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Shropshire and Wrekin Fire and Rescue Authority
14 December 2016

2017/18 and Later Years Budget Summary

Report of the Treasurer

For further information about this report please contact James Walton, Treasurer, on 01743 255011 or Joanne Coadey, Head of Finance, on 01743 260215.

1 Purpose of Report

This report summarises the budgets that are proposed by the Strategy and Resources Committee. The results are put forward to the Fire Authority for approval as the basis for consultation, leading to a final decision at the Fire Authority meeting in February 2017.

2 Recommendations

The Fire Authority is recommended to:

a) Base its revenue budget planning and consultation on the totals set out in section 3 of this report;

b) Agree the recommendations on Reserves and Provisions, set out in report 6 of the Appendix, and confirm the general reserve; and

c) Request the Strategy and Resources Committee to prepare a final budget package in February 2017, for final decision by the Fire Authority in February 2017.

3 Background

The Strategy and Resources Committee agreed to submit a five-year revenue and capital budget for consideration by the Fire Authority. Full details are set out in the reports, which were agreed by the Committee and which are attached at the Appendix to this report.

The Committee reviewed expenditure budgets, and were also informed of potential changes to government funding, although no firm information had been made available. The Committee also received a report which detailed the Authority's reserves and provisions. The reserves and provisions currently total £14.8m.

4 Current Position

The tables below show the expenditure proposed by the Committee and the projected surplus or deficit using current assumptions for income.

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Expenditure budget proposed by the Committee	20,668	20,237	20,468	20,753	20,992
Income	20,563	20,244	20,348	20,510	20,940
Surplus / deficit on revenue budget	-105	7	-120	-243	-52

Income shown is based on the following assumptions:

- Grant as per the provisional settlement published in January 2016 for 2017/18 to 2019/20; cessation of Rural Services Delivery Grant in 2019/20; no grant reduction in 2021/22
- Precept increase of 0.5% to 2019/20, and 1.99% from 2020/21
- Council tax base increase of 1.2% in 2017/18, and 0.8% from 2020/21

Savings factored into the Integrated Risk Management Planning projects on changing shift patterns on watches and in Fire Control have not yet been shown in the expenditure budget. It is anticipated that these savings will be realised as a result of natural wastage. Some of these savings may be used to provide additional resources to manage change in the organisation in the years leading to 2020.

In addition, the major refurbishment of the Stafford Park site in Telford will require funding in excess of the reserves and balances currently allocated to the scheme. Some additional borrowing will be required although currently the level and timing is not yet known, and so has not yet been factored into the strategic planning model.

A meeting of the Strategic Planning Group (StraP) was held on 6 December 2016 where an update to the planning process was given, and a number of different planning scenarios were considered. A summary table of the options is shown below, together with the possible outcomes.

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
IRMP savings allocated: • £50k 2018/19 • £400k 2019/20 Precept increase: • 0.5% to 2019/20 • 1.99% to 2021/22	-105	57	330	207	398
IRMP savings allocated: • £50k 2018/19 • £400k 2019/20 Grant reduced by £300k 2021/22 Precept increase: • 0.5% to 2019/20 • 1.99% to 2021/22	-105	57	330	207	98
IRMP savings allocated: • £50k 2018/19 • £400k 2019/20 Grant reduced by £300k 2021/22 Precept increase: • 0.5% to 2021/22	-105	57	330	-17	-359

The options reviewed were not exhaustive, but demonstrate the various elements of the budget setting process that will be considered and aligned across the planning period. No recommendations were made as the financial settlement is still awaited.

5 Council Tax Base and Collection Fund

Council Tax Base
Current modelling includes growth in council tax base of 1.2% in 2017/18, followed by increases of 0.8% to 2021/22, to reflect increases in the number of houses built in Shropshire and Telford & Wrekin in future years. No firm numbers will be available from Shropshire Council and the Borough of Telford & Wrekin until January 2017.

Collection Fund
The Authority continues to take a prudent approach and has removed any surplus on Collection Funds from budget planning. This policy applied to both the council tax and business rates Collection Funds.

