BLACKPOOL COUNCIL

REPORT

of the

DIRECTOR OF RESOURCES

to the

EXECUTIVE

on

10 FEBRUARY 2020

GENERAL FUND REVENUE BUDGET 2020/21

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1. Purpose

1.1 The purpose of this report is to determine the overall level of net expenditure to be included in the General Fund Revenue Budget for 2020/21 and to identify a budget savings plan that will ensure a balanced budget in-year.

2. Context

2.1 The current Medium Term Financial Sustainability Strategy (MTFSS) covering the period 2016/17 – 2021/22 was approved by Executive on 12 September 2016 and presented a financial outlook, an assessment of risks and indication of the Council's challenges over these 6 years. It incorporated the 4-year Settlement ending in 2019/20 at which point a new Settlement period was expected, however due to the consequences of exiting the European Union a 1-year only Settlement was announced for 2020/21. The Chancellor of the Exchequer's Budget of 11th March is expected to announce a new Spending Review later in 2020 with further clarification on Settlement period, Fair Funding Review, Business Rates Retention, Business Rates Reset and New Homes Bonus.

2.2 The key principles of the Medium Term Financial Sustainability Strategy are that:

- the statutory obligation to balance the Council's budget in each year of the period;
- resourcing services in line with Council priorities;
- embedding a culture of value for money and efficiency savings in all activities;
- keeping Council Tax levels as low as possible;
- maximising the level and resilience of the resources of cash, assets and people by attracting grants, generating additional income or creating partnering arrangements;
- ensuring significant risks are identified and mitigated where possible;
- ensuring financial reserves reflect the levels of business and risk; and
- optimising capital spending freedoms.

These all still hold true for 2020/21.

2.3 Once the Government Budget has been announced in March, work will commence on updating the Medium Term Financial Plan to incorporate the next Settlement period and at the very least to maintain a rolling 3-year budget.

3. The Local Government Finance Settlement 2020/21

3.1 The Local Government Finance Settlement sets the amount of Central Government funding available to councils. The Secretary of State for Housing, Communities and Local Government announced the Provisional Local Government Finance Settlement for 2020/21 on 20 December 2019. The Final Settlement is expected to be announced in early February 2020 and certainly before 13 February 2020.

3.2 The Settlement Funding Assessment (SFA) for Blackpool Council is split between resources received via Revenue Support Grant, an assessment of its share of Business Rates collectable plus a Top-up element from the 8th year of the Business Rates Retention Scheme. The Provisional SFA amounts to **£63,300,000** in 2020/21. This compares with the Settlement Funding Assessment in 2019/20 of £62,300,000.

3.3 As part of the announcement the 2019/20 Lancashire collaboration for 75% Business Rates Retention Pilots was disestablished reverting Blackpool Council to the former 50% Business Rates Retention system during 2020/21.

4. Other Funding 2020/21

4.1 There are several other significant components of Central Government funding, some of which have been rolled into the SFA and some which remain separate specific grants:

4.2 New Homes Bonus (NHB) Grant

The 2020/21 New Homes Bonus allocations have been announced. This funding takes the form of an unringfenced grant which is distributed between local authorities based upon the net growth in housing provision within their areas. The number of years that the scheme is based on is 4 years and the scheme also only rewards growth in homes above a minimum expectation of +0.4% per annum.

The 4-year cumulative figure for 2020/21 has been confirmed as **£266,441** with an in-year element of £65,197. As the roll forward is for one year, with any funding beyond 2020/21 subject to the 2020 Spending Review and potential new proposals, the new allocations in 2020/21 will not result in legacy payments being made in subsequent years based on those allocations.

4.3 Housing Benefit (HB) Admin Grant

The Housing Benefit subsidy scheme is the means by which local authorities claim subsidy from the Department for Work and Pensions (DWP) towards the cost of administering HB in their local areas. Benefit schemes of rent rebates for tenants of a local authority and rent allowances for private tenants are provided for by the Social Security Contributions and Benefits Act 1992 and the Social Security Administration Act 1992 (as amended). Claimants obtain these benefits by direct application to the authority. Eligibility for, and the amount of, Housing Benefit is determined in all cases solely by the local authority. The Council received Housing Benefit Admin Subsidy grant in 2019/20 of £763,000 and this will be reduced by 2% to **£746,000** in 2020/21.

