

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)