When Collection Fund balances are confirmed in January 2017, adjustments can be made to the proposed budget for 2017/18, however nothing will be anticipated for future years.

6 Outstanding Issues

Following the Autumn Statement on 23 November 2016, an announcement on the grant settlement for local government is expected in mid-December. Until this is received, planning will continue, based on the assumptions in these reports.

Approval of the Authority's Efficiency Plan, submitted to the Home Office in October, has not yet been received.

7 Financial Implications

These are detailed in the main body of the report.

8 Legal Comment

There are no direct legal implications arising from this report.

9 Initial Impact Assessment

An Initial Impact Assessment has been completed.

10 Appendix

Shropshire and Wrekin Fire and Rescue Authority
Strategy and Resources Committee, 10 November 2016, Reports 6 and 7.

11 Background Papers

The background papers associated with this report are attached as an appendix.

Shropshire and Wrekin Fire and Rescue Authority
Strategy and Resources Committee
10 November 2016

Provisions, Reserves and Funds

Report of the Treasurer

For further information about this report please contact James Walton, Treasurer, on 01743 255011, or Joanne Coadey, Head of Finance, on 01743 260215.

1 Purpose of Report

This report sets out the issues, which the Fire Authority will need to consider as part of its annual review of provisions, reserves and funds.

2 Recommendations

The Committee is recommended to propose to the Fire Authority that it:

a) Confirm the current position of reserves and provisions; and
b) Review the level of the General Reserve.

3 Background

The current position on the Authority's provisions, reserves and funds is as follows:

	£000
Reserves	
General Reserve	577
Extreme Weather / Operational Conditions	334
Pension Liabilities and Other Staff Issues	1,755
Capital – Earmarked	4,983
– Un-earmarked	3,484
Information and Communications Technology Reserve	1,083
Income Volatility Reserve	1,137
Service Transformation Programme Staff Reserve	397
Service Delivery Reserve	236
Operational Equipment Reserve	158
Training Reserve	255
Building Maintenance Reserve	408
Reserves Total	**14,807**

The Authority's policy is to:

- Make provision for known and quantifiable future expenditure;
- Establish reserves for specific known and potentially significant future expenditure, which cannot be precisely quantified or scheduled;
- Establish a general reserve for known risks, which cannot be easily quantified or scheduled but could be pooled;
- Review the provisions and reserves during the budget process (the purpose of this report) and on closing the accounts;
- Ensure that all provisions and reserves are inflation-proofed, i.e. earn interest, if appropriate; and
- Consider the opportunity cost of holding reserves and balances against the opportunity cost of either lower tax demands or alternative service delivery, and consequently also hold no monies in the General Fund, unless agreed to enhance future budgets.

4 Establishment of Reserves

The level of reserves that the Authority holds has been driven by the following principles:

To fund major projects, thereby avoiding debt charges into the long term

The Authority has used reserves successfully in recent years to fund its capital programme, most notably the fire station, workshop and headquarters in Shrewsbury, and in future will be utilised for the major developments work planned at Telford. The Capital reserves and the Information and Communications Technology (ICT) reserve will continue to be used to fund the capital programme into the medium term, with any one-off savings identified used to replace funds.

To fund unexpected and undetermined expenditure that cannot be met by a reducing revenue budget

The General Reserve will cover unexpected occurrences that the Authority would not wish to budget for on a regular basis; in addition, the ICT reserve would be used to cover additional costs that were not anticipated.

To support revenue expenditure and smooth out fluctuations in the revenue budget

A number of reserves have been created to address and support some areas of the revenue budget, and reviews are currently being carried out to identify smarter use of the Authority's resources. Some examples are given below.

- The Pensions reserve will be used to fund transfers into the Pension Account, when operational staff retire on ill-health grounds. This has resulted in a significant reduction to pension revenue budgets.

- The New Equipment, Training, Building Maintenance and Extreme Incidents reserves have all been created to enable reductions to revenue budgets. The assurance that reserves are available for unexpected and exceptional costs will allow officers to budget at lower activity levels with confidence.