4.4 Public Health Grant

The transfer of Public Health services and their responsibility to local government from April 2013 brought with it ringfenced grant funding.

On 4 September 2019 the Chancellor of the Exchequer announced that there would be a real terms increase to the Public Health Grant in 2020/21. The Chief Executive of Public Health England has subsequently suggested a 1% real terms growth, equating to a combined increase of 2.84%. Whilst actual allocations have yet to be confirmed, Blackpool's allocation for 2020/21 planning purposes is based on this increase and is estimated at **£18,450,524**, a rise of £509,524 from the 2019/20 grant of £17,941,000.

4.5 Better Care Fund (BCF)

The Better Care Fund is a programme spanning both the NHS and local government which seeks to join-up health and care services so that people can manage their own health and wellbeing and live independently in their communities for as long as possible. The aim of the BCF is to improve the lives of some of the most vulnerable people in our society, placing them at the centre of their care and support and providing them with integrated health and social care services, resulting in an improved experience and better quality of life.

In January 2019 the NHS Long-Term Plan was published which outlined several key priorities and improvement targets over the next ten years, one of which is a continued commitment to the BCF and to increase the focus on NHS organisations working with their local partners as 'Integrated Care Systems' (ICSs) to plan and deliver services which meet the needs of their communities.

Blackpool's Health and Wellbeing Board approved a pooled budget of £32.8m in 2019/20 and following the publication of the 'Integration and BCF Planning Requirements' document in spring 2020 the Council will work with Clinical Commissioning Group colleagues to agree the value of the pooled budget for 2020/21.

4.6 Dedicated Schools Grant (DSG)

The Dedicated Schools Grant (DSG) is paid in support of the local authority's schools budget. It is the main source of income for the schools budget, Early Years and High Needs pupils. Local authorities are responsible for determining the allocation of the grant in consultation with local schools forums. Local authorities are responsible for allocating the Schools Block of the grant to individual schools in accordance with the local schools' funding formula.

The DSG in 2019/20 prior to Academy Recoupment was £113.1m and the provisional allocation for 2020/21 is **£121.1m** whose further allocation has been approved by the Blackpool Schools Forum on 14th January. The increase is mainly due to the continued rollout of national formulae for the Schools Block and the High Needs block, both of which have resulted in additional allocations for Blackpool.

4.7 Additional Social Care Funding

On 4 September 2019, the Chancellor of the Exchequer announced an additional £1bn for adult and children's social care. This funding was allocated to support local authorities to meet rising demand and continue to stabilise the social care system.

Blackpool's allocation for 2019/20 was £1,544,000 and this will increase to **£5,922,000** in 2020/21. It is recommended that in view of the higher spending pressures currently being experienced in Children's Social Care and the recommendations from Ofsted's children's social care services inspection report of 17 January 2019 this funding is directed in full to that service.

Despite the magnitude of this uplift, when combined with the social care precept it represents the joint lowest year-on-year % increase in England alongside Westminster City Council.

4.8 Core Spending Power

The Core Spending Power figures include the SFA, compensation for under-indexing the business rates multiplier, Council Tax, the Improved Better Care Fund, NHB, Rural Services Delivery Grant (not applicable), Transitional Grant (not applicable), Winter Pressures Grant and Social Care Support Grant / Social Care Grant. The table below shows Blackpool's Core Spending Power for 2020/21:

Core Spending Power	**2019/20**	**2020/21**
	£m	**£m**
Settlement Funding Assessment (SFA)	62.3	63.3
Compensation for under-indexing the business rates multiplier	1.5	1.9
Council Tax Requirement	52.6	54.3
Cumulative Adult Social Care Precept Flexibility	4.2	5.5
Improved Better Care Fund	9.7	10.6
New Homes Bonus	0.5	0.3
Winter Pressures Grant	0.9	0.0
Social Care Support Grant	1.6	0.0
Social Care Grant	0.0	5.9
Total	**133.3**	**141.8**
Change in Provisional Revenue Spending Power		8.5
Percentage Change		+6.4%

However, this calculation does not reflect inflationary (pay awards, National Living Wage announcements, non-pay) and demand pressures (see 7.1), which are required to be self-funded.

