

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1. MEETING:	Self-Regulation Select Commission
2. DATE:	8 December 2011
3. TITLE:	Scrutiny of the budget process and MTFS
4. DIRECTORATES:	Resources All Wards

5. SUMMARY

This report outlines the main points arising from discussions with portfolio holders on the 2010/11 outturn position and the current 2011/12 revenue budget. It seeks comments from members on the next phase of the scrutiny of the budget process.

6. RECOMMENDATIONS

That Members:

- a. note and discuss the points raised in discussions (as outlined in para 7.6)**
- b. identify areas for questioning to inform the ongoing scrutiny of the budget proposals**
- c. receive further updates**

7. PROPOSALS AND DETAIL

7.1 Self-Regulation Select Commission terms of reference include:

- scrutinise the annual budget setting process
- monitor the Council budget and MTFS

A discussion was held at its meeting of 15 September on the revenue outturn 2010/11. As a result a sub-group consisting of Councillors Atkin, Ellis, J. Hamilton, Hughes and Sharman was set up to consider the Select Commission's involvement in the budget setting process.

7.2 Cllr Hughes has received comprehensive briefings from Andrew Bedford, Strategic Director for Resources and Stuart Booth, Director of Finance on the budget process. The Director of Finance also delivered a training session outlining an overview of local government finance and RMBC's budget process. All members of the Self-Regulation Select Commission were invited to attend.

7.3 Following the discussion of the Revenue Budget Monitoring Report and the 2012/13 Revenue Budget and MTFS timetable at its meeting of 27 October 2011, a two-part approach has been adopted by the sub-group.

Part One examined budgetary issues arising from the 2010/11 outturn and if directorates were on course to make 2011/12 savings. Each portfolio holder (with the exception of the Leader and the newly established position of Health and Well-Being) has been requested to attend. (Officers were invited to attend if requested by the Cabinet Member.) In order for the discussions to be focussed and productive, the Chair recommended that the interviews be conducted by members of the sub-group.

7.4 The discussions have focused on the following areas:

- Spending in accordance with the agreed 2011/12 budget in each of the respective portfolio area
- Whether there are there any significant under spends/overspends
- Impact on services/priorities and performance
- Risk and mitigation
- Challenges for portfolio area

7.5 The meetings with the portfolio holders commenced on Friday 4 November and concluded on Thursday 17 November. As yet there has been no discussion about potential budget savings as it is acknowledged that these are in development.

7.6 In summary, issues emerging from these discussions include:

- Pressures related to the resourcing of Children and Young People's Services, particularly in respect of Looked after Children and the early intervention and prevention agenda
- Asset management and the disposal of council properties or land
- Service restructures – managing continuity and capacity with fewer staff and resources
- Commissioning – getting better value for money

- Relationship with voluntary sector and Parish Councils
- Continuing health care needs
- Prioritisation of services and impact on service users
- Completion of strategic partnerships and associated risks
- Impact of decisions taken by partners on council services (health, policing etc)

7.7 **Part Two** of the process will commence in early 2012 (once proposals are at a stage to receive detailed consideration). This will consist of discussions with Cabinet Members and Strategic Directors. As with Part One, it is proposed that this is conducted by the sub-group rather than the full commission. At its meeting of 18 November, OSMB endorsed the proposed approach and agreed that the Chair of Improving Lives, Cllr Ann Russell and the Vice-Chair of Improving Places, Cllr Jacque Falvey be invited to participate.

7.8 In line with the budget timetable this will consider:

- Are proposals in line with central government policy, pressures and directives e.g. Comprehensive Spending Review, Autumn budget statement, and forthcoming legislative requirements (e.g. Localism Act, Health & Social Care Act)
- Issues emerging from the budget consultation (currently underway);
- Proposals for increases to council rents and other fees and charges;
- Opportunities for income generation;
- Further examination of the budget matrix (initially discussed at the meeting of 27 October)
- In-depth scrutiny of savings proposals and delivery of corporate priorities in line with the MTFs; with reference to equality assessments, service and performance implications;
- Risks and mitigation.

7.9 The Select Commission welcomes additional questions or areas for exploration from OSMB and other select commission members or comments on its approach. These can be given to the Chair or through Scrutiny Support.

7.10 Outcomes from the Part Two discussions will be fed back to the Select Commission, OSMB and Cabinet in due course.

8. **FINANCE**

See above. Any recommendations arising from the scrutiny of the budget process will be forwarded to Cabinet and SLT for detailed consideration.

9. **RISKS AND UNCERTAINTIES**

Consideration has been given to the risk attached to meeting the agreed spend in each of the respective portfolio area as outlined in the 2011/12 budget

10. **POLICY AND PERFORMANCE AGENDA IMPLICATIONS**

Overview and Scrutiny can test out and make explicit whether the Council is directing its resources effectively to meet its priorities and demonstrate whether it is achieving value for money. This process should ensure there is an alignment of

resources to those priorities already agreed in Corporate Plan and relevant strategies.

11. BACKGROUND PAPERS AND CONSULTATION

- Revenue Outturn Report 2011/12
- Revenue Budget Monitoring for the period ending 30th September 2011

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