

FINANCIAL PROSPECTS AND BUDGET STRATEGY 2022/23 AND BEYOND

Cabinet - 16 September 2021

Report of: Deputy Chief Executive and Chief Officer - Finance and Trading

Status: For Decision

Also considered by:

- Finance & Investment Advisory Committee - 7 September 2021

Key Decision: No

Executive Summary:

This Financial Prospects Report is the first report of the Council's budget setting process for 2022/23 onwards. It sets out the financial pressures the Council is likely to face in the coming years and suggests an appropriate strategy, utilising the 10-year budget framework first adopted in 2011/12, to ensure the Council remains financially stable over the long term.

Informed by the latest information from Government and discussions with the Portfolio Holder, the report proposes that the Council continues to set a revenue budget that assumes no direct funding from Government through the Revenue Support Grant or New Homes Bonus. This will result in the Council continuing to be financially self-sufficient.

To achieve this aim and to ensure a balanced budget position over the next 10-year period will continue to be challenging largely due to the uncertainties and ongoing financial impacts of the Covid-19 pandemic.

The budget process will be the same as two years ago as opposed to the shortened process last year. However, we are looking to shorten the process in future years to run from November to February, but this will require changes to the committee meetings schedule.

No changes have been made to the assumptions at the stage, so the annual budget gap included in this report is £100,000 which relates to the annual savings target. However, it is expected that the gap will increase due to the impacts of homelessness, ongoing Covid-19 impacts and inflationary pressures. Growth and savings proposals will be presented to the Advisory Committees and Cabinet, and their recommendations will be considered as part of the process to remove this gap.

By continuing to address these issues, this Council will once again be in a strong financial position that other councils would aspire to.

Portfolio Holder: Cllr. Matthew Dickins

Contact Officer(s): Adrian Rowbotham, Ext. 7153

Alan Mitchell, Ext 7483

Recommendation to Finance and Investment Advisory Committee:

Advise Cabinet with views on the ten-year financial planning approach and principles set out in the report.

Recommendation to Cabinet:

- (a) That subject to the views of the Finance and Investment Advisory Committee, endorse the ten-year financial planning approach, financial strategy and principles set out in this report;
- (b) request Advisory Committees to review the Service Dashboards and advise Cabinet of possible growth and savings options;
- (c) request officers to continue to review the assumptions in this report and consider options to address the budget gap and report back to Cabinet on 9 December 2021.

Introduction and Background

- 1 The Council's financial strategy over the past seventeen years has worked towards increasing financial sustainability and it has been successful through the use of a number of strategies including:
 - implementing efficiency initiatives.
 - significantly reducing the back-office function.
 - improved value for money.
 - maximising external income.
 - the movement of resources away from low priority services.
 - an emphasis on statutory rather than non-statutory services.
- 2 Over this period, the Council has focused on delivering high quality services based on Members' priorities and consultation with residents and stakeholders.
- 3 Using the data sources available to the Council, this report sets out a budget over the 10-year period but recognises that it is likely that more accurate data will become available in future months and current assumptions may need to be updated.

- 4 In setting its budget for 2011/12 onwards, the Council recognised the need to address both the short-term reduction in Government funding as well as the longer-term need to reduce its reliance on reserves. The outcome was a 10-year budget, together with a four-year savings plan, that ensured the Council's finances were placed on a stable footing but that also allowed for flexibility between budget years.
- 5 With the Revenue Support Grant provided by Government ceasing from 2017/18 it is important that the council remains financially self-sufficient by having a financial strategy that is focused on local solutions. These solutions include:
 - continuing to deliver financial savings and service efficiencies.
 - growing the council tax base.
 - generating more income.
- 6 The intention of this report is to enable Members to give consideration to the pressures likely to be faced by the Council and put in place a long-term solution that ensures service reductions are minimised. This report sets out the high-level approach and principles but later reports in the budget setting process will provide further details to assist in balancing the budget.

