



**Hinckley & Bosworth  
Borough Council**

**FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING**

FINANCE & PERFORMANCE/  
SCRUTINY COMMISSION  
COUNCIL

7 FEBRUARY 2018

21 FEBRUARY 2018

WARDS AFFECTED:

ALL WARDS

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**MEDIUM TERM FINANCIAL STRATEGY (UPDATE) 2019/20 - 2023/24**

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**Report of Head of Finance**

1. PURPOSE OF REPORT

- 1.1 To seek Council's approval for the 2019/20 - 2023/24 Medium Term Financial Strategy (MTFS) attached to this report.
- 1.2 The MTFS has been prepared taking into account the Corporate Plan 2017 to 2021 and should be read in conjunction with the Capital Programme, General Fund and HRA budgets, which are presented separately.

2. RECOMMENDATION

- 2.1 That the Council approve the updated Medium Term Financial Strategy (MTFS) update for 2019/20 to 2023/24

3. BACKGROUND TO THE REPORT

Introduction

- 3.1 The purpose of the MTFS is to:
- Structure and manage the Council's finances to support and deliver the council's objectives set out in the adopted Corporate Plan.
  - Inform decision on expenditure and savings to sustain Council services.
  - Engage officers and members in "owning" the process by which Council finances are managed.
- 3.2 The current MTFS has been used effectively to deliver on the Council's key priorities for local residents and businesses over the past two years and this refresh aims to

ensure our corporate objectives can continue to be delivered and services that are so valued by local residents can be sustained. This current refresh builds on the position agreed in the current corporate plan period since February 2017 and 2018. The MTFS update sets out the council's financial position for the years 2019/20 to 2023/24, giving a total five-year outlook. Obviously, the further into the future predictions are made, particularly in uncertain times, means that information should be interpreted with the care. Particularly at a time of heightened uncertainty due to the baseline rest and fair funding review which will be introduced as from 2020/21, but as yet we have little in terms of definite proposals

- 3.4 It is expected that as part of the fair funding review that the baseline funding from business rates will be recalibrated, which will take effect from 2020-21, including the local business rate tier split, how much business rate growth can be retained by councils, the level of New homes Bonus and other grants.
- 3.5 This MTFS has used a partial reset for business rates due to the high level of expected resistance from councils feeding back to government on the impact of a full reset. A full reset without dampening or other support could cost the Council a further 9.8% of lost core funding, or about £0.8m to £0.9m a year in lost income.
- 3.6 No major changes were made in relation to Council Tax. However, Local Authorities will be given the powers to charge a 100% premium on empty properties. This is being reviewed and the County are encouraging all districts to move to a 100% premium. This may also aid in reducing empty properties and increase New Homes Bonus funding.
- 3.7 Looking forward there are significant pressures for 2019/20, and beyond, which are mainly caused by the:
- Lower than expected New Homes Bonus,
  - Pay increase above the expected 2% due to spinal point changes,
  - Lower than expected income from Block C at the Crescent, and
  - Increased ICT pressures.

