum value to the developing 2025/ 26 budget by scrutinising a limited selection of critical budget areas within the remit of each committee.
11. **It is essential that the remit of these groups is targeted and limited to the most pressing areas of importance for councillors.** As all working groups will be stood up concurrently, there is a risk that any working group with too wide a remit will lack sufficient resources to support it, be ineffective in the depth of its enquiries, or unable to complete its work within the specified timescale.
12. Through this report, the committee is asked to confirm a **maximum of two/ three budget areas** that its working group will focus on. This will ensure that a 'deep dive' approach can be taken to the enquiry lines selected, rather than a light touch approach across a wider range of enquiries. To ensure that the working groups are member led, O&S Chairs have consulted their committee members to identify priority areas for scrutiny. O&S Chairs will report on these suggestions at the meeting.
13. **As a guide only**, officers have suggested the following potential areas of focus for the budget working groups aligned to each O&S committee:

#### O&S Board working group:

- Transformation budget
- Resident Card
- Income forecasts
- Fees and charges
- Licensing costs

#### Environment & Place O&S Committee working group:

- Bed & breakfast costs
- Climate & ecological emergency budget

#### Children's Services O&S Committee working group:

- High Needs budget
- School transport costs
- Care growth forecast

#### Health & Adult Social Care O&S Committee working group:

- Learning Disability & Mental Health budget
- Demand pressures

14. Councillors may wish to refer to the division of responsibilities of the O&S Committees (Appendix 2) when selecting relevant areas of enquiry for each O&S committee. The committee may also wish to draw its lines of enquiry from the 'Directorate Budget Awareness' presentations to be delivered to all O&S committee meetings in September.

### **Measure of Effectiveness**

15. The following measures of effectiveness are suggested to assess the benefit of this scrutiny work. The Committee may wish to consider and contribute to these measures, as it sees appropriate.
- A robust and balanced Council budget for 2025/26 is developed, which has been tested and challenged by non-executive members working in their capacity as a critical friend.
  - Opportunity for wider public engagement in the budget is provided through the overview and scrutiny process, under the public engagement provisions within the council's constitution.

### **Summary of financial implications**

16. There are no financial implications arising from this scoping report.

### **Summary of legal implications**

17. There are no legal implications arising from this scoping report.

### **Summary of human resources implications**

18. There are no human resources implications arising from this scoping report.

### **Summary of sustainability impact**

19. There are no sustainability implications arising from this scoping report.

### **Summary of public health implications**

20. There are no public health implications arising from this scoping report.

### **Summary of equality implications**

21. There are no equality implications arising from this scoping report.

### **Summary of risk assessment**

22. There are no risks arising from this scoping report.

## **Appendices**

Appendix 1 – Programme of Budget Scrutiny for 2025/26 Council Budget.

Appendix 2 - Overview and Scrutiny Committee Structure (as agreed September 2023)

## **Background papers**

There are none.