

BUDGET EVALUATION CRITERIA - Report from Overview and Scrutiny
Committee for Performance and Resources

LEAD MEMBER: Cllr Mrs Y Clarkson, Chair

LEAD OFFICER: T Capper

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Summary: This report presents proposed revisions to the criteria used to evaluate bids during the 2007-08 budget-setting process following a review by Overview and Scrutiny.

RECOMMENDATION:	That the revised evaluation criteria are recommended to Council for approval.
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Impact on delivering the Corporate Plan: The evaluation criteria are all based on the emerging Corporate Plan for 2007-2012.

Impact on other statutory objectives: The evaluation criteria take account of statutory duties.

Financial and human resource implications: None directly of this report.

Project & Risk Management: The evaluation criteria assist the Budget Working Party to take an impartial view of diverse bids.

Key Decision Status: None directly of this report

Background

- 1.1 The budget evaluation criteria are one part of a process used by the Budget Working Party (BWP) in its annual consideration of budget bids. It allows the BWP to compare one bid with another and is particularly helpful when comparing diverse bids from different services. Other parts of the process include community consultation through the Neighbourhood Forums.
- 1.2 The existing criteria date from 2003 and it is acknowledged they are now out-of-date with the current aspirations of the Council, explaining the need for review.

- 1.3 The Overview and Scrutiny Committee for Performance and Resources (OSC PR), through its annual scrutiny of the budget process, have been supportive of the Council's budget-setting process and the role which the budget evaluation criteria play.
- 1.4 The working group of OSC PR (Cllrs A Norwood & P Watson) have been supported by the Chair and Deputy Chair, Cllrs Mrs Y Clarkson and M McVeigh, and by the Performance Improvement Manager and the Accountancy Services Manager in drawing up the proposals.

How does it work?

- 2.1 There is a first sift (the flow chart attached). Following this sift, the remaining bids are scored from 1-5 against each criteria. This score is then multiplied by the weighting allocated to that criteria. The final scores for each criteria are added together to provide an overall score.
- 2.2 While recognising that there will never be a fool-proof system and inevitably a need for interpretation, it is believed that the proposals work well. They have been tested against three budget bids before being put forward for approval.

What changes have been made?

- 3.1 The first step of the initial sift (the flow chart) is an addition to challenge people to think whether this is the most effective method of delivery. There has also been a change to the fourth step, which focuses attention on delivery of the Corporate Plan and/or efficiency savings.
- 3.2 As previously stated, the criteria have been completely revised to reflect the emerging Corporate Plan 2007-2012. While it is recognised that the plan is not yet finalised, it is felt that the use of the emerging corporate plan as a basis for the criteria is to look forward. The Corporate Plan has already been the subject of consultation with staff, Members, key stakeholders and the community.
- 3.3 The weightings also have their origin in the consultation which took place during the development of the Corporate Plan. Some minor changes have been made following further consultation with all Members and Corporate Team.
- 3.4 It should not be assumed in every instance that the suggested weightings are a rank of importance for the Council – all the criteria are important. In the context of the budget-setting process, the weightings are intended to reflect areas where the Council needs to invest more over areas where it may be delivering well/adequately or over which it has little direct control.

Recommendation

- 4.1 As stated. Overview and Scrutiny recommend these proposals as a best option for this year, although accept there may be a need for further revision next year when the Corporate Plan has been finalised.

Consultees: Corporate Team
Members

Appendices: Appendix 1
– proposed budget evaluation criteria 2007-08.