These reserves will act as enablers to reduce the revenue budget, close any future budget deficit modelled in the planning period, and safeguard the service delivered to the people of Shropshire.

5 General Reserve

The General Reserve meets known risks, which are difficult to quantify or schedule. The Authority does not wish to take tax revenue, which may never be needed, and, therefore, tries to attribute a weighting representing the likelihood of an individual risk happening. This has led to a provision of £577,000, details of which are set out in the appendix to this report. The total of the reserve represents around 2.8% of gross expenditure.

6 Earmarked Reserves

a) Extreme Incidents Reserve

The balance on this reserve represents the monies saved in previous years against the budget provision for an average year.

This reserve is in place to deal with extreme weather conditions and unanticipated future activity, which may not be containable within the revenue budgets.

b) Pension Liabilities and Other Staff Issues

The purpose of this reserve is to meet one-off contributions, required by the Government, to the Pensions Account for sickness retirements. Until 2015/16, only ill health contributions over and above those budgeted in revenue were funded from the reserve. However, as part of the 2020 consultation outcomes, all ill health contributions are funded from the reserve, and the revenue account has been reduced accordingly.

The scope of this reserve was widened to include the potential liabilities arising from the part-time workers employment tribunal case; compensation payable to retained firefighters for terms and conditions has been met from the reserve.

Another small element of this reserve is to provide for staff issues relating to equality and diversity. Provision has been made for expenditure for reasonable adjustments and mediation, in order that these issues are not budgeted for on an annual basis.

c) Capital – Earmarked

The objective of this reserve is to fund small and recurring items of capital, thereby ensuring their eventual replacement from the reserve. There is no known reason to change this approach, although a review may be required, if savings are needed in future years.
Until 2015/16, contributions were made back over the lives of any assets funded from the reserve; however as part of the 2020 consultation outcomes, these contributions are no longer made, and the revenue budget has been reduced accordingly.

d) Capital - Un-Earmarked

The objective of this reserve was to build up funding from revenue savings that could then be used to maximise major capital schemes. The objective is to minimise borrowing and, therefore, committed debt charges in future years. This reserve will be used towards the funding of major improvements at the Telford site.

e) ICT Reserve

This reserve is designed to ensure that ICT improvements and resilience issues are managed and funded in a clear and consistent manner.

f) Service Transformation Programme Staff Reserve

The Service Transformation Programme is a high-level programme of activities, which will be completed to ensure that the Service is best placed to meet the challenges it is likely to face over the coming years.

Funding for projects identified as part of the Programme have been taken into account in the revenue budget and the capital programme. This reserve was set up to cover the staff elements of the projects.

g) Income Volatility Reserve

This reserve was set up to smooth any volatility or fluctuations in the funding received against estimates in the Medium Term Corporate Plan.

h) Service Delivery Reserve

This reserve was set up to fund initiatives in service delivery and prevention, to avoid irregular movement in the revenue budget.

i) Training Reserve

There have been, and will continue to be, changes in the management structure of the Service, which will inevitably require additional training and development of staff over the next three years and beyond.

This reserve was created to enable this training and development to be carried out, without adding additional pressure to the revenue budget.

j) New Operational Equipment

This reserve has been established to help provide some stability in the revenue budget in this area. Where a need for new equipment is identified, contributions can be made from the reserve, and any ongoing requirements for the equipment can be established. In the meantime, officers can continue to analyse and manage revenue expenditure, leading to realistic budget setting in future years.

k) Building Maintenance

The revenue budget in this area is used to fund preventative or controlled maintenance in line with the Authority's Asset Management Plan, and also covers unexpected reactive maintenance. It is proposed that the revenue budget is used for regular planned maintenance of buildings, and that a reserve is created to deal with exceptional, unexpected repairs, that do not require a regular revenue budget.

7 General Fund

The General Fund is simply the net balance of over and underspendings during the year. The Authority's policy is not to accumulate funds year on year (and obviously to deal with any potential overspend). The balance in the General Fund at 1 April 2016 was £876,000 and the Fire Authority agreed to add £49,000 to various budgets in the current year to meet previously approved expenditure that had slipped into, or was needed in, 2016/17. The balance of the General Fund has been allocated to existing reserves, following an assessment of need.

