

Summary of recommendations to the executive and executive responses
Scrutiny Committee: Scrutiny Management Board 23 January 2026

Recommendation 1	The executive should conclude an exercise to identify recurrent savings for the medium-term financial strategy period by the end of September 2026.			
Executive Response	Activity planned to address the estimated funding gap in future years is identified at para 3.4 of the Medium-Term Financial Strategy (MTFS). Cabinet will work to resolve the funding gap with immediate focus from April 2026 and will continue to develop proposals to balance the 2027/28 Revenue Budget over the budget setting period to recommend a balanced budget to Council in February 2027.			
Action –	Owner	By When	Target/Success Criteria	Progress
No action required. Activity already planned.	N/A	N/A	N/A	N/A

Recommendation 2	Medium-term financial strategy risks should reflect the most current financial information known to the executive at the time of publication and should include savings known to be at risk.			
Executive Response	The Medium-Term Financial Strategy includes the risk of potential overspend and non-delivery of savings required to balance the budget and identifies the mitigations in place to manage this risk. The Draft Revenue Budget presented to Cabinet at its meeting on 23 January and 5 February includes an update on the delivery of savings at Quarter 2 of 2025/26 in paras 105 to 107. This represents the most current financial position reported to Cabinet.			
Action	Owner	By When	Target/Success Criteria	Progress
No action required.	N/A	N/A	N/A	N/A

Recommendation 3	The medium-term financial strategy should report what scenario planning has been undertaken and highlight the key sensitivities in the medium-term position.			
Response	The Medium-Term Financial Strategy includes sensitivity analysis at para 6.2 and quantifies the potential full year impact of 1% movement in assumptions for council tax, employee related costs, inflation, demand and interest on borrowing. The Strategy has been reviewed by External Audit as part of their Value for Money work and no weaknesses in arrangements for financial planning have been identified. The Budget Report notes that the MTFS will be updated to reflect the impact for the council of the multi-year Settlement and in-year funding allocations as further information is released and proposals to mitigate the funding gap are developed.			

Action	Owner	By When	Target/Success Criteria	Progress
No action required.	N/A	N/A	N/A	N/A

Recommendation 4	The executive should report separately savings, initiatives funded from reserves and grants, and planned additional income.			
Executive Response	<p>Appendix B: Savings Proposals including detailed activity plans identifies saving E3 within the Economy & Environment Proposed Savings as funded from reserves. “Reallocation of directorate reserves: to maintain expenditure for Public Rights of Way (£250k), Drainage (£445k) and Lengthsman Scheme (£250k) added to base budget in 2024/25 on receipt of additional funding at Final Local Government Settlement.”</p> <p>Following additional government funding in the 2024/25 Final Settlement, additional expenditure for Public Rights of Way (£250k), Drainage (£445k) and Lengthsman Scheme (£250k) was approved by Council. In 2025/26, the council’s funding allocation did not include these additional amounts. Despite this, Cabinet committed to maintain expenditure to support these priorities in the 2025/26 revenue budget.</p> <p>In 2026/27, it is proposed that expenditure will be maintained for a further year, funded from the reallocation of Directorate reserve balances. This is a one-off measure to support one-off expenditure in 2026/27. Commitments in future years will be subject to a growth bid as part of the budget setting process to be considered in the context of future funding and strategic priorities.</p>			
Action	Owner	By When	Target/Success Criteria	Progress
No action required.	N/A	N/A	N/A	N/A

Recommendation 5	The executive should report income and expenditure at sub-directorate level in the Directorate Budget Position Statements.			
Executive Response	<p>The Directorate Budget Statements present the gross expenditure, income and earmarked reserves by Service for 2026/27 (Appendix A included in each of the individual Appendix C Directorate Budget Position Statements). Cabinet will continue to develop the Directorate Budget Position Statements throughout 2026/27 as part of continuous improvements in the budget setting process. Revisions to the statements will be made to add value to users.</p>			

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Action	Owner	By When	Target/Success Criteria	Progress
Cabinet will review the format of Directorate Budget Position Statements for the 2027/28 budget.	Cllr Stoddart	February 2027	Updated 2027/28 Statements	