

Waverley Borough Council Scrutiny Review

Budget Strategy Working Group

March 2018

SCOPING A SCRUTINY REVIEW

Background

Overview and Scrutiny by definition of the Local Government Act 2000 has the power to investigate and review an issue or concern by conducting an in-depth scrutiny review. Choosing the right topic for an in-depth scrutiny review is the first step in guaranteeing that the work of scrutiny adds value to the corporate priorities and benefits the Borough's residents. The Overview and Scrutiny Committee may wish to appoint a members task and finish group to undertake a majority of the research and to evaluate the evidence.

What makes an effective scrutiny review?

An effective scrutiny review must be properly project managed. The review must clearly state the aims & objectives, rationale and how the review will contribute to policy development / improve service delivery. To ensure the review goes well it is vital that the scope is robust and thorough and is treated as a project plan. The review should be SMART (Specific, Measurable, Achievable, Realistic & Time-bound) in its scope in order to have the most impact. The scoping template is designed to ensure that the review from the outset is focused exactly on what the members hope to achieve.

The scoping document should be treated as the primary source of information that helps others understand what the review inquiry is about, who is involved and how it will be undertaken. Once the scoping document is complete it should be circulated to relevant officers and key members of the Executive for comment before being agreed by the relevant Overview & Scrutiny Committee. The scrutiny review will be supported by the Scrutiny Policy Officer.

What happens after the review is complete?

It is important that the relevant Overview & Scrutiny Committee considers whether an on-going monitoring role is appropriate in relation to the review topic and how frequently progress is reported back to the Overview & Scrutiny Committee after completion. Overview & Scrutiny should be monitoring the progress and reviewing the changes that have been made as a result of a scrutiny review to ensure the work undertaken has been effective in achieving its objectives.

FOR COMPLETION BY MEMBERS PROPOSING THE REVIEW

Topic		
1.	Title of proposed review:	Budget Strategy Working Group
2.	Proposed by:	Cllr Mike Band

Who is involved?		
3.	Chair of the working group:	
4.	Members on the working group:	
5.	Scrutiny Policy Officer:	Yasmine Makin

Research programme	
6.	<p>Rationale / background to the review:</p> <p>At the September 2017 meeting the Value for Money and Customer Services Overview & Scrutiny Committee expressed the view that a radical re-think of how services, front line and support, are delivered was needed to meet the anticipated long term financial challenges facing the Council. It was proposed that a Budget Strategy Working Group be established to drive forward the Medium Term Financial Plan (MTFP) initiatives designed to resolve the projected budget shortfall. The Finance Portfolio Holder has been briefed on the proposal and endorses this approach.</p>

7. **Terms of reference:**

- Examine and provide input into the development of projects to deliver the MTFP initiatives
- Develop a strategy which shifts the emphasis away from a pure 'financial savings targets' towards a wider 'business change' agenda
- Ensure future service reviews and decisions are taken within the widest context of the Council's vision, corporate objectives and MTFP
- Monitor the development and delivery of an action list against objectives relating to income, savings and efficiencies and report progress to the Executive
- Review the process used to translate the implementation of initiatives into the budget.

Desired outcomes

To identify how services, front line and support, can be delivered differently in order to meet the budget shortfall described in the MTFP.

To contribute to the development of the longer term business change effort of the Council to address the financial challenges anticipated.

Research questions

Work Stream 1: Assessment of Council Services

- 1) Which services that the Council currently provides are mandatory and which are discretionary?
- 2) What is the minimum level of provision required?
- 3) What is the expenditure and income from these services?
- 4) For which services can costs be recovered?
- 5) Do we recover the costs?
- 6) Should the costs be recovered?
- 7) What would the impact be, particularly on vulnerable residents, if the Council removed, reduced or charged for these services?
- 8) Would there be any legal implications if the Council removed, reduced or charged for these services?
- 9) Are we monopoly providers of the service?

Work Stream 2: Demand management – community engagement exercise to determine public priority for services, followed by a review of:

- 1) What are the levels of need/demand for services?
- 2) What are our customers' expectations of services?
- 3) Which needs/demands can be met elsewhere?

	<p>Work Stream 3: Service delivery (opportunities for ‘channel shift’ and improved service efficiency)</p> <ol style="list-style-type: none"> 1) What opportunities are there for the Council to improve service delivery in front line and support services? 2) Can services be delivered in a more efficient way, for example by partnership working, joint commissioning or self-service via new technologies? <p>Work Stream 4: Procurement and project management</p> <ol style="list-style-type: none"> 1) How does the Council procure goods and services? 2) What proportion of expenditure is planned and what proportion is reactive? 3) Does the way goods and services are procured deliver value for money? 4) Does the Council’s approach to project management ensure the value of projects is not compromised in delivery? <p>Work Stream 5: Resource and asset utilisation</p> <ol style="list-style-type: none"> 1) How can the Council use its people resource and assets to achieve greater efficiency?
8.	<p>Policy Development and Service Improvement How will this review add value to policy development and/or service improvement?</p> <p>By contributing to the longer term business change effort of the Council, this review will contribute to the delivery of the MTFP strategy and the Council’s corporate strategy. In addition to this, the outcomes of the review will have implications on how the Council delivers its services in a sustainable and cost effective way.</p> <p>The review will improve services by maximising value for money across the Council.</p>
9.	<p>Corporate priorities:</p> <p>Careful and considered financial planning enables the Council to maintain and enhance service delivery – contributing to all of the Corporate priorities.</p>
10.	<p>Scope:</p> <p>In order to carry out a holistic and corporate review exercise, all services will be subject to this review including front line and support services. As a policy development and scrutiny exercise, this review will remain within the parameters of its legal scrutiny function.</p>

