

## **Budget Review Panel Terms of Reference**

### **A Introduction and Background**

1. The (then) Finance and Corporate Affairs Policy and Scrutiny Panel on 15th March 2005 agreed to establish a Budget Review Group, now called the Budget Review Panel, to scrutinise and prioritise all Council Activities with reference to the Base Budget and future Budget Strategies proposed by the Cabinet. The work of the Budget Review Panel fell within the remit of the Corporate Resources Scrutiny Committee (until May 2011), and now the Overview & Scrutiny Committee.
2. The first meeting was held on 13<sup>th</sup> April 2005 and a Work Programme was agreed for 2005-2008.
3. For the budget period 2013-16 the main emphasis of the review will be as follows:
  - Consideration of the Cabinet's Budget Proposals and alternative budgets.
4. The Budget Review Panel meets as required and reports directly to the Overview & Scrutiny Committee. The possible dates for the Panel to meet have been identified as follows:
  - Thursday 10<sup>th</sup> January 2013 – 4pm
  - Thursday 17<sup>th</sup> January 2013 – 4pm
  - Thursday 24<sup>th</sup> January 2013 – 4pm

### **B Composition of Panel**

5. The Panel comprises six (four) members. Non-Cabinet members may be appointed as substitutes in exceptional circumstances.
6. The Panel may be chaired by one member, or on a rota basis by any Member expressing a particular interest in a given service area. Where no such expression of interest is given, the Chairmanship shall fall to the Chairman of the Overview and Scrutiny Committee.

### **C Purpose and Objectives:**

7. Meetings of the Panel will provide a forum for discussion of key budget issues and consideration of the budget.
8. The objective of the Panel is to examine the principles that underline the Base Budget, Service Business Plans and Budget Strategy to establish that:

- They are measured, clear, focused, achievable and based on sound financial and operational practices.
- The relationship between the Budget, Service Business Plans and the priorities contained within the Community Strategy, Corporate Plan and other Plans/Strategies are real and designed to maintain and where possible improve services in the Council's priority areas.
- Politically, managerially and operationally the Council is clear about the direction and priorities for action to meet our objectives, standards and priorities.

**D Projected Outcomes:**

9. The Panel's projected outcomes will be to have:

- Support the Cabinet in developing budget proposals
- Examined the Budget as a whole and selected Service Plans in relation to efficiency
- Held the appropriate Cabinet Members to account over their Budget and Service Plan proposals
- Assisted the above Committee in providing an opportunity for public transparency and awareness of the Budget-setting process for the community.

**E Approach to Reviews**

10. As one of the aims of the exercise is to hold the Cabinet to account for their proposed Budget, the Panel has agreed the following approach to reviews:

- Comment as appropriate on the individual Cabinet Proposal;
- Comment as appropriate, on the overall Three-Year Budget Strategy
- Based on the above and any other relevant findings, to make recommendations to the Overview & Scrutiny Committee in relation to the allocation of resources for services in future Budgets.

**F Scope of Questions**

11. The overall scope of the questions will include the following:

**(i) Budget Strategy**

- Is the Budget based on a sustainable approach?
- What are the criteria for the allocation of capital and revenue resources available?
- Are the Cabinet's Budget-monitoring arrangements robust enough to anticipate and manage Budget pressures?
- How does the proposed Budget fit with the Council's priorities in the Corporate Plan, Community Strategies and other Strategies?
- Is the approach taken to in relation to the "Wyre Forest Forward" programme and the impact that they have on the delivery of services robust?
- Is Budget risk management robust and projected within the Finance Strategy?
- That proposals (if any) have been put forward to manage the implications of any recent legislative requirements?

**G Information to be provided to the Panel**

12. The Panel will receive the Cabinet's Financial Strategy which will include:

- Three Year Budget and Policy Framework – 2013-16, including Cabinet Proposals;
- Capital Programme 2013-16 Onwards;
- Base Budget Variations
- Risk Management and the Budget Process
- Cabinet Proposals