### Summary MTFS information

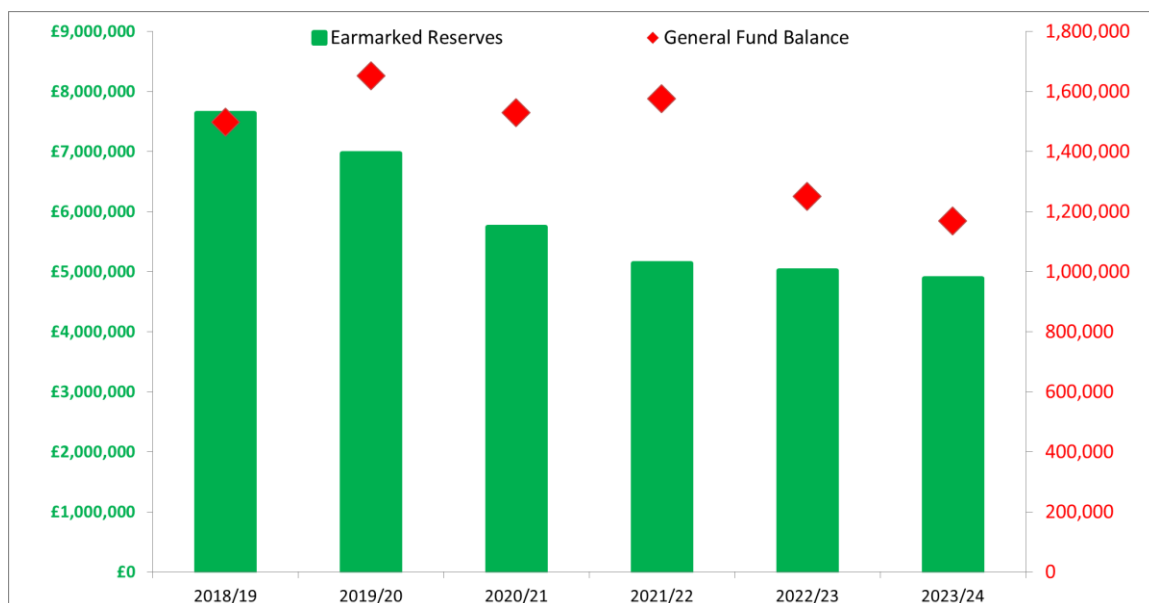
- 3.8 The MTFS update (Full details are in the attached MTFS) is one of a suite of documents, which inform the financial strategy of the Council. These include the Capital Programme, HRA Investment Strategy and Treasury Management Policy, all of which should be read in conjunction with this document. A summary of the overall MTFS excluding Special Expenses is given in the table below.
- 3.9 The table below gives a high-level overview of the expected overall net budget requirement and general fund reserve movements between 2019/20 to 2023/24.

2019/20-2023/24	2019/20	2020/21	2021/22	2022/23	2023/24
FINANCIAL FORECAST	Budget	Forecast	Forecast	Forecast	Forecast
	£	£	£	£	£
<b>Net Service Expenditure</b>	11,384,598	11,082,610	11,406,989	11,344,541	11,664,975
<b>Net Budget movements</b>	-301,988	324,379	-62,448	320,434	351,831
<b>NET Borough Budget Requirement</b>	<b>11,082,610</b>	<b>11,406,989</b>	<b>11,344,541</b>	<b>11,664,975</b>	<b>12,016,806</b>
<b>Pension adjustments</b>	<b>-327,590</b>	<b>-327,590</b>	<b>-327,590</b>	<b>-327,590</b>	<b>-327,590</b>

<b>Contribution to Reserves</b>	1,577,880	378,000	176,000	211,740	281,995
<b>Contributions from unapplied grants</b>	-158,000	-54,223	0	0	0
<b>Contribution from Reserves</b>	-1,503,399	-1,127,578	-758,120	-332,000	-411,000
<b>Contribution to/( from) Balances</b>	155,527	-122,882	46,069	-325,599	-81,633
<b>NET BUDGET/FORECAST EXPENDITURE</b>	<b>10,827,029</b>	<b>10,152,715</b>	<b>10,480,901</b>	<b>10,891,526</b>	<b>11,478,578</b>
<b>Performance against target of 15%</b>	<b>15.26%</b>	<b>15.06%</b>	<b>15.03%</b>	<b>11.47%</b>	<b>10.17%</b>
<b>15% minimum balances</b>	1,624,054	1,522,907	1,572,135	1,633,729	1,721,787
<b>General Fund (Balances)</b>	1,651,887	1,529,004	1,575,073	1,249,475	1,167,841
<b>Amount above or below minimum balance</b>	27,832	6,097	2,938	-384,254	-553,945

\* the 2018/19 year saw a restructure of the budget, which meant £0.6m of S31 business rate income was moved into sources of funding, shown separately, there was an adverse variance on planning income of £0.17m, and in one off in year supplementaries of £0.85m. This is why the year saw a large change in the net expenditure figure. All variances are reported to the Finance and Scrutiny Committee in the year.