8 Financial Implications

The financial implications are as outlined in the report.

9 Legal Comment

There are no direct legal implications arising from this report.

10 Initial Impact Assessment

An Initial Impact Assessment has been completed for this report.

11 Appendix

Build-Up of General Reserve 2016/17

12 Background Papers

There are no background papers associated with this report.

Build-up of General Reserve 2016/17

Risks as categorised by CIPFA	**Absolute level £'000**	**Probability %**	**Current Provision £'000**	**Comments**
Financial Risks:				
• Cash flow	60	10	6	Risk from timing of cash receipts
• Loss of grants or other external funding	190	35	67	Covers any unexpected loss of income in year
• Changes to national purchasing	126	50	63	Current contracts may be inviable
• Financial control	280	10	28	Reflects risk of overspend through weak internal control
Operational Risks:				
• Vehicle Accident	230	20	46	Covers one appliance at £230k – gap between lease termination and insurance receipt
• Communications and mobilising	370	10	37	Risk around sustainability of current mobilising systems
• Technical issues	108	50	54	Principally IT or telecoms problems
• Uninsurable health & safety risks	140	10	14	Identified from risk register
• Industrial action	110	50	55	
• Specific risks	124	50	62	One off technical matters affecting service delivery
• Fines from uninsurable offences	110	10	11	Deals with potential costs following offences
• Other uninsurable risks			111	Currently unknown risks which are uninsurable
Strategic Risks:				
• Other demands, including new legislation	60	10	6	Deals with issues such as unexpected costs arising from changes in public sector
• Fines from Corporate Manslaughter	170	10	17	Based on a fine imposed on an Authority – may not be an appetite for penalising taxpayers
Total			**577**	

Shropshire and Wrekin Fire and Rescue Authority
Strategy and Resources Committee
10 November 2016

2017/18 and Later Years
Revenue and Capital Budgets

Report of the Treasurer

For further information about this report please contact James Walton, Treasurer, on 01743 255011, or Joanne Coadey, Head of Finance, on 01743 260215.

1 Purpose of Report

This report brings together the elements of an initial revenue budget, based on current planning assumptions, and seeks the Committee's approval for this outline to be recommended to the Fire Authority in December 2016.