5. Revenue Budget 2019/20 – Projected Outturn

5.1 The summary at Appendix 1 shows the projected adjusted revenue outturn as at month 7 for the current financial year.

5.2 Line 24 of this summary shows that it is now estimated that a sum of £7,606,000 will be taken from working balances as at 31 March 2020.

The main areas of budgetary variance are set out below:

	£000
Children's Services	10,104
Strategic Leisure Assets	2,759
Parking Services	759
Concessionary Fares	700
Governance and Partnership Services	277
Communications and Regeneration	60
Public Health	-
Chief Executive	(100)
Adult Services	(118)
Ward Budgets	(200)
Community and Environmental Services	(500)
Resources	(549)
Treasury Management	(860)
Other	(34)
Net Service Overspendings 2019/20	**12,298**
Net Adjustment from Contingencies / Reserves	**(4,692)**
Net Overspending 2019/20	**7,606**

5.3 The reasons for the overspendings are well documented in the Council's monthly Financial Performance Monitoring reports and recovery plans are under constant review with the most challenging being the required reduction in and de-escalation of Looked After Children in Children's Services. The Scrutiny Committees continuously scrutinise overspending services to seek assurances that effective remedial action is being taken.

5.4 In accordance with previous convention any overspendings on service budgets as at 31 March 2020 will be recovered in the following year 2020/21, but this will need to be revisited and reviewed at Provisional Outturn in the context of the exceptional pressures being faced by Children's Services.

6. Cash Limited Revenue Budget 2020/21

6.1 There is a statutory requirement upon the Council to set a balanced budget:

- Section 100 of the Local Government Act 2002 requires local authorities to plan each year's revenue at a level sufficient to meet operating expenses and hence achieve a balanced budget.

- Section 114 of the Local Government Finance Act 1988 requires the chief finance officer of an authority to report to its Members and external auditor if it appears that the expenditure of the authority incurred (or proposed to incur) in a financial year is likely to exceed the resources available to meet that expenditure.

6.2 The cash limit upon the Revenue Budget for 2020/21 is **£142,084,000** (line 25 of Appendix 1 summary). This represents the maximum sum of net expenditure which is sustainable within the resources available.

6.3 The base Revenue Budget for next year incorporates the following key assumptions:-

- delivery of the 2019/20 Revenue Budget with Working Balances
- the full-year effect of demand pressures as at month 07 2019/20
- internal pay levels to rise by at least 2.0% for the period from 1st April 2020 to 31st March 2021 and the payment of at least the National Living Wage to all contracted staff
- the payment of annual increments
- voluntary 5 days' unpaid leave on average to continue
- Auto-enrolment based on previous uptakes
- a non-pay inflation contingency, to address contractual commitments and valid non-pay pressures @ 1.9% (forecast CPI as per Spring Statement 2019)
- Treasury Management budget predicated on a Base Rate of 1.00% (0.25% above the current Base Rate) with interest rates to remain at low levels
- the latest estimates of Settlement Funding Assessment
- the Council fulfils its statutory obligation to balance its budget.

7. Budget Gap 2020/21 and Methodology for Delivering

7.1 The budget gap for the next financial year has resulted from the following:

	£m
Pay awards, increments, national insurance and pensions	2.88
Non-pay inflation	1.83
Pressures and growth	9.15
Developments	0.19
Reinstatement of non-recurrent savings from previous years and unachieved savings plans	5.60
Budget Gap 2020/21	**19.65**

7.2 Savings Programme

Achieving savings of the scale demanded has required concerted action and consideration of a broad range of initiatives, whilst maintaining strong financial management and budgetary control, addressing any areas of overspending in as timely a manner as practicable, maximising savings and ensuring value for money.

