

BCP Council

Council Meeting 24 February 2026

Item: Agenda Item 8

Recommendation from the Cabinet 11 February 2026

Budget 2026/27 and Medium-Term Financial Plan

Green Group: Budget Amendment

Proposal

1. To remove the 2 Lead Member Special Responsibility Allowances (SRAs) from the 2026/27 proposed budget.
2. To establish a ring-fenced Governance and Assurance Reserve, and to allocate the resultant £35,000 annual saving to that reserve.
3. The Governance and Assurance Reserve shall be available, subject to the approval of the councils Monitoring Officer and Chief Finance Officer, and Council's Financial Regulations and appropriate committee resolution, to support the effective discharge of the Council's statutory governance and scrutiny functions, including but not limited to:
 - a. Commissioning independent reviews or investigations.
 - b. Securing external professional, legal, audit or technical advice.
 - c. Enhancing scrutiny capacity or governance assurance work.
4. Access to the reserve shall require:
 - a. A formal resolution of either the Audit & Governance Committee or an Overview and Scrutiny body; and
 - b. Approval in accordance with the Corporate Schedule of Financial Delegations and the Financial Regulations.
 - c. Approval of the Monitoring Officer and Chief Finance Officer.

Financial Implications:

5. The constitution of the council allows the Leader to appoint up to 6 Lead Members.
6. Each appointment attracts an allowance which inclusive of oncosts amounts to £14,842.
7. The proposed budget for 2026/27 has been drawn up based on the payment of 2 of the 6 Lead Member roles and an overall total cost of £35,000. The two budget roles are as follows.
 - a) Homelessness and Cost of Living
 - b) Performance
8. This amendment removes the above two roles from the budget and reallocates the £35,000 to a specific earmarked reserve.

9. The establishment and use of reserves will be managed in accordance with the Council's Financial Regulations and under the stewardship of the Chief Finance Officer pursuant to Section 151 responsibilities.

10. This proposal does not alter the overall budget requirement for 2026/27 and therefore maintains a balanced budget.

Governance Arrangements

11. The Council's Constitution provides for:

- An Audit & Governance Committee with responsibility for governance, risk, internal control and audit oversight.
- Overview and Scrutiny bodies tasked with holding decision-makers to account and undertaking commissioned work.

12. This amendment strengthens those functions by ensuring that where complex or contentious matters arise, and subject to the approval of the Monitoring Officer and Chief Finance Officer, committees within the parameters of the Governance and Assurance Reserve have access to independent expertise without reliance on the Executive for release of resources.

S25 Report of the Chief Finance Officer

13. The Council's Director of Finance has reviewed this addendum and can confirm that it complies with the Council's Financial Regulations in that it enables a balanced budget for 2026/27 still to be delivered and it has no material impact on the robustness of the budget or the adequacy of the council's reserves. That said, it should be highlighted.

- The amendment is based on the assumption that the 2 Lead Member appointments will not have a material impact on services delivering their objectives within the amount of the approved budget or the delivery of future additional MTFP savings.