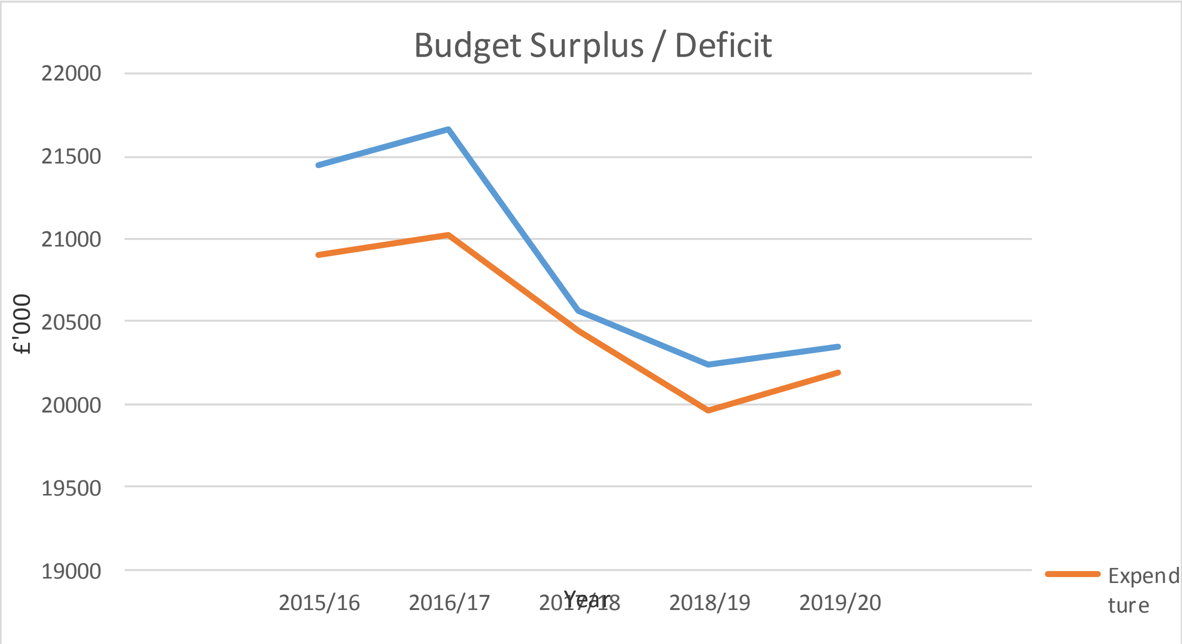
2 Recommendations

The Committee is asked to recommend that the Fire Authority:

a) Notes the revisions and the committed changes to the base budget, as shown in section 4;
b) Bases its pay and price contingency in the revenue budget on the calculations set out in section 5;
c) Approves the use of revenue balances to fund the capital programme, which will be confirmed at the February meeting, and;
d) Approves the expenditure figures associated with those approved assumptions as a basis for developing the budget at the meeting of the Fire Authority on 14 December 2016.

3 Background

At its meeting in February 2016, the Fire Authority approved a revenue budget of £21.669m for 2016/17, which included a budgeted surplus of £644,000. Revenue budgets to 2019/20 were also projected, along with the provisional four year figures provided by Department for Communities and Local Government (DCLG), which are shown below.



The following assumptions, upon which the budget was set, were approved by the Fire Authority:

- Precept increase of 0.5% from 2017/18 onwards
- Pay award of 1% from 2017/18 onwards
- Revenue Support Grant reduced in line with provisional four year settlement from DCLG to 2019/20
- Council tax base growth at 1.2% in 2017/18, 0.8% thereafter
- Business rates received from Shropshire Council and Borough of Telford & Wrekin
- Business rates top-up grant received from Government
- Contribution to Telford improvements capital scheme from the revenue account
- Additional grants received from DCLG at the final settlement to be treated as revenue contributions to the Telford scheme.

This report deals with the revenue budget, and proposes changes in revenue expenditure. The stages in the budget process, and the proposed updates to assumptions during, and as a result of, the review are laid out in the following sections. The Committee is asked to consider each element and approve the associated recommendations at the beginning of the report.

Although funding estimates can only be completed once final information becomes available, for Council Tax Band D base and Collection Fund surpluses planning will continue, based on the assumptions adopted by the Authority.

Four Year Efficiency Plan

The provisional Local Government Finance Settlement was published on 18 December 2015. As part of the Settlement, and to promote the move to more self-sufficient local government, an offer was set out to any authority that wished to take it up, of a four-year funding settlement to 2019/20. Indicative allocations were published alongside the provisional settlement and were confirmed in the final settlement.

In order to obtain this four-year settlement, authorities were required to submit a robust and transparent efficiency plan. The offer of a four-year settlement was put forward by the DCLG; however following the move of the Fire Service to the Home Office, it was confirmed that this offer was still available to fire authorities.

The plan for this Authority was approved by members on 5 October 2016 and has been submitted. The plan was based on the assumptions agreed by the Authority while setting the budget.

4 Stage One – Base Budget Review and Committed Changes

As the first step in the budget setting process, revenue budgets have been reviewed with officers; this has taken into account both changes that have been made to date to the 2016/17 revenue budget, and anticipated changes for 2017/18 and future years.

The Authority's prudent approach to pay awards and inflation has meant that, as in previous years, the current contingency for pay and prices can be reduced. This follows pay awards, which have been lower than budgeted in previous years. The reduction in the contingency for 2016/17 can be used in part to offset the introduction of the proposed Apprenticeship Levy on 1 April 2017, which will see local authorities paying 0.5% of pay bills into a fund, which can then be accessed for training and development.

A contribution will be made from the revenue account for the funding of the major improvements scheme at the station and training centre in Telford. Capital grant received from government in previous years will be used to fund the remaining capital programme.

