

## Appendix 14 - Report from Corporate Improvement Scrutiny Committee including Cabinet response

**Table 1.** Scrutiny recommendations and Cabinet response as agreed on 16<sup>th</sup> February 2026

i. Scrutiny Recommendation	ii. Source of recommendation (link to CISC report/ minutes)	iii. Explanatory notes provided by Cabinet Member	iv. CABINET RESPONSE (agreed by Cabinet on 16 <sup>th</sup> February 2026)	v. Name of Cabinet Member and Executive Director
Any Executive decision in relation to the Budget for the following year to be reviewed (in whatever way is deemed appropriate in consultation with the Chair and Officers) by the CISC, even in outside of the formal budget Scrutiny timeline.	<a href="#">Budget Task and Finish Group report - 04.02.26</a>	Cabinet recognises that opportunities for scrutiny in 2026/27's budget process were limited and will work with officers and CISC Members to resolve for the following year. Timescales for the 2026/27 budget process were heavily compressed due to a late start linked to the scale of the 2025/26 overspend and staffing changes in Finance. 2027/28's budget process will follow a timetable to be presented to Cabinet early in the financial year, with adequate provision made for CISC involvement.	NOTED AND AGREED	Cllr Puja Bedi Ian O'Donnell
Cabinet to further review/stress test assumptions made about the 2026/27 Budget	<a href="#">Budget Task and Finish Group report - 04.02.26</a>	<p>Assumptions were tested by EY as part of their commission to review opportunities for closing the 2026/27 budget gap. Cabinet and officers tested assumptions through a series of workshops that discussed and challenged the budget proposals. The combined effect of this led to a reduction in pressures of c.£4m over the course of the MTFS.</p> <p>Cabinet will continue to review and stress test assumptions for 2027/28 and across the MTFS.</p> <p>The budget includes provision for known demand pressures, but small changes in client numbers, particularly in Children's Social Care can have a significant impact on overall cost, which cannot be readily predicted.</p>	NOTED AND AGREED	Cllr Puja Bedi Ian O'Donnell

		<p>A level of contingency is built into the budget risk assessment to make allowance for demand growth and savings delivery risk.</p> <p>Assumptions regarding savings will also be tested when business cases for specific savings items are brought forward for approval.</p>		
<p>Prioritise the investment in IT systems that function across multiple/all directorates and that impact the whole Council</p>	<p><a href="#">Budget Task and Finish Group report - 04.02.26</a></p>	<p>The Council's budget for IT investment covers maintenance of a business-as-usual service, including network resilience and planned equipment replacement. In addition, the transformation programme funding allows for investment in IT where it is key to delivering service recovery, improvement and savings, notably in Housing systems and in cross-cutting data and automation capabilities, including targeted investment in Artificial Intelligence. Prioritising the delivery of IT investment will be a key element of the transformation programme.</p>	<p>NOTED AND AGREED</p>	<p>Cllr Puja Bedi Ian O'Donnell</p>
<p>Revert back to the management of service budgets centrally, by the Corporate team to ensure that budgets are appropriately managed and overseen</p>	<p><a href="#">Budget Task and Finish Group report - 04.02.26</a></p>	<p>Cabinet agree that budget management should continue to be strengthened and welcome the attention given to this area by CISC Members. This specific recommendation is not agreed for the following reason: Best practice dictates that budget holders should be the managers who are held accountable for delivering services. This is set out in the CIPFA FM Code of Practice for Local Government which the Council is required to adhere to. The requirement was reinforced by the SoS Directions of November 2024. The FM Code states that "Finance staff provide business partner support by interpreting and explaining performance as well as advising and supporting on key business decisions. Managers understand they are responsible for delivering services cost effectively and are held accountable for doing so. Financial literacy is diffused throughout the organisation so that decision makers understand</p>	<p>NOTED BUT NOT AGREED</p>	<p>Cllr Puja Bedi Ian O'Donnell</p>

		<p>and manage the financial implications of their decisions.”</p> <p>All budgets are managed by the appropriate service manager, subject to monthly monitoring in partnership with the finance business partners. This is done line-by-line for every cost centre (e.g. service) and account (e.g. salaries).</p> <p>There is work to do to strengthen budget management, by continuing to refine budgets and training budget managers, as well as improving tools in Unit 4, some of which were only launched in the last few months. This is embedded within the Finance Improvement Plan. Variances are reported up to DLTs and CLTs monthly and then Cabinet quarterly with remedial action taken where appropriate and possible.</p>		
Additional information provided to CISC on the financial position of SCF, and the impact that has on service delivery and the transformation programme ahead of the budget going to Council for approval		Cabinet have commenced work with officers to provide a briefing note to CISC in advance of Council.	NOTED AND AGREED	Cllr Puja Bedi Sue Butcher
That the CISC has oversight and an opportunity to review the EIA for every budget proposal ahead of going to Council for approval		<p>Not all budget proposals will require an EIA since the initial stage is a screening process to determine whether one is required. Examples that would not require an EIA include deleting unused budgets and operational efficiencies that do not impact residents or staff.</p> <p>In other cases, the EIA will accompany further decisions on the implementation of plans when they return to the decision maker. The published savings plan will include an indication of the subsequent decision maker.</p> <p>However, the budget will be accompanied by a cumulative EIA report and individual EIAs will be provided where produced.</p>	NOTED AND AGREED	Cllr Puja Bedi / Executive Director for Relevant Services