

Report for: Overview & Scrutiny Committee, 27th November 2025

Item number: 8

Title: Scrutiny of the 2026/27 Draft Budget and Medium Term Financial Strategy 2026/2031

Report authorised by: Ayshe Simsek, Democratic Services & Scrutiny Manager

Lead Officer: Dominic O'Brien, Principal Scrutiny Officer

Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** N/A

1. Describe the issue under consideration

- 1.1 To consider and comment on the Council's Draft 2026-27 Budget and 2026-2031 Medium Term Financial Strategy (MTFS) Report proposals relating to the Scrutiny Panels' and Scrutiny Committee remit.

2. Recommendations

- 2.1 That the Committee scrutinises the overall approach to the Council's Draft 2026-27 Budget and 2026-2031 Medium Term Financial Strategy (MTFS) Report.
- 2.2 That the Committee scrutinises the proposals presented in the report and appendices that relate specifically to the remit of the Overview and Scrutiny Committee (OSC) and provide recommendations to the Cabinet.

3. Background information

- 3.1 The Council's Overview and Scrutiny Procedure Rules (Constitution, Part 4, Section G) state: "The Overview and Scrutiny Committee shall undertake scrutiny of the Council's budget through a Budget Scrutiny process. The procedure by which this operates is detailed in the Protocol covering the Overview and Scrutiny Committee".
- 3.2 Also laid out in this section is that "the Chair of the Budget Scrutiny Review process will be drawn from among the opposition party Councillors sitting on the Overview and Scrutiny Committee. The Overview and Scrutiny Committee shall not be able to change the appointed Chair unless there is a vote of no confidence as outlined in Article 6.5 of the Constitution".

4. Overview and Scrutiny Protocol

- 4.1 The Overview and Scrutiny Protocol lays out the process of Budget Scrutiny and includes the following points:

- The Council's budget shall be scrutinised by both the Overview and Scrutiny Committee and each of the Scrutiny Panels. The role of the Committee shall be to scrutinise the overall budgetary position and direction of the Council and strategic issues relating to this, whilst each Scrutiny Panel will scrutinise areas that come within their terms of reference. Any individual areas of the budget that are not covered by the Panels shall be considered by the Committee.
- A lead Committee member from the largest opposition group shall be responsible for the co-ordination of the Budget Scrutiny process and recommendations made by respective Scrutiny Panels and the Committee relating to the budget
- Each Scrutiny Panel shall hold a meeting following the release of the Cabinet report on the new MTFS. The Committee will also meet to consider proposals relating to any areas within the MTFS that are not covered by individual scrutiny panels. Each Panel and the Committee shall consider the proposals in this report for their respective areas, in addition to their budget scrutiny already carried out. Relevant Cabinet Members will be expected to attend these meetings to answer questions relating to proposals affecting their portfolios as well as senior service officers. Scrutiny Panels and the Committee may also request that the Cabinet Member for Finance and/or senior officers attend these meetings to answer questions.
- The Committee will consider and make recommendations on the overall budgetary position and direction of the Council and the MTFS. Each Scrutiny Panel and the Committee shall also submit their final budget scrutiny report to the meeting for ratification, containing their recommendations/proposals in respect of the budget for the areas within their terms of reference.
- The recommendations from the Budget Scrutiny process that have been approved by the Committee shall be referred to the Cabinet. As part of the budget setting process, the Cabinet will clearly set out its response to the recommendations/proposals.

5. 2026/27 Draft Budget and MTFS 2026/31 – List of Documents

- 5.1 Document 1 is the main report to Cabinet on the 2026/27 Budget and 2026-2031 MTFS.
- 5.2 Document 2 is the Directorate Appendices which summarises new proposed savings, budget pressures and changes to the capital programme for each directorate. Within this document, the directorates are:
 - Appendix 1 – Children & Young People
 - Appendix 2 – Adults, Housing and Health
 - Appendix 3 - Environment & Resident Experience
 - Appendix 4 - Culture, Strategy & Communities
 - Appendix 5 - Finance and Resources

Appendix 6 - Corporate Budgets

- 5.3 Documents 3 to 6 are the appendices which provide more detail on specific proposals in each Directorate:
- Document 3 – Children’s Services
 - Document 4 – Adult, Housing & Health
 - Document 5 – Environment & Resident Services
 - Document 6 – Culture, Strategy & Engagement
- 5.4 Document 7 is a clarification note which provides additional information on one of the savings proposals in Document 5 (Appendix 3a.3 Optimized Environmental Enforcement).
- 5.5 Document 8 is an explanatory note on the role of Scrutiny in the budget setting process.

6. Contribution to strategic outcomes

- 6.1 The Budget Scrutiny process for 2026/27 will contribute to strategic outcomes relating to all Council priorities.

7.0 Statutory Officers comments

Finance

- 7.1 There are no financial implications arising directly from this report. Should any of the work undertaken by Overview and Scrutiny generate recommendations with financial implications then these will be highlighted at that time.

Legal

- 7.2 There are no immediate legal implications arising from this report.
- 7.3 In accordance with the Council’s Constitution (Part 4, Section G), the Overview and Scrutiny Committee should undertake scrutiny of the Council’s budget through a Budget Scrutiny process. The procedure by which this operates is detailed in the Protocol, which is outside the Council’s constitution, covering the Overview and Scrutiny Committee.

Equality

- 7.4 The draft Borough Plan sets out the Council’s overarching commitment to tackling poverty and inequality and to working towards a fairer Borough.
- 7.5 The Council is also bound by the Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
 - Advance equality of opportunity between people who share those protected characteristics and people who do not
 - Foster good relations between people who share those characteristics and people who do not.

- 7.6 The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

8. Local Government (Access to Information) Act 1985

None.