- 3.10 It should be noted that the Council have already taken action to generate income to become more self reliant, by looking for income from other sources and it has also had to make difficult decisions in relation to the level of charges it makes. Key decisions in this area have been:
- To run with a 5% vacancy factor which saves approximately £0.6m a year,
  - To accept the government's offer to increase the Council Tax by £5 each year of the four year settlement, as the Council is in the bottom quartile of charge levied in England and Wales, and
  - Levy a £24 garden waste charge, which is subject to annual confirmation as part of setting the fees and charges of the Council, and
  - Last year's 10p increase in car parking charges.
- 3.11 Other areas include entering into agreements that have generated significant management fee income over the life of this MTFS, obtaining other commercial rents, and encouraging business to the area that has increased business rate growth. In addition, work is ongoing to establish a crematorium that will generate income, while meeting the needs of local residents.
- 3.12 In order to drive efficiency savings within the cost of supplies and services, a rate of 0% has been applied to non-contract related expenditure. As the Retail Price Index (RPI) has stood between 2-4% in year, the application of 0% represents an effective saving on running costs. The Council also run with a 5% vacancy factor with saves in the region of £0.6m. It is this level of commitment to efficiency, which means we remain in the bottom 15 out of 201 district councils for the level of council tax charged, and the lowest out of the seven Leicestershire District Councils.
- 3.13 The MTFS poses challenges that may occur if the fair funding review leads to a loss of income. The Council is in a reasonable financial position in the short term, and based on the assumptions used has sufficient reserves for the five year period of the MTFS. The table below notes the use of Earmarked reserves to support the general fund position over the life of the MTFS.



- 3.14 Other risks to the Council's funding that central government are considering are garden waste becoming a free service, and the collection of food waste being separate to general domestic waste. The Department for Environment, Food & Rural Affairs (DEFRA) is carrying out a consultation on the issue. This would remove £760,000 of income for garden waste and would cost approximately £800,00 for separate food collection. There maybe some government funding, but this is not clear from current information. There would also be about £1.2m for capital outlay to deal with food waste collection.

#### 4. **Review of the key changes of the MTFS update**

- 4.1 Table 1 below shows any surplus/deficit on the General Fund balance after applying the proposed Council's policy of holding 15% of the net budget requirement in balances at the end of each financial year. The updated MTFS gives an average of 13.4%, including 2022/23 and 2023/24, but 15.4% for the first three years prior to that.
- 4.2 Table 1 gives an overview of the general fund and earmarked reserve position expected over the life of the MTFS. The table shows that the total of all reserves are reducing over the life of the MTFS. Full details are the in the attached MTFS.

Table 1	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<b>General Fund Balance</b>	1,496,359	1,651,887	1,529,004	1,575,073	1,249,475	1,167,841
<b>Percentage of net budget</b>	<b>13.56%</b>	<b>15.26%</b>	<b>15.06%</b>	<b>15.03%</b>	<b>11.47%</b>	<b>10.17%</b>
<b>Earmarked Reserves</b>	7,643,767	6,968,248	5,743,670	5,136,550	5,016,290	4,887,285
<b>Total Reserves</b>	<b>9,140,126</b>	<b>8,620,134</b>	<b>7,272,674</b>	<b>6,711,624</b>	<b>6,265,765</b>	<b>6,055,127</b>
<b>General Fund Surplus/(Deficit)</b>	<b>-826,566</b>	<b>155,527</b>	<b>-122,882</b>	<b>46,069</b>	<b>-325,599</b>	<b>-81,633</b>

- 4.3 When interpreting the table above it should be kept in mind that this is based on a partial reset for business rates, which is not currently the governments favoured option. If a full reset is the final decision despite opposition from council there would be a significant loss to the Council's funding of potentially in the region of £0.8m-£0.9m a year, but is currently being resisted as part of the consultation exercise, and it is assumed tapering or dampening would apply.

