Appendix 2: COSC consideration and capital governance interface

Outcome of Corporate Overview and Scrutiny Committee consideration

COSC considered the proposed model on 7 September 2026 and endorsed the overall approach with minimal amendments. Members tested the need for the additional governance structure, the Board's constitutional status and empowerment, proportionality, performance, resources, corporate prioritisation, the relationship with capital governance, trade union involvement and application of the model to schools.

The Council's response to these points is set out below:

- **Need and continuing value:** the model does not replace programme, project, service, financial or constitutional governance. It creates a corporate view of significant change, enabling collective oversight of priorities, capacity, dependencies, risks and benefits. The six-month review will test whether the separate forum continues to add sufficient value or should evolve as portfolio management matures.
- **Constitutional role and empowerment:** the Board is advisory and oversight-focused and will not approve business cases, allocate budgets, commission expenditure, direct officers or exercise delegated powers. It will nevertheless have timely portfolio information, direct challenge to SROs, formal recommendations and clear escalation routes. CMT will have authority within existing responsibilities to prioritise work and deploy corporate capacity. Formal decisions will remain with authorised bodies or officers and the Monitoring Officer will attend as adviser.
- **Proportionality:** the Board will focus on strategic oversight, assurance and challenge, not operational programme management. Existing delivery governance will remain, portfolio entry and reporting will be proportionate to significance and risk, information will be captured once and reused, and administrative burden will form part of the review.
- **Performance and value:** reporting will combine time, cost, scope, quality, risk, dependencies and capacity with financial benefits, cost avoidance, productivity, resilience, service performance and resident outcomes. The TPO will work with Corporate Performance and Finance so evidence informs priorities and realised benefits pass into business-as-usual accountability.
- **Resources and prioritisation:** approved funding will support the required portfolio, digital, data and delivery capability. CMT and the TPO will identify and develop potential priorities across all services using performance, finance, demand, risk, resident experience, workforce, digital and data evidence, rather than relying only on services to bring proposals forward.
- **Discipline in resource allocation:** initiatives may be declined, deferred, paused, re-scoped or stopped where evidence is insufficient, benefits no longer justify cost, risks increase, capacity is unavailable or a higher-value priority emerges. This is intended to prevent over-commitment and direct limited financial and staffing resources towards the strongest priorities.
- **Workforce, trade unions and schools:** programmes will engage staff and recognised trade unions early where workforce implications arise. The model will support school-related transformation where the Council has responsibilities, influence or dependencies, without altering statutory responsibilities or delegated powers of governing bodies and headteachers.

Relationship with capital governance

The core design principle is one project governance hierarchy with specialist assurance through the transformation and financial oversight routes. The two arrangements will overlap where appropriate but will not create dual ownership. For projects that are both transformational and capital-funded, there will be one SRO, one business case, one delivery plan, one risk register and one version of performance information.

Transformation governance will consider why the investment is being made, the service or organisational change required and whether intended outcomes and benefits are being realised. The Monthly Finance meeting, comprising the Leader, Cabinet Member for Finance and Transformation, Chief Executive, Section 151 Officer and members of CMT as necessary, will oversee whether the capital investment is affordable, properly funded, deliverable and controlled under the Council's financial framework. CMT will resolve conflicts and formal approvals will follow the Constitution and delegated arrangements.

Governance based on classification of projects:

1. Transformation without capital: governed through the transformation structure without routine reporting to the Monthly Finance meeting.
2. Capital without transformation: routine asset maintenance or lifecycle replacement governed through the Monthly Finance meeting.
3. Transformation with a capital component: the overall programme sits within the transformation portfolio, with the capital-funded component subject to oversight through the Monthly Finance meeting and the Council's established financial and capital controls.
4. Capital enabling wider transformation: the capital project is managed as a workstream or enabling project within the wider transformation programme.

Capital investment will not be treated as transformational solely because it involves substantial expenditure, technology, building or system replacement. It will enter the transformation portfolio where associated changes to services, operating models, processes, workforce, adoption and benefits require corporate transformation governance.