11.	<p>Methodology and methods:</p> <p>Methodology: The review will take place during a series of meetings of the Working Group supported by officers. The Working Group will comprise members drawn from all four O&S committees. The Working Group will report to the VFM & Customer Service Committee.</p> <p>Information will be sought from Heads of Service or other relevant officers. Officers may be asked to attend the working group meetings when appropriate.</p> <p>All members of the working group will participate in work-stream 1 with the group then dividing to complete work-streams 2 and 3. It is anticipated that the full group will regroup for work-streams 4 and 5.</p> <p>The second work-stream relies on a community engagement exercise and will be informed by the results (see page 4, work-stream 2).</p> <p>Preliminary / core evidence that will need to be collected to inform this review is as follows:</p> <ol style="list-style-type: none"> 1) Breakdown of mandatory and discretionary services with cost recovery (if applicable) included. 2) Community prioritisation of services.
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Council services expected to contribute		
	Council Service	Reason / Intention for evidence
12.	All	This is a holistic review of all Council services and so all services are expected to provide the review with necessary data and information.
13.		
14.		

External Witnesses to be invited / submit evidence		
	Organisation	Reason / Intention for evidence
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17.		

19.		
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20.	<p>Project plan:</p>	
Timescale		
Proposed start date:	March / April 2018	
Proposed finish date:	<p>Work-streams 1 and 2 are expected to be completed by September 2018 in time to contribute to the development of the 2019/20 budget.</p> <p>The timeline for work-streams 3 – 5 are yet to be confirmed.</p>	
Working group plan		
How many working group meetings are anticipated to support this review?	<p>The programme of work fits into 5 work-streams. The number of working group meetings for each work-stream will vary depending on content with a range of 1 – 4 expected for each work-stream.</p>	
<p>Working group theme (1): Assessment of Council services, front line and support</p> <p>Aim: To gain an understanding of what services do and why (whether they are mandatory or discretionary), identifying whether or not costs can be/ are being recovered.</p> <p>Witnesses: Heads of Service are expected to complete the worksheets developed by the Head of Finance describing the services they provide as either mandatory or discretionary and providing information on whether these costs are being recovered or not.</p>		
<p>Working group theme (2): Demand management</p> <p>Aim: Identify customer need and demand for Council services through a community engagement exercise. Assess whether or not service capacity and need for services is matched and consider areas where the relationship of expectation and provision needs redefining.</p> <p>Witnesses: The community engagement exercise budgeted for in the 2018/19 budget is expected to inform this work-stream.</p>		
<p>Working group theme (3): Service delivery (opportunities for ‘channel shift’ and improved service efficiency)</p> <p>Aim: To study how services are delivered, consider opportunities for alternative ways of working and recommend areas for efficiency reviews.</p> <p>Witnesses:</p>		
<p>Working group theme (4): Procurement, and project management.</p> <p>Aim: Identify opportunities to improve the value for money of current procurement. Ensure the Council’s project management methodology is effective.</p>		

21.	Scrutiny resources: In-depth scrutiny reviews are facilitated and supported by the Scrutiny Policy Officers.
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For completion by Corporate Policy Manager					
22.	Corporate Policy Manager comments: The scope of work for this review is far ranging and will need to include officers' time from a range of services in addition to the Scrutiny Policy Officer's time if it is to be successfully completed on time.				
	<table border="1" style="width: 100%;"> <tr> <td style="width: 15%;">Name:</td> <td>Louise Norie</td> </tr> <tr> <td>Date:</td> <td>9 March 2018</td> </tr> </table>	Name:	Louise Norie	Date:	9 March 2018
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Date:	9 March 2018				
For completion by Lead Director					
23.	Lead Director comments: I support this review. It is a much improved way of encouraging Members in scrutinising the Council's budget and harnessing their ideas and knowledge. Are there any potential risks involved that may limit or cause barriers that scrutiny needs to be made aware of? Capacity of officers to undertake service/budget reviews. Are you able to assist with the proposed review? If not please explain why: Yes, I can assist the review but I expect Peter Vickers (Head of Finance) to lead, supported by the accountancy team and all Heads of Service.				
	<table border="1" style="width: 100%;"> <tr> <td style="width: 25%;">Name and position:</td> <td>Graeme Clark, Strategic Director</td> </tr> <tr> <td>Date:</td> <td>9 March 2018</td> </tr> </table>	Name and position:	Graeme Clark, Strategic Director	Date:	9 March 2018
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For completion by Executive Portfolio Holder					

24.	<p>Executive Portfolio Holder comments As the executive lead for this portfolio area it is important for the task group to seek and understand your views so that recommendations can be taken on board where appropriate.</p> <p>To follow.</p>	
	Name and position:	Cllr Ged Hall, Deputy Leader and Portfolio Holder for Finance and Communications
	Date:	9 March 2018

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