Financial Self-Sufficiency

- 7 The Council's Corporate Plan 2013-2018 set out an ambition for the Council to become financially self-sufficient which was achieved in 2016/17. The current Council Plan aims to continue with this approach. This means that the Council no longer requires direct funding from Government, through Revenue Support Grant or New Homes Bonus, to deliver its services.
- 8 This approach was adopted in response to the financial challenges the Country was faced with in bringing its public spending down to ensure it was able to live within its means. In practice this has seen Government funding to local authorities dramatically reduced since 2010/11 with Sevenoaks District Council receiving no Revenue Support Grant from 2017/18.
- 9 The decision to become financially self-sufficient is intended to give the Council greater control over its services, reducing the potential for decision making to be influenced by the level of funding provided by government to local authorities.
- 10 The Council's decision to seek to become financially self-sufficient was subject to scrutiny by the Local Government Association's Peer Challenge of the District Council during December 2013. In their closing letter to the Council, they concluded that they 'fully support that aspiration and given the existing and anticipated squeeze upon public finances this makes much sense'.
- 11 With the Council receiving no Revenue Support Grant from 2017/18 and New Homes Bonus reducing from 2018/19, this approach remains appropriate.

The attached 10-year budget assumes no Revenue Support Grant or New Homes Bonus. Any funding received from these sources will be put into the Financial Plan Reserve which can be used to support the 10-year budget by funding invest to save initiatives and support for the Property Investment Strategy. One of the aims of the Property Investment Strategy is to achieve an income yield of 3%+ above the Council's average treasury management return (currently 0.1%) when not borrowing or internally borrowing, and 3%+ above the borrowing rate (currently 1.7% for 30 years) when externally borrowing, based on an average over ten years. Therefore, using funding for this purpose will result in additional year on year income that is not impacted by Government decisions.

- 12 Cabinet are keen to remain financially self-sufficient which has served the Council well and ensured it is one of the most financially stable local authorities in the country. In the 2020/21 budget, a new target was set to replace reliance on Business Rates income over the coming years. However, due to the impact of Covid-19 and the greater uncertainty as Government reviews have been deferred, this was not addressed during the 2021/22 budget process but remains a future aim. This ambition will allow this Council to move ahead in the knowledge that this council has the financial resources to provide the services that the district's residents need into the future.

Financial Pressures 2022/23 to 2031/32

Overall Summary

- 13 The Covid-19 pandemic raised a new level of financial impacts that could not reasonably have been foreseen and were not previously considered before setting the last 10-year budget. Estimated impacts were included in the 10-year budget approved by Council in February, but these will be reviewed as part of this budget process together with any potential impacts that had not previously been considered.
- 14 In addition to the need to make financial savings from April 2022, the Council will have to continue to progress its savings plan and maintain tight control over net expenditure in order to deliver its 10-year budget.
- 15 The 10-year budget set out in **Appendix B** has been updated from the version agreed by Council on 23 February 2021 to roll on one year.
- 16 No changes to assumptions have been made at this stage so the annual budget gap is currently £100,000 which relates to the annual savings target. However, it is expected that the gap will increase due to the impacts of homelessness, ongoing Covid-19 impacts and inflationary pressures. Options to address this gap will be presented as Service Change Impact Assessments (SCIAs) to each of the Advisory Committees and also in the Budget Update report to Cabinet on 9 December 2021.
- 17 Looking at expenditure, inflation is running at 2.0% for CPI and 3.8% for RPI (as at July 2021).

- 18 The timing of the next Government Comprehensive Spending Review and the results of any reviews on Local Government funding remain unknown. All of these events may have a financial impact on this council and officers will update the 10-year budget when announcements are made.
- 19 The Government are expected to present the next Spending Review in October which will lead on to the Provisional Local Government Finance Settlement for 2022/23. Based on previous years this is likely to be announced in December, but it is not expected to have a significant impact on this council's budget.
- 20 The paragraphs that follow set out the position in more detail and assess the impact on the current 10-year budget.

Covid-19 Financial Impact

- 21 The Covid-19 financial impact has been included in the 2021/22 budget reports as well as the Financial Monitoring reports regularly presented to FIAC and Cabinet.
- 22 There are a number of specific Covid-19 financial impacts that were included in the 10-year budget approved by Council in February. Further details are below, and they will continue to be reviewed during the budget process:
- 23 ***Council Tax Collection Fund deficit in 2020/21*** - any deficit is normally recovered in the following year, but the Government announced that any deficit in 2020/21 can be spread over the following three years instead.
- 24 ***Council Tax Collection rate reductions 2021/22 and 2022/23*** - the previous collection rate assumption for all years was 99.4%. The assumptions for 2021/22 and 2022/23 reduced to 98.4%.
- 25 ***Reduced income: Car Parking*** - it is currently forecast that car parking income will be 25% below budgeted levels in 2021/22 with the position improving by 5% each year.
- 26 ***Covid-secure workplace*** - increased cleaning of offices and vehicles as well as providing additional PPE, has been required to ensure the Council has a Covid-secure workplace. It is expected that this will continue to a certain extent going forward to ensure that the council supports the staff to carry out their duties.
- 27 ***IT costs relating to working from home and new starters*** - to maintain a Covid-secure workplace the capacity of the Councils offices has been reduced and will continue to be reviewed. It is expected that there will be a hybrid system in future, where staff split their time to work from home and in the office.

