

Report of Head of Governance and Scrutiny Support

Report to Scrutiny Board (Strategy and Resources)

Date 22 June 2017

Subject: Financial Health Monitoring

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. During the previous municipal year (2016/17), the Scrutiny Board routinely monitored the Council's financial health through regular reports from the Chief Finance Officer.
2. Consideration of the Scrutiny Board's work schedule and priorities for 2017/18 are presented elsewhere on the agenda; however, in anticipation of the Scrutiny Board's desire to maintain an overview of the Council's financial health, the following suite of financial reports are appended for consideration.
 - Treasury Management Outturn Report 2016/17
 - Financial Performance – Outturn Financial Year ended 31/3/17
 - Financial Health Monitoring 2017/18 – Month 2 (May 2017)
3. The above reports are due to be considered by the Executive Board at its meeting on 21 June 2017. Appropriate senior officers have been invited to the meeting to discuss the attached report and address any issues raised by the Scrutiny Board.
4. As part of the 2017/18 budget setting process – including Scrutiny's involvement and input into that process – the Scrutiny Board may again wish to consider the following resolution of Executive Board from its meeting on 8 February 2017:

(c) That the Executive Board's thanks be extended to Scrutiny Boards for their comments, and in considering the specific recommendations made:

- i) The Board agrees that, during 2017/18, there should be further review of fees and charges, including revisiting the previous report and recommendations from Scrutiny Board (Strategy and Resources) in order to help ensure that the Council maximises its income streams;*
- ii) The Board agrees that, as part of the development of the 'Leeds £' approach, there should be a review of joint funding arrangements in order to help ensure a consistent and strategic approach that is fair and equitable to all partners involved;*
- iii) The Board agrees that, where any directorate is anticipating a significant budget overspend, support be given to the need for the section 151 Officer and the relevant Director to work closely and proactively with the relevant Scrutiny Board in order to provide suitable assurance that there is robust financial risk management and transition planning in place;*
- iv) The Board agrees that for all proposed budget savings, there is a clear narrative that explains how the savings will be achieved, including (but not limited to) service redesign and service commissioning/ decommissioning;*
- v) The Board notes the comments of the Scrutiny Board (Adult Social Services, Public Health, NHS) in respect of the Adult Social Care precept and the assurances provided through the submitted report on the justification and how the additional funding will be utilised.*

Recommendations

- 4. That the Scrutiny Board considers the attached Executive Board reports and agrees any specific scrutiny actions that may be appropriate.

Background documents¹

- 5. None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.