

APPENDIX B

Budget and Performance Panel

Composition: **Nine Councillors in political balance.**

Members of the Committee shall not be members of the Cabinet.

The Chair of Budget and Performance Panel will be appointed by Council annually. Only non-cabinet members are entitled to vote for the Chair.

The Chair and Vice Chair shall not be members of the largest political group on the Council.

Terms of Reference

- 10.1 To scrutinise the Council's arrangements and performance in relation to financial planning, including budget / target setting, e.g. items within the Budget Framework including reviewing the effectiveness of the:
- (a) budget setting process;
 - (b) contents of the Medium Term Financial Strategy (MTFS);
 - (c) Capital Investment Strategy; and
 - (d) financial targets in the Council Plan.
- 10.2 To review the management of resources by scrutinising the Council's financial performance in year against agreed budgets or other targets. e.g.:
- (a) capital and revenue spending against approved budgets;
 - (b) specific activities including treasury management, generation of revenue and capital income targets; and
 - (c) monitoring of financial savings/efficiency targets (including within the MTFS).
 - (d) monitor the delivery and effectiveness of Service Level Agreement targets;
 - (e) assess performance against key performance indicators and benchmarks; and
 - (f) assess whether services are delivering their expected outcomes.
- 10.3 To review the effectiveness of the Council's overall performance management arrangements in relation to partnership working and to scrutinise the performance of the Council's major partnerships.
- 10.4 To scrutinise the Council's policies and procedures and other supporting arrangements for securing value for money (i.e. economy, efficiency, effectiveness) e.g.:
- (a) value for money strategy;
 - (b) procurement practices;

- (c) income management and collection arrangements;
- (d) asset management practices; and
- (e) insurance arrangements.

10.5 To consider risk management issues in reviewing and scrutinising performance.

10.6 To make recommendations, as appropriate, in respect of the above.

Extract from LCC constitution Part 2 – Responsibility for Function Section 5 (Pages 43 – 44)