Income

- 28 Each year in the 10-year budget there is about a £4m difference between net service expenditure and Council Tax revenue. While it is reasonable to assume that inflation rates for these two items will generally be similar, inflationary changes of the items which we rely on to meet the difference may vary. In particular the council's receipts from Business Rates could be very variable. Members should be aware that significant changes to income assumptions may result in higher levels of savings being required.
- 29 **Government Support: Revenue Support Grant (RSG)** (nil received in 2021/22) - This formula-based grant has significantly reduced since 2010/11 as the emphasis of Government Support has changed, in fact this council received no RSG in 2017/18 and is not expected to receive any in future years. The attached 10-year budget assumes no RSG, if any amounts are received in future years, they will be put into the Financial Plan Reserve to support the 10-year budget including 'invest to save' initiatives and support for the Property Investment Strategy.
- 30 Negative RSG (i.e. where council's pay government) has previously been proposed by government. It has not been implemented but remains a threat going forward.
- 31 Local Government Funding reform was due to take place in 2019/20 but has been delayed for a number of reasons and is not now expected until 2023/24.
- 32 Two one-off grants were included in the 2021/22 Local Government Finance Settlement. These were a Lower Tier Services Grant (£98,000), to ensure that no authority had a total Core Spending Power less than in 2020/21; and a Local Council Tax Support Grant (£245,000), in recognition of the increased costs of providing Local Council Tax Support following the pandemic. Neither of these grants are expected to continue in 2022/23.
- 33 **New Homes Bonus (NHB)** (£1.16m received in 2021/22 but not used to fund the revenue budget) - the Government started this new funding stream in 2011/12 from funds top sliced from RSG with the intention that local authorities would be rewarded for new homes being built over a six-year period. The basis of NHB was changed with effect from 2017/18. Previously it was based on cumulative figures for 6 years, but this was reduced to 5 years from 2017/18 and 4 years from 2018/19. In addition, NHB is only received on tax base growth above 0.4% instead of on all growth (known as the deadweight).
- 34 The Government carried out a NHB consultation during 2021 on the future of the schemes considering a wide range of options with the intention that a new scheme would be in place for 2022/23. Details of the new scheme are awaited.
- 35 **Council Tax** (£11.4m) - The Government referendum limit for 2021/22 was an increase of 2% or £5 for a Band D property (2.3% for SDC), if higher.

Council agreed to increase Council Tax by 2.3% with the excess above 2% put into the 'Net Zero Transition Fund'.

36 The referendum limit for 2022/23 is not yet known and is expected to be announced in December. The assumption currently included in the 10-year budget is a 2% increase in all years.

37 If the same referendum limits are set for 2022/23, the following increase would be possible:

2022/23 Council Tax	Current Assumption	Potential Assumption
% increase	2.00%	2.2%
£ increase (Band D pa)	£4.50	£4.95
£ (Band D pa)	£229.41	£229.86

38 Due to the uncertainty of future Council Tax increase referendum limits, if maximum increases are not taken there will be an ongoing detrimental impact on the ability to increase Council Tax in future years.

39 The tax base increases each year due to the general increase in the number of residential properties and future developments as well as the continuing change in the number of Council Tax discounts awarded. The assumption going forward is an increase of 730 Band D equivalent properties per annum from 2022/23, 580 per annum from 2025/26 and 480 per annum from 2027/28. The increased tax base results in additional Council Tax income which is assumed to be greater than the incremental cost of servicing the additional properties although it should be recognised that there are likely to be step changes in costs for some services in the future such as refuse collection. The Local Plan will also affect future tax base assumptions.

40 **Business Rates Retention** (£2.2m) - The basis for allocating Government Support from 2013/14 changed to the Business Rates Retention Scheme. This scheme initially allows billing authorities, such as this council, to keep 40% of Business Rates received. However, tariffs and top ups are applied to ensure that the funding received by each local authority is not significantly different to pre 2013/14 amounts.