In a departure from the conventional approach of Priority-Led Budgeting, a Savings Programme constituting 7 thematic workstreams has been developed and finessed over the last 4 years:

i) Technical savings – these cover areas such as debt and PFI restructurings, pensions, review of reserves and provisions, use of capital receipts and capital-to-revenue transfers and review of Business Rate yield assumptions.

ii) Income generation and management – fees and charges income will continue to be optimised along with returns on business loan investments, Growth and Prosperity initiatives and traded services.

iii) Procurement and commissioning - maximising best value from the market place through an innovating commissioning regime to reduce third-party spend and deliver targeted social value.

iv) Demand management and self-help initiatives such as the current Channel Shift project work.

v) Transformational efficiency measures under the direction of the Chief Executive's Corporate Delivery Unit with a focus on 'upstream' prevention.

vi) Structural reform:
- internally with Council services being the provider of first choice
- collaborating and partnering with the Council's own companies (as has already progressed significantly with the adoption of the Companies Governance Framework)
- across the wider public sector including the Healthier Lancashire & South Cumbria Integrated Care System and One Public Estate
- with the private and voluntary sectors.

vii) Service reductions and cuts, which are considered once i) – vi) have been exhausted.

This exercise has generated the necessary service budget target savings of **£19.65m** in 2020/21. These are listed at Appendix 2 along with the summary actions required to deliver them. With forecast earmarked reserves of £31.3m as at 31 March 2020 it is deemed reasonable to underwrite the residual budget savings gap of £2.25m from this source as savings proposals continue to be appraised. (The recent launch of CIPFA's Financial Resilience Index showed that Blackpool Council has above average financial standing in comparison with its nearest neighbour authorities.) In view of the late notification of the Provisional Local Government Finance Settlement on 20 December 2020, Budget consultation has started later than usual and a dedicated cross-party Budget Scrutiny Panel is due to meet on 24 February 2020 to undertake an in-depth scrutiny of the proposals.

In setting realistic budgets for the forthcoming year services will be expected to meet any additional service-specific pressures that may emerge in accordance with the cash limited budgeting regime.

8. Other Considerations

8.1 Staffing Implications

As part of the £19.65m savings target it is anticipated that in the year 2020/21 there will be up to 25 compulsory redundancies and up to 20 voluntary redundancies where it is possible to agree employee requests. In addition there are a further 30 employees in temporary contracts which will come to an end. These staffing reductions will come about as a result of services ceasing, reducing or being reconfigured and delivered differently.

In order to mitigate compulsory redundancies the following action is taken:

- continuation of voluntarily unpaid leave arrangements
- strict controls on external recruitment for all but essential posts that cannot be filled through redeployment or restructuring services
- consideration of applications for early retirement and voluntary redundancy (including a proposal for time limited enhancement for 'At Risk' employees)
- holding vacant posts throughout the year which are subsequently removed resulting in a saving
- encouraging employees to voluntarily reduce their hours of work,
- offering unpaid career breaks and unpaid sabbaticals,
- cessation or limitation of the use of agency staff and casuals,

Where there is a requirement to fill a vacant post employees who are at risk or on notice of redundancy have an opportunity to apply for these vacancies prior to them being advertised Council-wide.

A comprehensive package of support is on offer to affected employees from a dedicated member of the Council's Employment Adviser team.

The costs of redundancies have been managed centrally through an earmarked reserve. This reserve has been depleted each year by approximately £1m to cover redundancy payments and associated pension strain if it is required. This reserve is forecast to be £2.6m by March 2020. Since 2016/17 the reserve has been replenished each year from the consequences of the Minimum Revenue Provision (MRP) restructuring, which was approved as part of the 2016/17 Treasury Management Strategy, but 2019/20 was the final year that funds were available from the MRP restructuring to replenish the reserve.