Work on the base budget review is ongoing, and adjustments will be made throughout the budget setting process, and reported to Members.

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
2016/17 Budget	**21,025**	**21,025**	**21,025**	**21,025**	**21,025**
Committed Changes					
*Apprenticeship levy	60	60	60	60	60
Pay contingency	-200	-200	-200	-200	-200
Pensions		50	50	100	100
Base Budget Review					
Wide area network additional costs	120	120	120	120	120
Professional subscriptions	20	20	20	20	20
Occupational Health	10	10	10	10	10
Fitness assessments	15	15	15	15	15
Revenue contribution to capital	-1,316 709	-1,316	-1,316	-1,316	-1,316
Total	**20,443**	**19,784**	**19,784**	**19,834**	**19,834**
Total movement in base budget	**-582**	**-1,241**	**-1,241**	**-1,191**	**-1,191**

* The Apprenticeship Levy will be a levy on UK employers to fund new apprenticeships. In England, control of apprenticeship funding will be put in the hands of employers through the Digital Apprenticeship Service. The levy will be charged at a rate of 0.5% of an employer's paybill. Each employer will receive an allowance of £15,000 to offset against their levy payment. It will be introduced in April 2017.

Please see recommendation a).

5 Stage Two – Pay and Price Contingency

Officers have used the following methodology for establishing pay and prices contingencies:

- Analyse base budget (2015/16) into the spending areas, where pay or price changes can be significant;
- Make pay assumptions for firefighters, based on a realistic expectation for the outcome of the nationally negotiated settlement;
- Make pay assumptions for other pay, based on a realistic expectation of the outcome of any outstanding negotiations;
- Take account of known issues, such as increments; Continuing Professional Development, National Insurance and tax changes; and
- Analyse the non-pay and income budgets into key elements, including those to which no inflation applies, and create an appropriate contingency.

Current Developments

The Chancellor in his July 2015 budget announced that public sector pay awards would be held at 1%; therefore pay contingency has reflected this to the end of the planning period.

In terms of prices, non pay increases have again been provided for at 2.5%. Although inflation levels are currently lower, increases on some elements of service expenditure are higher than inflation, and so it is felt that this a realistic provision for the budget as a whole.

Conclusions

It is proposed that the figures for pay and price assumptions over the planning period will be budgeted as follows:

	Pay		**Prices**	
	%	**£'000**	**%**	**£'000**
2016/17	1.0	138	2.5	82
2017/18	1.0	141	2.5	84
2018/19	1.0	142	2.5	86
2019/20	1.0	143	2.5	88
2020/21	1.0	145	2.5	91
2021/22	1.0	146	2.5	93

Please see recommendation b).

6 Stage Three – Capital Programme 2017/18 to 2021/22

The Authority has already agreed capital programmes for 2016/17 and earlier years. It has also agreed how these schemes are funded and the revenue consequences for future years.

This stage deals with the options available for new schemes, starting next year.

The Capital Programme from 2017/18

The schemes under consideration include appliances and operational equipment, and are currently being reviewed by officers. It is however proposed that the capital programme in the planning period set out above will be funded by Earmarked Capital Reserve, or government grant. Therefore there are no revenue consequences associated with the funding of the programme.

Funding for the major capital scheme at Telford is also being reviewed; the initial stages are likely to be funded from revenue contributions and surpluses and also contributions from the Unearmarked Capital Reserve, which has been built up in readiness for the major development.

The effects of the capital schemes on the revenue budget are shown in the table on page 4. These are based on the programme presented to the Committee in February 2016, and this will be finalised and presented to the February 2017 meeting.

It should be noted that revenue consequences are limited to financing costs – any other costs need to be flagged up as part of the project appraisals. Also, the Authority is presently only committing itself to schemes that start in 2016/17. The majority of schemes are currently shown as being spent in the start year. However, experience shows that payments often slip into later years, thereby slowing the build-up of costs and resulting in revenue underspend.