41 A Business Rates Pool operates in Kent and Medway which generally results in councils retaining more Business Rates than if they were not in the pool. This council and Dover Borough Council were not part of the pool in previous years, but it has been agreed that Sevenoaks and Dover will benefit as if they were in the pool going forward. It is not yet known if the Government will allow Business Rates Pools to operate in 2022/23.

42 Due to the uncertain impact of Covid-19 on local businesses, the large number of business rates appeals being outstanding with the Valuation Office Agency (VOA) and the limited opportunities to increase the number of

businesses in the district, the assumption in the 10-year budget remains at the safety-net level, which is the amount of business rates the council is assured of retaining in the current scheme if it were not in a pool.

- 43 Any increased Business Rates retained in 2021/22 due to being in the Kent and Medway Pool will be transferred to the Budget Stabilisation Reserve.
- 44 As the difference between Business Rates baseline and actual Business Rates collected diverges over time, a 'reset' is required after a period, to more closely align these. When Business Rates Retention was introduced in 2013/14, it was indicated that there would be a reset in 2020 however, this has been delayed three times and it is now expected to slip to 2023/24.
- 45 A reset could significantly alter the distribution of Business Rates and it is hoped that transitional arrangements would be included so that any financial impact is minimised in the short term but there remains a risk that this council may no longer retain any Business Rates in the future. This would result in a funding gap that would need to be replaced by additional income or further savings.
- 46 **Interest receipts** (£0.2m) - returns are continuing to be significantly lower than they were a few years ago due to low interest rates, reduced balances and the Council's Investment Strategy taking a low-risk approach.
- 47 Although investments with external bodies continue to be low, it should be noted that funds lent to Quercus 7 are at rates of over 4.5%. However, this income is reported under Property Investment Strategy income rather than Interest Receipts.
- 48 **Property Investment Strategy** - The strategy was approved by Council on 22 July 2014 with the intention of building on an approach of property-based investment in order to deliver increased revenue income. This was set against a background of reducing Government Support and continued low rates of return through existing treasury management arrangements.
- 49 Six assets have been purchased or built to date, including the Sennocke Hotel, at a cost of £25m. The annual income yields for completed schemes range from 5.9% to 9.6%.
- 50 A total of £50m has been approved by Council to be spent on the Property Investment Strategy. As well as the £25m above, £10m has been spent by Quercus 7 Ltd on five assets resulting in £15m of the approved amount remaining.

Property Investment Strategy income assumptions in the 10-year budget are as follows:

2022/23	£1.508m
2023/24 - 2025/26	£1.558m per annum
2026/27 - 2028/29	£1.655m per annum

2029/30 - 2030/31 £1.696m per annum

- 51 Members should be aware that the Government and CIPFA are continuing to implement ways to limit Council's ability to make commercial property investments. This is currently limiting and may even stop Council's ability to borrow for investments made purely for yield which is what the Property Investment Strategy has been set up to do.
- 52 A Property Investment Strategy Update report will be produced later in the budget cycle.
- 53 **Variable fees and charges** - The Council receives income in fees and charges from a number of sources.
- 54 The assumption is currently for a 2.5% increase for all years except for off-street car parking which is 3.5% for five years (2019/20 - 2023/24). The additional 1% for car parking is one of the funding streams for the development of Sevenoaks Town (formerly Buckhurst 2) Car Park as agreed by Council on 22 November 2016.
- 55 It should also be noted that the car parking income budget for 2021/22 was not increased and it was agreed that the assumed inflation would be deferred until the following year.
- 56 Car parking income is expected to continue to be adversely affected by the impacts of the Covid-19 pandemic. Lower usage assumptions are currently included and will continue to be reviewed.
- 57 **External Funding** - the Council has been very successful in securing external funding across a range of services, based on it delivering a wide range of innovative services to local residents, often in partnership with other agencies. The Council's officers continue to seek new opportunities for funding. As financial constraints are put on public services the funding available from health and other public bodies may reduce.
- 58 **Shared working** - Various services have included savings from shared working in recent years budgets. The Council successfully works in partnership with other authorities in a number of areas, including Revenues, Benefits, Internal Audit, Counter Fraud, Finance, Licensing, Civil Enforcement (Parking) and CCTV.
- 59 The largest savings were achieved when each shared service started, some of which were in 2010. The viability of continuing to share these services is reviewed on a regular basis to ensure that this Council receives value for money and the service standards it requires.
- 60 **Use of reserves** - One of the principles of the Financial Strategy is to make more effective use of the remaining earmarked reserves. When this strategy was first used in 2011/12, it was agreed that the remaining balances in the Asset Maintenance and Superannuation Fund Deficit Reserves

would be moved to a new Financial Plan Reserve and used over the initial 10-year budget period. The Budget Stabilisation Reserve was also set up at the same time to manage the fluctuations between years to ensure that an overall balanced budget remained for the 10-year period. This reserve has been increased by surpluses achieved on the revenue budget in recent years.