### Changes to reserves

- 4.4 The key change underlying the reserves that support the MTFS is the increase in pressure that has been placed on the finances of the council in 2019/20 and over the MTFS period, further detail is given below at Table 4. These pressures have changed the forecast position of the Council's general fund up to 2023/24, compared to the position in the last MTFS update, mainly due to the :

- Lower rates of new homes bonus than usual (£1.2m),
- Higher costs of pay (£1.1m) due to the national settlement, in particular changes to spinal point structure has led to significant pressures. pressures from business rates retained income being lower than previously expected, but compensated for by forecasting lower levels of appeals provisions and collection fund loss.
- Income from the Crescent being lower than forecast, and
- Planning income being lower than expected for 2018/19 by £170,000. A key assumption is that it will return to the budgeted level in future.

These pressures have reduced the level of general fund balance expected, which needs support from reserves to maintain a reasonable balance.

- 4.5 Table 2 (a) and 2(b) give the earmarked reserve balances as noted in the prior MTFS approved by the Council in February 2018 compared to the updated MTFS. This demonstrates how the Council will use the earmarked revenue reserves to maintain the general fund position. If we did not have these reserves to fall on, the general fund would not be able to maintain its current forecast performance. The tables show a higher level of revenue reserves, but this is after transferring some capital reserves (£425k) to revenue reserves and including the £0.5m gain form the successful pilot bid for Leicestershire.

Table 2(a) Updated MTFS	£000 2018/19	£000 2019/20	£000 2020/21	£000 2021/22	£000 2022/23	£000 2023/24
Earmarked Revenue reserves	5,196	5,768	4,994	4,387	4,266	4,137
Earmarked Capital reserves	2,447	1,200	750	750	750	750
<b>Total</b>	<b>7,644</b>	<b>6,968</b>	<b>5,744</b>	<b>5,137</b>	<b>5,016</b>	<b>4,887</b>
<b>As a % of the 2018/19 position</b>	100%	91.2%	75.1%	67.2%	65.6%	63.9%
Table 2(b) Prior MTFS	£000 2018/19	£000 2019/20	£000 2020/21	£000 2021/22	£000 2022/23	£000 2023/24
Earmarked Revenue reserves	4,971	5,606	4,868	3,936	3,193	n/a
Earmarked Capital reserves	1,650	1,190	580	420	385	n/a

<b>Total</b>	<b>6,621</b>	<b>6,796</b>	<b>5,448</b>	<b>4,356</b>	<b>3,578</b>	<b>n/a</b>
<b>As a % of the 2018/19 position</b>	100%	102.6%	82.3%	65.8%	54.1%	n/a

- 4.6 To support the general fund position as noted in the MTFS forecast at Table 1 above, the Council is using about £1.6m of reserves, mainly from the Business Rates Equalisation Reserve between 2020/21 to 2023/24. This is possible due to strong growth in 2016/17 and 2017/18, and the decision to strengthen this reserve by £1,059,000 in 2019/20 to provide a cushion against uncertainties that may impact on the council income. The forecast use on this level of reserve indicates that a tight control on costs and seeking additional income will be needed due to the high level of uncertainty caused by the fair funding review and baseline reset of business rates. The overall reserves movements are included below (Table 3).

