

Performance and Finance Select Committee

9 July 2018

Business Planning Group Report

Report by Chairman, Business Planning Group

Executive Summary

Each Select Committee has a Business Planning Group (BPG) to oversee the Committee's work programme and prioritise issues for consideration by the Committee.

This report provides an update to the Committee from the latest Performance and Finance Select Committee (PFSC) BPG meeting held on 21 May 2018 setting out the key issues discussed.

Changes to the interim work programme are reflected in the PFSC work programme included as Appendix A.

The Committee is also responsible for the over-arching review of Scrutiny Task and Finish Groups (TFGs). The Committee is asked to review the Task and Finish Group (TFG) rolling progress report included as Appendix B.

Recommendations

The Committee is asked to:

1. Support the updates to the work programme as recommended by the Business Planning Group and reflected in the updated work programme at Appendix A; and
2. Note the latest Task and Finish Group Rolling Programme, attached as Appendix B, and make any comments accordingly.

1. Introduction

The BPG met on 21 May 2018, members in attendance were Mr Montyn (Chairman), Mr Elkins, Mrs Dennis, Mrs Mullins and Dr Walsh (part of the meeting).

2. 21 May 2018

- 2.1. Members of the Group received a briefing from the Director of Economy, Planning and Place and the Technical Project Manager on **property development projects** currently taking place. Members determined that formal scrutiny should take place in relation to the full business case for the PropCo development at Angels Nursery, Barnham. This was previously scrutinised by PFSC in January 2016 but changes have occurred to the

proposals since that date. The report should include the proposal for the site including the financial aspects of the development. Scrutiny was also agreed in relation to the Novartis site in Horsham. This was previously scrutinised in November 2015 but again changes have occurred to the proposal put forward at that stage. The reports should outline the changes to the development proposals since they were last scrutinised, including the costs and work involved. Decisions on the progress and development of these sites are expected to take place in July therefore it is appropriate to add both these pre-decision scrutiny items to the agenda for the 9 July committee meeting.

- 2.2. The Director of Economy, Planning and Place also updated the BPG on the work which is ongoing in relation to the **Asset Strategy** and **One Public Estate** (OPE) programme. It is expected that a decision will be taken in July to agree the Asset Strategy therefore Members agreed that pre-decision scrutiny should take place at the 9 July committee meeting. The OPE programme currently includes 7 projects which are all being worked on. Members agreed that this was not a time-critical item and could be added to a future PFSC meeting agenda, currently scheduled for October 2018.
- 2.3. Members of the Group received a briefing note from the Financial Reporting Manager on the findings of the **MHCLG Consultation – proposed changes to the prudential framework of capital finance**. No significant impact is expected for the Authority but the over-arching message from the guidance is about sensible operations, increasing transparency, monitoring risks and the proportionality between financing streams to be maintained. Borrowing in advance is acceptable as long as the local economic benefit can be shown. The implications from the guidance will be included within the 2019/20 Treasury Management Strategy therefore Members agreed no further scrutiny is necessary.
- 2.4. Following a Member request at the PFSC meeting in March 2018 Members of the BPG discussed the **budget timeline** for the 2019/20 year. The Authority's Financial Planning Manager attended for this item. The feedback received from the scrutiny survey on the budget process was also considered as part of the discussion. From the survey 63% of respondents felt that timing of the budget scrutiny was appropriate whilst 45% thought overall scrutiny input was effective. The survey highlighted that members wanted more time and opportunity to fully consider the proposals put before them. The discussion also included savings proposals being scrutinised by the individual service Select Committees at their meetings in October/November, the timing of sessions and whether agreeing the budget in two sessions, December and February County Council, was effective. Following officer input it was agreed that the timeline would be similar to last year:-
 - October PFSC – scrutiny of the Medium Term Financial Strategy (MTFS) and consideration of the results and priorities identified through the What Matters to You? survey
 - October member session – opportunity for all members to input into the MTFS and What Matters to You? results
 - November PFSC – consideration of the comments from the October all member session, scrutiny of the capital programme and saving proposals ahead of approval at December County Council
 - Early January – all member session on the full revenue budget

- January PFSC – consideration of the comments from the January all member session and formal scrutiny of the revenue budget ahead of approval at February County Council.
- 2.5. Members agreed that more time should be set aside for the all member sessions to allow detailed officer presentations and greater opportunity for member questioning to take place. The timing of the service Select Committees was considered too early by officers to agree the saving proposals to be presented for formal scrutiny. It was stressed to officers that timely information in advance of both the scrutiny meetings and member sessions is essential. The timeline was discussed at Cabinet Board on 12 June and any changes to the above timeline will need to be furthered considered.
- 2.6. Members also considered a request from the Chief Executive to scrutinise the **West Sussex Annual Report** at the 9 July committee meeting ahead of County Council. Members agreed that as the financial and performance outturn figures were considered at the May meeting of PFSC and that the July meeting had a long Agenda that there would be no benefit or focussed outcome achieved by formally scrutinising this report.

3. **Scrutiny Work Programme Planning**

- 3.1 Members of the Group reviewed the outstanding items on the current work programme. Appendix A details the items and timings to be reviewed as part of the 2018/19 work programme for the Committee. These changes include:-
- Inclusion of an **OPE** report for the October meeting of the Committee.
 - **Social Value Act** – Members agreed to include a report on how this Act has been implemented and embedded at a future committee meeting. This links to the proposed TFG on working with the voluntary sector (see update attached as Appendix B).
 - **Treasury Management Annual Report** – at the request of the Director for Finance, Performance and Procurement this report would be presented to the July meeting of PFSC rather than full Council.
 - **Contract Management TFG** – final report and recommendations to be included on the July Committee Agenda.
 - Due to the long Agenda for the July committee meeting members agreed that the **May TPM** report would be circulated to members outside of the formal committee. Any questions that arise should be referred to the Senior Advisor.

4. **Scrutiny Task and Finish Groups**

- 4.1 The progress report of Task and Finish Groups is attached as Appendix B. This includes the current position of the Groups established as part of the Scrutiny Work Programme which was approved at County Council in December 2017.
- 4.2 An update on the proposed cross-cutting review of how the Council works with the voluntary sector was discussed by the PFSC BPG. The Select Committee Chairmen had met with a senior officer to discuss how this work should be taken forward. Members agreed that it would be more effective to have place-based events at CLC meetings in the first instance. If further focussed work is needed after these events then a TFG will be re-considered.

5. **Implications**

- 5.1 There are no resource, risk management, Crime and Disorder Act or Human Rights Act implications arising directly from this report. However, if any substantive reports to the Committee have implications, an Equality Impact Report will be included in appropriate substantive reports to the Committee.

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Appendices

Appendix A Performance and Finance Select Committee Work Programme
2018/19

Appendix B Scrutiny TFG Rolling Progress Report

Background Papers

None