- 61 A review of the reserves held is carried out each year as part of the budget process and that will take place again this year.
- 62 When the budget is set, the balance in the Budget Stabilisation Reserve must be sufficient to support the 10-year budget.

Expenditure

- 63 **Pay** costs total £17m. Discussions between the National Employers for Local Government Services and the unions regarding the national pay award for 2021/22 are ongoing. The latest offer is a 1.75% increase which is 0.25% below the 2% assumption included in the budget approved by Council in February. However, the unions have not accepted this offer. Discussions regarding the pay award for 2022/23 have not yet commenced.
- 64 The assumption in the attached 10-year budget is a 2% increase in all years.
- 65 Members previously agreed that a budget would be set aside to address the Council's recruitment and retention difficulties and challenges going forward. This remains in place and will be used as required.
- 66 **Superannuation fund** - the last pension fund triennial valuation, which was the fourth by the actuaries Barnett Waddingham, took place in November 2019.
- 67 The funding level has increased from 75.5% to 86.6% since the previous valuation in 2016 and the deficit recovery period for the fund has reduced from 17 years to 13 years. The 10-year budget includes the contribution amounts set by the actuaries for 2020/21 to 2022/23 and includes an additional £100,000 from 2023/24 when the next triennial valuation will come into effect.
- 68 **Non-pay costs** - the budget assumes non-pay costs will increase by an average of 2.25% in all years. In practice, items such as rates and energy costs often rise at a higher rate, so other non-pay items have been allowed a much lower inflation increase. Inflation is currently at 2.0% for CPI and 3.8% for RPI (as at July 2021).
- 69 **Asset Maintenance** - Any asset maintenance expenditure is funded by the revenue budget each year. Asset maintenance expenditure can fluctuate as the demand for programmed and ad hoc work varies across sites. A detailed review of the asset maintenance requirements for council owned properties was carried out in 2018/19. The asset maintenance budgets were reviewed again last year which resulted in the average yearly liability covered by the

budget being 64%. Asset maintenance budgets will be reviewed again as part of this budget cycle.

- 70 **Annual Savings** - an annual Net Savings/Additional Income assumption of £100,000 is included for all years in the 10-year budget.
- 71 **Unavoidable service pressures** - One of the lessons to be learnt from previous financial strategies is that there is always a likelihood of unavoidable service pressures and there needs to be a clear strategy for dealing with these. The model does not allow for unavoidable service pressures that could be significant. These will be identified in the Service Change Impact Assessments (SCIAs) that will be reported to the Advisory Committees.
- 72 These additional service pressures will, where possible, be absorbed within existing budgets. However, there is some likelihood that some pressures will be difficult to absorb, and Members will need to give these consideration as part of the budget process. However, it should be recognised that by having a 10-year budget there is greater scope to deal with these pressures and therefore have less impact on current services whereas other councils who only have single year budgets would have to make larger immediate savings.
- 73 **Progress on the savings plan** - 2022/23 will be the twelfth year of using the 10-year budget. During this period, 189 savings/additional income items have been identified totalling £7.7m. The majority of these savings/additional income items have already been achieved and Portfolio Holders, Chief Officers, Heads of Service and Service Managers have worked closely to deliver these savings.
- 74 **Changes since the 10-year budget started** - The table below shows how the Net Service Expenditure has changed since 2010/11. This shows that the budget has reduced by £4m (24%) in real terms.