### Earmarked Reserves

- 4.7 The following use of reserves needs to be noted by members as they represent a set aside of general fund balances to meet future pressures and costs. No new reserves are being created in this MTFS.
- 4.8 Table 3 gives the overall transfers in and out of reserves for 2019/20 and transfers between capital and revenue transfers. The full detail is in the attached MTFS

<b>Table 3</b>	<b>2019/20 (1/4/2019)</b>	<b>Transfer out</b>	<b>Transfers in</b>	<b>Closing Balance 31/3/2020</b>
<b>Reserve movements</b>				
<b>Total</b>	7,643,767	-2,253,399	1,577,880	6,968,248

<b>Transfers between Earmarked reserves</b>	<b>Bal 1 April 2019</b>	<b>Transfers to General Fund</b>	<b>Transfers From General Fund</b>	<b>Transfers between reserves</b>	<b>Bal 31 March 2020</b>
<b>Revenue Reserves</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Business Rates Equalisation Reserve	2,205	0	634	425	3,264
<b>Capital Reserves</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Minor Capital Projects	175			-175	0
PCIF reserve	250			-250	0

- 4.9 As well as an increase in pressures, which in the short term are covered by reserves, there is still the risk that income will be lower than expected due to the baseline funding reset and fair funding review. Further details of all reserves movements are given in the MTFS attached.

### 5. Pressures in 2019/20 and over the MTFS period

- 5.1 The forecast scenario includes significant pressures and is only achievable in 2019/20 through use of reserve balances. The table below gives the overall savings and pressures included in the 2019/20 General Fund revenue budget report. More detail is given in the attached MTFS

Table 4	Pressures	Income/ Savings	Net
	£	£	£
<b>Total</b>	<b>1,057,668</b>	<b>-1,021,100</b>	<b>36,568</b>

## 6. Payroll pressures

- 6.1 The tables below gives the change in pay pressures between the current and prior year MTFS. Following further information and negotiations with unions, the second part of the national settlement has been agreed. The spinal point changes to our pay structure means that pay costs will increase at a higher rate than forecast. This puts an annual pressure of £200,000 or £1,011,129 over the MTFS period onto the Council's employee costs; £760,000 falls on the general fund and £241,000 on the HRA. Note, there is a further £35,000 (at 2019/20 costs) not included in the table below of payroll pressures budgeted for in relation to posts about to be filled, but who have not yet been appointed. Including pay inflation this will add a further £0.2 to the five year costs total.

Table 5, payroll pressures	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Updated MTFS	£m	£m	£m	£m	£m	£m
Capital	0.21	0.21	0.22	0.22	0.23	1.09
GF	10.57	10.89	11.22	11.49	11.72	55.88
HRA	1.77	1.83	1.88	1.94	1.97	9.39
<b>Total</b>	<b>12.54</b>	<b>12.93</b>	<b>13.32</b>	<b>13.65</b>	<b>13.92</b>	<b>66.36</b>
Prior MTFS	£m	£m	£m	£m	£m	£m
Capital	0.21	0.21	0.22	0.22	0.22	1.08
General	10.57	10.81	11.03	11.25	11.47	55.13
HRA	1.74	1.79	1.83	1.87	1.91	9.14
<b>Total</b>	<b>12.52</b>	<b>12.81</b>	<b>13.08</b>	<b>13.34</b>	<b>13.60</b>	<b>65.35</b>
Net increase/ <b>Decrease</b>	<b>0.02</b>	<b>0.12</b>	<b>0.24</b>	<b>0.31</b>	<b>0.32</b>	<b>1.01</b>

## The Local Development Plan (LDP)

- 6.2 The table below gives the comparisons of the updated MTFS and prior year MTFS position on the LDP. I have added the Strategic Growth plan (SGP) costs in to this table as well as the LDP reserve being used to fund that cost. The first three years, 2018/19 to 2020/21 have been costed, but the following years are based on an average prediction, as there is likely to be ongoing LDP costs. If the assumptions are reasonable, this indicated that there are sufficient reserves to fund our ongoing LDP.