8.2 Financial / Economic Context

Together with all other sectors of the national economy, the Council's finances have been affected by the measures being taken to recover from the economic downturn. The Chancellor announced as part of September 2019's Spending Round that making sure the United Kingdom is prepared to leave the European Union was its top priority. The Government stated that it will not be until this has been delivered that clearer and more meaningful forecasts for the economy and public finances can be made, which are now expected in the Spending Review 2020.

The effect of the economic climate continues to impact upon the ability to pay for some and make others more cautious in terms of personal spending. The overall effect will be to make collection of income due to the Council, both Council Tax and fees and charges, more difficult. However, regeneration investment in the town together with its ever improving tourism offer is attracting growing visitor numbers which are bolstering the town's tourism economy.

Interest Rates - The outlook for short-term interest rates is that they will continue at the present historically low levels. Interest receivable on temporary investments will continue at modest levels and debt restructuring opportunities will be kept under continuous review to minimise interest payments.

8.3 Business Loans Fund

The 2019/20 Budget increased the Loans Fund to £200m. Loans are available to businesses across the Fylde coast and strongly linked to growing and safeguarding the local economy. The Council has had approvals and expressions of interest totalling over £111m of loans as at 31 December 2019, although this is offset by repayments made to date. The total amount which has been drawn down so far is £79m net of repayments that have been made. These loans have created / safeguarded 1,299 jobs.

8.4 Equalities Analysis

The Council has a statutory responsibility under equality law, known as the 'Public Sector Duty', to examine and analyse the impacts on equality issues on any decisions it makes. Furthermore, the Council must have due regard to the need to eliminate discrimination, harassment, victimisation and other prohibited conduct, whilst advancing equality of opportunity and fostering good relations between different groups.

The Council adopts a robust approach to equality to assess the possible impact of the current budget proposals. This is in recognition of the often complex effect on service users, staff, citizens and visitors of these decisions.

Where potentially significant equality implications have been identified within the proposals outlined in this report, these are flagged up to decision makers and if appropriate this leads to the commissioning of a full impact review involving data analysis and consultation with service users and others affected.

Each year the Council also assesses the effect of budget reductions on staff diversity issues using a benchmark analysis of the current levels of workforce diversity for each of the key equality strands – Race, Gender, Disability, Age, Religion and Belief and Sexual Orientation.

8.5 Budget Engagement

The Council has undertaken two engagement exercises to seek comments and ideas on the Budget, one aimed at individual residents and staff which attracted 127 responses and the other aimed at stakeholder organisations which received 21. The questionnaires, available at Council building reception points and online, sought views on Council priorities and services at a broad level and asked for comments on ways in which the Council could save or generate money.

Respondents to the residents and staff survey (Appendix 3) identified the Household Waste Services Recycling Centre, Adults and Older People Services, and Children and Young People Services as the most important, with residents also identifying Parks and Open Spaces as being of significant importance. Comments received tended to suggest focusing on the efficiency of council structures and management costs, the level of overspend in Council departments and capital expenditure.

The stakeholder survey (Appendix 4) had a slightly different focus with respondents being asked for comments rather than rating the importance of services. Respondents called for a focus on value for money in service delivery, continuing to allow people to access services through non-digital routes, to adopt collaborative working practices and for the Council to offer funding and support to community groups that help communities to do more to help themselves. Some respondents raised concerns that cuts in the Council's Budget would increase service demand and affect the viability of organisations delivering contracts for the Council.

Having considered these comments during the process of formulating the Budget, the Council will formally consult relevant parties on proposals where any significant changes or impacts may arise.

9. Capital Expenditure

9.1 The Council's Capital Programme for 2020/21 – 2022/23 is also to be considered in a separate report to this Executive meeting. Debt financing costs for the capital programme have been included in the Revenue Budget on the basis of the indicative borrowing allocations received from Government and any Prudential borrowings.

9.2 The size and value of the capital programme is set in accordance with those allocations plus any available external grants, Prudential borrowing schemes (for which the costs are to be separately funded from service budgets), capital receipts and revenue contributions. Schemes being financed by Prudential borrowing continue to require specific approval of the Executive.

9.3 Future revenue costs of capital schemes will also have to be contained within existing bottom-line budgets, except where provision has specifically been agreed in advance.

