



ADUR & WORTHING
COUNCILS

Joint Overview and Scrutiny Committee
7 November 2024

Key Decision [No]

Ward(s) Affected:N/A

An interim report on the work of the Budget Scrutiny Working Group

Report by the Director for Sustainability and Resources

Executive Summary

1. Purpose

1.1 This report sets out a summary of the work of the Joint Overview and Scrutiny Committee (JOSC) Budget Scrutiny Working Group which was set up as part of the 2024/25 JOSC Work Programme. The Working Group will provide further reports to JOSC as the budget is developed and reported to JOSC.

2. Recommendations

2.1 That JOSC notes the work undertaken by the JOSC Budget Scrutiny Working Group and that a further report from the Working Group will be presented to JOSC in December 2024.

3. Context

- 3.1 In July 2024, as part of the review into the effectiveness of JOSC, JOSC agreed to set up a JOSC Budget Scrutiny Working Group to improve its role in the budget setting and monitoring process to take the scrutiny lead in budget monitoring matters, test and challenge budget assumptions, options, focus and viability as part of the budget development process and take a much broader and deeper approach to budget scrutiny, reporting back to JOSC as required.

4. Issues for consideration

- 4.1 The Budget Working Group has now met twice to oversee the budget development process for the 2025/26 Budget in September and October and a further meeting is planned later in November. Councillors Carson Albury and Dan Flower (Adur) and Jon Roser and Elizabeth Sparkes (Worthing) were appointed to the Working Group and Councillor Julia Watts (Adur) was appointed as a co-opted member of the Working Group. Councillor Heather Mercer (Worthing) has attended both of the meetings as an observer.
- 4.2 The Working Group considered a scope and terms of reference for its work and agreed as follows:-

Objective

To support the Adur and Worthing Joint Overview and Scrutiny Committee in scrutinising the Budget and Financial planning process. Within this to take a lead role in building consensus and making recommendations which take account of the financial context and the obligations and ambitions of the Councils.

Terms of Reference

- To receive and consider information and advice from Officers and Cabinet Members and any other relevant stakeholders as appropriate relating to the revenue budget setting process and the detailed information from services. This will help confirm and shape any comments and recommendations. In doing so, consider the associated pressures and opportunities, using those to inform recommendations to the Joint Overview and Scrutiny Committee;
- To receive and consider information and advice from Officers across a range of financial levers - including Council Tax, fees and charges etc - available to the Councils, using these to inform recommendations to the Joint

Overview and Scrutiny Committee;

- To consider the Financial Strategy and Revenue Budget Outturn reports and also the quarterly budget monitoring reports and to report back to the Joint Overview and Scrutiny Committee with findings and recommendations as considered appropriate;
- To consider the Adur and Worthing Cabinets and Joint Budget proposals for 25/26;
- To agree a draft report that comments on the budget proposals for submission to the Joint Overview and Scrutiny Committee for subsequent ratification and submission to the Cabinets/Joint Strategic Committee.

- 4.3 At its first meeting in September the Working Group received information from the Chief Executive and Chief Financial Officer on the 2025/26 Budget setting process which included information on implementation on the new Financial Strategy, the financial challenges and some proposed shifts in the organisational design programme which would factor into the budget setting process for 2025/26.
- 4.4 At the second meeting in October the Working Group was able to scrutinise the update report presented to the Joint Strategic Committee on 1 October 2024 which covered the Financial Strategy and Budget updates for 2025/26. The Adur and Worthing Cabinet Members for Resources, Councillors Saffa Jan and John Turley also attended this meeting to provide the Working Group with some insight and thinking into the work of the Cabinets in developing the budget for 2025/26 and the Working Group was able to question them on this work.
- 4.5 The Working Group is continuing its work to scrutinise the budget and the financial planning process and at its meeting in November will review budget options proposals and reports being presented to the Joint Strategic Committee on 12 November 2024 related to the budget development including a report on the Asset Management Strategy. It is expected that a more detailed report from the Working Group will be presented to JOSC at its December meeting when more detailed information on the 2025/26 Budget is reported to JOSC.

5. Engagement and Communication

- 5.1 The Joint Chairs, Vice-Chairs of JOSC, Chair of the Budget Scrutiny Working

Group and relevant Officers have been consulted on the proposals contained in this report.

6. Financial Implications

- 6.1 No direct financial implications in this report, however, the JOSC Budget Scrutiny Working Group is reviewing the development of the 2025/26 Budget for Adur and Worthing Councils which has financial implications for the Councils and the services it provides.

7. Legal Implications

- 7.1 Section 9F to 9FI of the Local Government Act 2000 as amended by the Localism Act 2011 provide that Executive arrangements of a local authority must ensure that its overview and scrutiny committees have the power between them):-
- a) to review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are the responsibility of the executive,
 - b) to make reports or recommendations to the authority or the executive with respect to the discharge of any functions which are the responsibility of the executive,
 - c) to review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are not the responsibility of the executive,
 - d) to make reports or recommendations to the authority or the executive with respect to the discharge of any functions which are not the responsibility of the executive,
 - e) to make reports or recommendations to the authority or the executive on matters which affect the authority's area or the inhabitants of that area.
- 7.2 Under Section 111 of the Local Government Act 1972, the Council has the power to do anything to facilitate or which is conducive or incidental to the discharge of any of their functions.
- 7.3 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

Background Papers

Reports to JOSC on 15 July 2024 on the effectiveness of Overview and Scrutiny and Work Programme for 2024/25

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Sustainability & Risk Assessment

1. Economic

Matter considered and no issues identified, however the budget may contain funding proposals relating to the local economy.

2. Social

2.1 Social Value

Matter considered and no issues identified.

2.2 Equality Issues

Matter considered and no issues identified but individual proposals arising from the budget will be the subject of an equalities impact assessment.

2.3 Community Safety Issues (Section 17)

The Budget contains funding for community safety.

2.4 Human Rights Issues

Matter considered and no issues identified.

3. Environmental

The budget will be developed with regard to the Councils' carbon neutral and biodiversity commitments.

4. Governance

Matter considered. The Joint Overview and Scrutiny Procedure Rules allow JOSC to set up Working Groups to conduct work on behalf of JOSC and the Budget Scrutiny Working Group has been created to help and support JOSC in scrutinising the Budget and Financial planning process.