Table 5 (a),	2019-20	2020-21	2021-22	2022-23	2023-24	Total
LDP	£	£	£	£	£	£
Updated MTFS	200,000	339,000	75,292	75,292	75,292	764,875
Prior MTFS	84,000	268,000	100,000	100,000	100,000	652,000
<b>LDP Net increase/Decrease</b>	<b>116,000</b>	<b>71,000</b>	<b>-24,708</b>	<b>-24,708</b>	<b>-24,708</b>	<b>112,875</b>
SGP	20,000	34,650	23580			
<b>Total pressure</b>	<b>136,000</b>	<b>105,650</b>	<b>-1,128</b>	<b>-24,708</b>	<b>-24,708</b>	<b>191,105</b>



## Other pressures over £50,000

6.3 The other pressures over £50,000 are:

- £85,000 the cost of elections in 2019/20, which is covered by a reserve
- £58,875 of Flexible Homeless Grant –Expenditure, which covers homelessness officers, currently grant funded, but as grant carried forward the growth is needed in 2019/20 to spend the carry forward
- £35,000 other payroll pressures for a monitoring officer in planning.

## 7. Savings and income growth in 2019/20 and over the MTFS period

7.1 The table below gives the larger items that are included in the base budget as annual saving or income targets currently rolled forward that are built into the overall budget for the MTFS to 2023/24.

<b>Table 6</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
Capital Financing	29,780	29,780	29,780	29,780	29,780	148,900
Development control	170,000	170,000	170,000	170,000	170,000	850,000
Fees and Charges	78,596	80,482	82,413	78,600	80,480	400,571
Legal cost	50,000	50,000	50,000	50,000	50,000	250,000
Training	25,000	20,000	0	0	0	45,000
<b>Total</b>	<b>353,376</b>	<b>350,262</b>	<b>332,193</b>	<b>328,380</b>	<b>330,260</b>	<b>1,694,471</b>

7.2 The MTFS has been updated to reflect the decision by members to sell Block C and use the capital receipt to support the building of the crematorium investment. The table below summarises the changes made.

<b>Table 7</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>Total</b>
<b>Updated MTFS</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Crematorium	0	377,272	394,379	412,253	430,929	1,614,833
Block C (net )*	100,810	0	0	0	0	100,810
<b>Total</b>	<b>100,810</b>	<b>377,272</b>	<b>394,379</b>	<b>412,253</b>	<b>430,929</b>	<b>1,715,643</b>
<b>Prior MTFS</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Crematorium	63,266	79,641	96,749	114,622	133,299	487,577
Block C (net)	186,502	186,502	186,502	186,502	186,502	932,510
<b>Total</b>	<b>249,768</b>	<b>266,143</b>	<b>283,251</b>	<b>301,124</b>	<b>319,801</b>	<b>1,420,087</b>
Net						
increase/Decrease	<b>-148,958</b>	111,129	111,128	111,129	111,128	295,556

*\* Note 2019/20 is low for the current MTFS as assumed year of disposal, 2018/19 net position would have been £186,502*

## 8. Local Government funding - Fair Funding review

8.1 Funding baselines for local authorities, as determined by the local government finance settlement, are based on an assessment of local authorities' relative needs and resources. The Government has recently announced some generalised information regarding the shape of its Fair Funding Review and the date for implementation which is now expected in 2020-21. The details of how this will be



implemented and its affects are not due until December 2019. The review determines the starting position of funding for local authorities based on an assessment of the relative level of needs and resources of all councils across England. The outcome of the review will determine the level of business rate tariffs and levies chargeable against locally collected business rate income, and the level of income that can be retained by local authorities.

- 8.2 The proposals in the consultation do allow for transitional arrangements (or damping) which will be something of a relief for local government as a whole. The Government's intention appears to be that damping should encompass all the changes in funding in 2020-21, including the business rate baseline reset.