10. Working Balances and Reserves (and in the Context of Children's Services)

10.1 Section 25 of the Local Government Act 2003 imposes a duty upon the Council's statutory finance officer to report on the robustness of the estimates and the adequacy of reserves.

10.2 The proposed Budget for 2020/21 is underpinned and reinforced by Council-wide risk management and robust budget setting and monitoring processes.

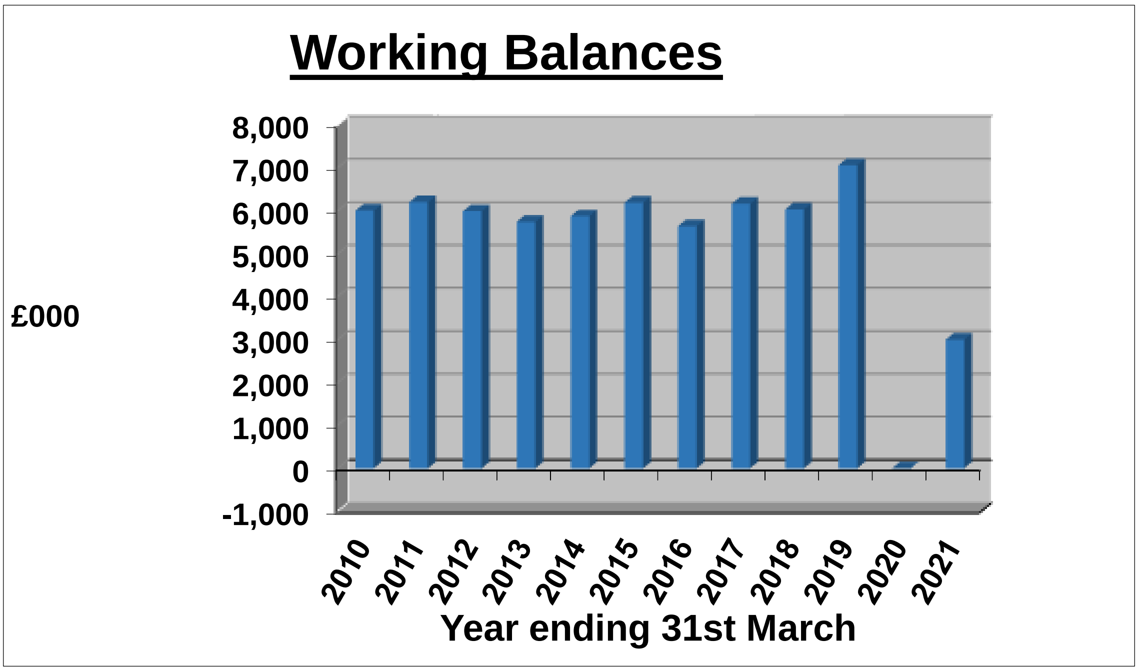
- <u>Risk Management</u> – Risk management processes are embedded across the Council. A strategic risk register is maintained and a Corporate Risk Management Group meets quarterly to review the risks contained in the register. The strategic risk register identifies the key risks facing services in the delivery of Council priorities and which are scrutinised regularly by the Audit Committee. In addition, the recommendation concerning the level of the general working balances included in this Budget is itself a product of a risk-based assessment.

- <u>Budget Setting</u> – Accountancy staff work with budget holders to comprehensively review all budgets on an annual basis. The budgets set are cash limited. Instances of unavoidable growth, service demand pressures and new developments are identified and scrutinised as part of the budget process, together with other issues such as meeting new legislative requirements and statutory obligations.

- Budget Monitoring – Monitoring is carried out on a monthly basis with effect from month zero and highlights any significant variances and areas of risk, both for current and future years, with regular reports being presented to the Executive and Scrutiny Committees. This provides an opportunity to take action to mitigate such variances. Bearing in mind the importance of successfully delivering budget savings in the current financial year, detailed monthly reports on progress in achieving savings have been reported to the Corporate Leadership Team.

