

Budget Review Group – Draft Terms of Reference

Membership:

Members:

The Leader, Deputy Leader, Finance Cabinet Member, the Leaders of the Opposition Groups and the Chairman of the Corporate Governance and Audit Committee.

Officers:

The Chief Executive, the Director of Corporate Services, the Divisional Manager of Financial Services, the Corporate Improvement Manager, with the relevant Director and Divisional Manager from each service attending to answer questions specific to their service.

Purpose of the Group

The purpose of the Group is to identify and consider the options/ideas that could be available to the Council to address the estimated funding gap over the medium term. Making recommendations to CGAC on process, and to Cabinet on budgetary proposals.

In doing this the Group will:

1. To consider and agree how the corporate planning and prioritisation processes for both revenue and capital will be structured and embedded in the Council's budget process.
2. To consider the impact of the options and ideas identified.

Scope

1. All services and spending undertaken by the Council under their revenue, capital, and asset replacement programmes.
2. The review covers both statutory and non-statutory/discretionary services provided by the Council.
3. Income generation ideas.

Methodology

1. All service areas, commencing with the largest spend services, to complete a standardised analysis of resources employed, and income generated.
2. Identify which service elements are mandatory and which are discretionary.
3. To review service budgets and their service cost drivers and the outcomes of the service.
4. To consider new income generation ideas.

5. To consider trend analysis of variances of service spending for both over and underspending.
6. Develop a prioritisation tool to aid decision making for service changes.
7. Alternative options will consider the pro's and con's of any service changes along with an impact assessment where relevant.

Outcomes

- The recommendations from the Group will be reported back to Cabinet and will feed into a future update of the Council's Financial Strategy and the relevant annual budget cycle, which will be approved by full Council.
- To agree an efficiency programme for the Medium-Term Financial Strategy and 2025-26 Budget Cycle.

Review period / timetable

The Group will meet monthly.

September 2023 – Initial meeting

September 2023 – November 2023 – Prioritisation process for changes to 24-25 budget.

January 2024 to March 2025 – develop new prioritisation process for future budgets.

September 2023 to May 2024 – Reviews of Service areas.

June 2024 to August 2024 – Options and recommendations developed

September 2024 – Draft report

Report to Cabinet: Oct 2024