## **9. Local Governing Funding allocations (Core funding) 2019/20**

- 9.1 Each year the council receives a significant amount of financial support from central government in the form of grants and allocations. The Table below gives a summary of the forecast funding. There is still uncertainty over the future of NHB, fair funding review and what the review of business rates funding will do. Therefore, there is a risk that the higher income level post 2020/21 will not be realised. The MTFS assumes a partial reset for the business rates baseline for 2020/21, a full reset would considerably reduce this source of income, by about a further £0.8m a year.

- 9.2 In the two years before 2018/19 HBBC have done well, mainly from higher than anticipated retained growth from business rates, coupled with higher levels of Section 31 grant to cover reliefs given. Table 8 below gives the prior MTFS period compared to the updated MTFS for the same period. This indicates the Council is £0.5m better off over the period to 2022/23 in comparison to the last MTFS. However, this includes:
- the £0.5m pilot bid gain, and
  - half the level of funding for the local business rate pool, which would cost £1.5m if a 50% levy as opposed to a 25% levy was retained. .

The final decision on the how local pools will be funded under the revised business rate scheme has not yet been decided. The Table below give the overall forecast position.

<b>Table8</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Total</b>	<b>2023-24</b>
<b>Updated MTFS</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Council Tax	4,365	4,591	4,830	5,081	18,867	5,345
NNDR	3,933	3,800	3,882	3,967	15,582	4,053
NNDR pilot bid share	500	0	0	0	500	0
Collection fund loss/Surplus	-243	-179	-179	-179	-781	-179
New Homes Bonus	2,272	1,941	1,948	2,023	8,184	2,260
Revenue Support Grant	0	0	0	0	0	0
<b>Total</b>	<b>10,827</b>	<b>10,153</b>	<b>10,481</b>	<b>10,892</b>	<b>42,352</b>	<b>11,479</b>
<b>Prior MTFS</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Council Tax	4,359	4,584	4,778	4,972	18,694	n/a
NNDR	3,712	3,666	3,754	3,848	14,980	n/a
New Homes Bonus	2,696	2,220	2,020	1,908	8,844	n/a
Collection fund loss/Surplus	-229	-169	-169	-169	-737	n/a

Revenue Support Grant	80	0	0	0	80	n/a
<b>Total</b>	<b>10,618</b>	<b>10,301</b>	<b>10,382</b>	<b>10,559</b>	<b>41,860</b>	<b>n/a</b>
<b>Difference</b>	<b>209</b>	<b>-148</b>	<b>99</b>	<b>333</b>	<b>492</b>	<b>n/a</b>

9.3 Each of these funding areas and the potential risks to them are covered in detail in the attached MTFS.

10. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

10.1 Report to be taken in open session

11. FINANCIAL IMPLICATIONS [AW]

11.1 Contained in the body of the report.

12. LEGAL IMPLICATIONS [MR]

12.1 The MTFS provides the foundations to allow the Council to meet its statutory obligations in accordance with Section 32 of the Local Government Finance Act 1992 and section 25 of the Local Government Act 2003. The Council has a statutory requirement to set a budget for each financial year and approve the MTFS, including a three year capital programme.

13. CORPORATE PLAN IMPLICATIONS

13.1 A robust MTFS is required to ensure that resources are effectively allocated in order to ensure delivery of all of the aims, outcomes and targets included in the Council's Corporate Plan.

14. CONSULTATION

14.1 All members of the Strategic Leadership Team have been consulted in preparing this Strategy.

15. RISK IMPLICATIONS

15.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

15.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

15.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
That the Council has insufficient resources to meet	A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation.	A Wilson

its aspirations and cannot set a balanced budget	<p>The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance.</p> <p>Sufficient levels of reserves and balances have been maintained to ensure financial resilience</p>	
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## 16. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

- 16.1 The budget process will impact on all areas of the Borough and all groups within the population.

## 17. CORPORATE IMPLICATIONS

- 17.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

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Background papers: Corporate Plan 2017 to 2021, Capital Programme, General Fund and HRA budgets and Treasury report

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