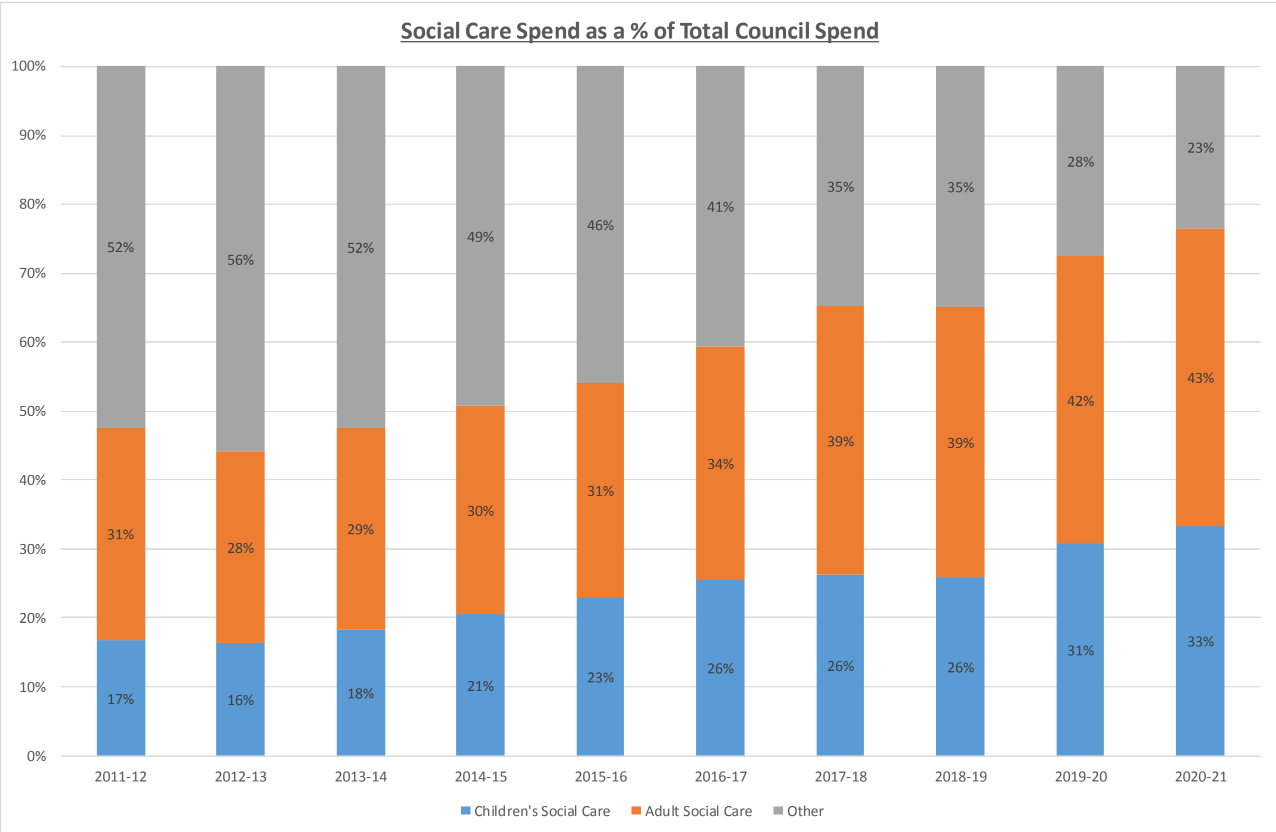
10.3 Under a Local Authority Accounting Panel Code of Practice (LAAP) issued in November 2008 the establishment of and transfers to/from reserves are subject to the approval of the Council's statutory finance officer. The Council's reserves are continuously reviewed to ensure that they remain at an appropriate level.

