

**Report to:**

## **SCRUTINY LEADERSHIP BOARD**

**Relevant Officer:**

Mrs Sharon Davis, Scrutiny Manager

**Date of Meeting:**

15 October 2020

## **FINANCIAL/BUDGET SCRUTINY PROPOSALS**

### **1.0 Purpose of the report:**

1.1 To set out the proposals for budget and financial scrutiny for the financial year and beyond for Members' consideration and approval.

### **2.0 Recommendation(s):**

2.1 To approve the proposals, taking into account any suggestions for amendment.

### **3.0 Reasons for recommendation(s):**

3.1 To ensure robust and effective financial and budget scrutiny at the Council.

3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.3 Is the recommendation in accordance with the Council's approved budget? Yes

### **4.0 Other alternative options to be considered:**

4.1 Alternative options include not approving the proposals which would mean that budget and financial scrutiny would not be undertaken effectively.

### **5.0 Council priority:**

5.1 The relevant Council priorities are:

- The economy: Maximising growth and opportunity across Blackpool
- Communities: Creating stronger communities and increasing resilience.

### **6.0 Background information**

6.1 Following the training session on effective financial scrutiny for Councillors by Steve Thompson, Director of Resources and Phil Redmond, Chief Accountant held with scrutiny

members on 21 September 2020, representatives of the Scrutiny Leadership Board met to discuss how to carry out financial and budget scrutiny.

- 6.2 Members felt that timing was a key issue and that previous scrutiny had been carried out as a one-off far too late in the budget process. It was considered that scrutiny of the Council's budget and financial performance should be more of an ongoing consideration. It was considered that in order to effectively review the Council's budget and provide a valuable contribution in terms of new ideas, that additional input should take place earlier in the process and on a regular basis.
- 6.3 It was also considered that the Scrutiny Leadership Board should take an active role in scrutiny of the Council's overall financial performance and budget whilst the three Committees should be asked to focus more on the financial performance and medium term financial plans (for Children's and Adults Services)/financial planning of individual services within their remit.
- 6.4 As the budget process is already ongoing for the 2020/2021 financial year, the following is proposed for this year and looking forward to 2021/2022:

10 December 2020 (informal meeting)	Informal scrutiny review of 2021/2022 capital and revenue budgets. Input into the new Medium Term Financial Plan.
11 March 2021 (formal committee)	Council Financial Performance Monitoring Overview
20 May 2021 (informal meeting)	Finance/Budget 2022/2023 development scrutiny review, identification of priorities
Tbc October 2021 (formal committee)	Council Financial Performance Monitoring Overview

- 6.5 As part of ensuring more in depth scrutiny of individual service financial performance the Children and Young People's Scrutiny Committee is also asked to consider the Children's Services Medium Term Financial Plan on an annual basis (appropriate timescale to be determined) and to scrutinise the financial performance of the service in relation to its plans and strategies on an annual basis (appropriate timescale to be determined). Identification of outcomes of these reviews - ideas, concerns and comments will be put forward, as appropriate as part of the Council's ongoing budget process. The relevant director would be responsible for presenting the finances at each meeting.
- 6.6 The Adult Social Care and Health Scrutiny Committee is asked in a similar way to consider the Adult Services Medium Term Financial Plan on an annual basis (appropriate timescale to be determined) and to scrutinise the financial performance of the service in relation to its plans and strategies on an annual basis (appropriate timescale to be determined). To also consider the financial performance of Public Health.

6.7 Due to the vast remit of the Tourism, Economy and Communities Scrutiny Committee it would be difficult for the Committee to take a similar approach to the above to all of the services within its remit. It is therefore suggested that the Committee continues to ask for a breakdown of financial performance as an appendix to the reports on its agenda, e.g. Leisure Services performance would also include financial performance. It is also requested that the Committee establishes a timetable of directorates for review, with a view to consider two per year. The Committee would again consider the relevant ongoing specific financial performance in relation to the directorates planned in each year:

2021	Communications and Regeneration and Chief Executives
2022	Governance and Partnerships and Resources
2023	Community and Environmental Services and Chief Executives
2024	Communications and Regeneration and Resources
2025	Governance and Partnerships and Community and Environmental Services

Does the information submitted include any exempt information? No

**7.0 List of Appendices:**

7.1 None.

**8.0 Financial considerations:**

8.1 The report aims to establish proposals for effective and robust financial scrutiny.

**9.0 Legal considerations:**

9.1 None associated with the report.

**10.0 Risk management considerations:**

10.1 Effective budget and financial scrutiny are a key part of good governance.

**11.0 Equalities considerations:**

11.1 None specific to the report.

**12.0 Sustainability, climate change and environmental considerations:**

12.1 None specific to the report.

**13.0 Internal/external consultation undertaken:**

13.1 All scrutiny members were invited to participate in the financial scrutiny training following which the Scrutiny Leadership Board met to consider how best to carry out financial scrutiny.

**14.0 Background papers:**

14.1 None.