Net Service Expenditure	£000
2010/11 (budget)	16,711
2021/22 (2010/11 budget +2% inflation per year)	20,778
2021/22 (budget)	16,783
Difference	3,995

Current 10-year budget position

- 75 The 10-year budget set out in **Appendix B** has been updated from the version agreed by Council on 23 February 2021 by rolling it forward one year
- 76 No changes to assumptions have been made at this stage so the annual budget gap is currently £100,000 which relates to the annual savings target. However, it is expected that the gap will increase due to the impacts of homelessness, ongoing Covid-19 impacts and inflationary pressures.
- 77 Options to remove this gap will be presented as SCIAs to the Advisory Committees and also in the Budget Update report to Cabinet on 9 December 2021.
- 78 The options are likely to cover a number of areas including:
- Service efficiencies
 - Additional income
 - Re-prioritisation of reserves
- 79 When looking at prospects for year 11 onwards, there is still likely to be a need to take further actions as these years come into the rolling 10-year period.

Proposed Financial Strategy

- 80 The proposed Financial Strategy is set out in **Appendix C**.
- 81 In order to maintain a viable Council that continues to deliver on its main priorities and the services it provides to its residents, the Council aims to continue to adopt a Financial Strategy that embraces the following principles:
- Remain financially self-sufficient.
 - Be clear about the Council's future financial prospects, with a ten-year budget as an integral part.
 - Ensure a strategic approach is taken to the management of the Council's finances, Council Tax, and budget setting.
 - Make effective use of reserves and capital receipts.
 - Manage our money carefully, monitor monthly and constantly strive for better value from our spending.
- 82 It is recommended that this strategy be adopted.

Process and timetable

- 83 Members will note from the timetable set out in **Appendix A** that this report is being considered by the Finance and Investment Advisory Committee on 7

September 2021 and any comments will be considered along with this report at Cabinet on 16 September 2021.

- 84 All Advisory Committees will be presented with their Service Dashboards and Service Change Impact Assessments (SCIAs) between September and November when they will be asked for their views on growth and savings proposals for their areas. This part of the process ensures that all members have a role to play in the Governance of the council and the budget decision making process.
- 85 A Budget Update report will be presented to Cabinet on 9 December 2021 to provide details of progress made before the Budget Setting report is presented to Cabinet on 10 February 2022.
- 86 Members will recognise that this is the same budget process as two years ago as opposed to the shortened process used last year. However, we are looking to shorten the process in future years to run from November to February, but this will require significant changes to the committee meetings schedule.
- 87 Training sessions on the budget process were provided to Members in 2019. If Members require any further training or have any questions about the process, they are asked to contact Adrian Rowbotham or Alan Mitchell.

Review of the 10-year Budget Process

- 88 An audit of the 10-year budget process has recently been completed by Mazars (working for Internal Audit) and their findings were that the Council has adequate, effective and reliable controls in place over budget setting and long-term financial planning

Key Implications

Financial

All financial implications are covered elsewhere in this report.

Legal Implications and Risk Assessment Statement.

It is a requirement for the Council to set a balanced budget, failure to be able to do so could result in a S.114 notice being issued by the S.151 Officer. There is currently no expectation that the Council would be required to be in that position. Our 10-year budget approach provides adequate flexibility to manage the unprecedented financial shock of Covid-19, subject to sufficient savings being identified and implemented, and the ongoing effective and prudent management of the Council's finances.

An effective integrated policy and priority driven long-term financial and business planning process is required for the Council to deliver on its priorities and maintain a sustainable budget. It is also essential that continuous improvements are identified and implemented in order to take account of the changing climate within which the Council operates and to meet the expectations of both Government and the public on the quality of service demanded from this Council.

The risks associated with the 10-year budget approach include uncertainty around the level of shortfall and the timing of key announcements such as future changes to Business Rates Retention. The risks will be mitigated by continuing to review assumptions and estimates, remaining financially self-sufficient and by updating Members throughout the process.

Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Conclusions

The Strategic Financial and Business Planning process has ensured that the Council follows a logical and well considered process and approach in dealing with the many difficult challenges that it has faced. The 10-year budget has further improved this process and helped to ensure that the Council is well placed in dealing with more immediate and longer-term challenges.

By becoming financially self-sufficient at an early stage, this Council has become much more in control of its own destiny.

The attached 10-year budget shows that this Council is aiming to continue to be financially stable going into the future with a level of assurance that any council would aspire to.

This budget process will once again be a challenge for a Council that already provides value for money services to a high standard; and ensuring that these proposals lead to an achievable 10-year budget, Members will need to consider the impact on service quality, staff and well-being.

Appendices

Appendix A - Budget Timetable

Appendix B - 10-year Budget

Appendix C - Financial Strategy

Background Papers

None

Adrian Rowbotham

Deputy Chief Executive and Chief Officer - Finance & Trading