10.4 In addition to the Council's general working balances a number of specific revenue reserves have been established to cover specific risks and uncertain commitments. Without these specific reserves the Council's general working balances would need to be set at a higher level. Taking into account specific reserves it is the opinion of the Council's statutory finance officer that the Council should continue to plan for a level of general working balances of **£6m**. This level is necessary in view of the scale of the Council's gross revenue budget and associated risks. An assessment of the significant risks and the steps which are being taken to mitigate these risks are set out in appendix 5. In setting the proposed budget and savings programme of £19.65m it is not realistic to assume that this target can be achieved in one year nor via contributions from revenue budgets, in particular as the level is forecast to have reduced to nil by 31 March 2020. As part of the budget exercise non-recurrent funds have been identified to restore levels to at least 50% of target with other work such as the Minimum Revenue Provision review ongoing to add to this if/where possible – a separate listing of progress to date is attached at Appendix 6. It is the view of the statutory finance officer that the significant investment in Children's Services that this Revenue Budget recommends should remove the strain on working balances that has been borne in recent years.



10.5 As referred to at paragraph 4.7 Children's Social Care Services was the subject of a full Ofsted inspection at the end of 2018 with the outcome being published in a report on 17 January 2019. Whilst Ofsted did highlight improvements in service delivery in a number of areas, there remained issues in social work practice meaning some children were not always having their needs responded to in the right way or at the right time. The Secretary of State has subsequently appointed an Independent Commissioner who continues to work with Council officers and Members to determine the Council's capacity and capability to improve itself and will be recommending later this calendar year whether or not the evidence is sufficiently strong to suggest that long-term sustainable improvement can be achieved should operational control remain with the Council.

The Council has an improvement plan in place, which is under continuous review to ensure that positive changes happen at a faster pace. In order to deliver this and on a sustainable footing, this Revenue Budget proposes unprecedented investment in the service with £4,279,000 to address the additional staffing requirement, some 30% more children's social worker staffing than 12 months ago, and £10,108,000 to address the demographic demand pressures of children in need and the increasing intensity of care required – a total recurrent investment of **£14,387,000**. The upshot of this is that by next year Children's Social Care will represent 33% of the Council's revenue spend compared with 17% a decade earlier:



11. Capping

11.1 Under schedule 5 of the Localism Act 2011 the Government introduced a requirement to hold a local referendum when proposed council tax increases are deemed excessive. On 20th December as part of the Provisional Local Government Settlement it was announced that an increased council tax referendum threshold of 4% would apply for 2020/21 (comprising 2% for expenditure on adult social care and 2% for other expenditure).

11.2 This flexibility is offered in recognition of inflationary pressures such as the raising of the National Living Wage and demographic changes which are leading to growing demand for adult social care and increased pressure on council budgets. A requirement of this flexibility is that the Council spends the additional funds raised through the Adult Social Care Precept on adult social care only.

12. Medium Term Financial Prospects

12.1 Medium term prospects are overshadowed by the continuing cutbacks in public sector spending which were described in detail in the current Medium Term Financial Sustainability Strategy. It is impossible at this point in time to forecast beyond 2020/21 when the current 1-year Settlement ends and the prospect of the Spending Review 2020, the Fair Funding Review, Business Rates Retention, Business Rates Reset and the New Homes Bonus review adds more uncertainty to financial planning. However, it is the intention that the current Medium Term Financial Plan will be refreshed over a rolling 3-year period once indicative funding allocations begin to be released by MHCLG.

13. Recommendations

The Executive is asked:

(1) To recommend to Council that the **£5,922,000** Social Care Grant is allocated in full to Children's Social Care (ref. paragraph 4.7)

(2) To recommend to Council the level of net expenditure for the draft General Fund Revenue Budget 2020/21 of **£142,084,000** (ref. paragraph 6.2)

(3) To recommend to Council a level of budget savings of **£19.65m** (ref. paragraphs 7.1 and 7.2 and appendix 2)

(4) To recommend to Council that the Chief Executive be authorised to take any necessary steps to ensure all staffing savings are achieved (ref. paragraph 8.1)

(5) To recommend to Council that the target level of working balances remains at **£6m** (ref. paragraph 10.4)

(6) To consider any further facts, information and stakeholder feedback which may emerge and report the details to the meeting of the Executive on 4 March 2020.

Mr S Thompson

Director of Resources

23rd January 2020