Appraisals for each scheme will confirm their service value, the capital cost, phasing of expenditure and revenue consequences. There is, therefore, scope for these figures to change, especially if there are any associated revenue consequences, such as running costs of property or systems.

Prudential Guidelines

In addition to the merits of the individual schemes within the final capital programme presented in February, the Authority will need to evaluate the programme in the light of Prudential and Treasury Management Guidelines. Compliance with these indicators will demonstrate the affordability, sustainability and prudence of the proposed programme of schemes.

Future Capital Schemes

The forward capital programme is being thoroughly reviewed by officers and any future requests for schemes will be considered as part of the ongoing strategic planning process. Projects for consideration will be tested to ensure that, as far as possible, they are both realistically costed and resourced; will start when scheduled; and that, where possible, they have long-term revenue saving potential.

Please see recommendation c).

7 Revised Budget Summary

The changes to revenue expenditure, covered in the previous sections, can be summarised as follows:

	2017/18	**2018/19**	**2019/20**	**2020/21**	**2021/22**
	£000	**£000**	**£000**	**£000**	**£000**
Previous Year's Budget	21,025	20,668	20,237	20,468	20,753
Committed Change	-582	-659	-	50	-
Pay and Prices	225	228	231	235	239
2015/16 and later Capital Programme	-	-	-	-	-
	20,668	**20,237**	**20,468**	**20,753**	**20,992**

8 Funding Assumptions

Officers have continued to use the Service's budget planning model, which is estimating budgets and income to 2021/22. Financial planning will forecast the position of the revenue budget to 2021/22, but with emphasis on the medium term, i.e. 2017/18 to 2019/20.

Work undertaken to date indicates that the Authority's budget planning strategy is on target. Revenue surpluses, which accumulated following the process, have been used to fund capital schemes, therefore maintaining stable capital reserves. Resources have also been allocated to the Service Transformation Programme, to enable essential improvement schemes to be completed. After the four year finance settlement, there is no basis upon which to estimate the Authority's funding, therefore the assumptions made are indicative.

Forecasts for the longer term are provided within the table on page 6 as an indication of the financial position, based on a number of uncertain assumptions. Officers and Members should note this longer-term position and have plans and options available to meet a range of possible outcomes. The Authority's Integrated Risk Management Planning 2020 projects have ensured that the Service has plans in place to reshape service delivery into 2019/20 and beyond the current planning period. These savings have not yet been factored in to the budget setting calculations; officers will be modelling how savings on watches may contribute to the major improvements at Telford, and these will be brought to members for discussion and decision.

On 5 October 2015, the Chancellor announced that by the end of this parliament, local authorities will retain 100% of business rates. The implications of funding for Fire Authorities are still not clear, however a consultation document was published in July this year which covered the design of the new system, the responsibilities to be devolved under the system, and the assessment of authorities' needs and the redistribution of resources.

The consultation also included the following question:

Do you consider that fire funding should be removed from the business rates retention scheme and what might be the advantages and disadvantages?

The Authority responded:
Shropshire and Wrekin Fire Authority would support a funding approach that provides the most certainty in terms of future funding for the Service. Funding distribution should be based on those factors that directly affect risk, and the Service should also have the ability to influence future funding levels, which may prove difficult within the business rates retention scheme.

Funding Settlement

The Chancellor of the Exchequer, Philip Hammond, has announced that he will present his first Autumn Statement to Parliament on 23 November 2016.

This follows the submission on 14 October 2016 of the Authority's Efficiency Plan to the Home Office, which is required in return for a confirmed four year funding settlement. At the time of the Committee, no confirmation has been received from the Home Office.

Once settlements have been made available to individual authorities, officers will be in a position to present medium and long term funding options to the Authority. This will be superseded by a meeting of the Strategic Planning Working Group, where planning assumptions can be confirmed.

9 Financial Implications

The financial implications are as outlined in the main body of the report.

10 Legal Comment

There are no direct legal implications arising from this report.

11 Initial Impact Assessment

An Initial Impact Assessment has been completed for this report.

12 Appendices

There are no appendices attached to this report.

13 Background Papers

There are no background papers associated with this report.