

Cheltenham Borough Council
Cabinet – 15 December 2015
General Fund Revenue and Capital - Interim Budget Proposals
2016/17 for Consultation

Accountable member	Cabinet Member for Finance, Councillor John Rawson
Accountable officer	Paul Jones, Section 151 Officer
Accountable scrutiny committee	Overview and Scrutiny Committee
Ward(s) affected	All
Key Decision	Yes
Executive summary	This report sets out the Cabinet's interim budget proposals for 2016/17 for consultation. The budget projections have been prepared before the local government finance settlement consultation has been released which is not expected until week commencing 14 th December 2015.
Recommendations	<ol style="list-style-type: none"> 1. Approve the interim budget proposals for consultation including a proposed council tax for the services provided by Cheltenham Borough Council of £190.84 for the year 2016/17 (an increase of 1.99% or £3.72 a year for a Band D property). 2. Approve the growth proposals, including one off initiatives at Appendix 3, for consultation. 3. Approve the proposed capital programme at Appendix 6, as outlined in Section 7. 4. Delegate authority to the Section 151 Officer, in consultation with the Cabinet Member for Finance, to determine and approve any additional material that may be needed to support the presentation of the interim budget proposals for consultation. 5. Seek consultation responses by 20 January 2016. 6. Resolves to recommend to Council that the Government's recent changes to Housing Benefit, set out in section 5, should not be incorporated into the local council tax support scheme."

Financial implications	<p>As contained in the report and appendices.</p> <p>Contact officer: Paul Jones.</p> <p>E-mail: paul.jones@cheltenham.gov.uk</p> <p>Tel no: 01242 775154</p>
Legal implications	<p>This report proposes an interim budget for consultation purposes and there are no specific legal implications at this stage.</p> <p>Contact officer: Peter Lewis</p> <p>E-mail: peter.lewis@tewkesbury.gov.uk</p> <p>Tel no: 01684 272012</p>
HR implications (including learning and organisational development)	<p>In the spirit of building on our positive employee relations environment, the recognised trade unions will receive a budget briefing at the Joint Consultative Committee on 17^h December 2015.</p> <p>Dialogue with the recognised trade unions will continue in order to ensure that the potential impact on employees is kept to a minimum. It is the Council's aim to avoid the need for compulsory redundancies wherever possible.</p> <p>The council's policies on managing change and consultation will be followed.</p> <p>Going forward, it is important that capacity is carefully monitored and managed in respect of any reductions in staffing and reduced income streams</p> <p>Contact officer: Julie McCarthy</p> <p>E-mail: julie.mccarthy@cheltenham.gov.uk</p> <p>Tel no: 01242 264355</p>
Key risks	<p>As outlined in Appendix 1</p>
Corporate and community plan Implications	<p>The aim of the interim budget proposals is to direct resources towards the key priorities identified in the Council's Corporate Business Plan whilst recognising the reduction in Government funding.</p>
Environmental and climate change implications	<p>The draft budget contains a number of proposals for improving the local environment, as set out in this report.</p>

1. Background

- 1.1 In accordance with the Council's Budget and Policy Framework Rules, which are part of the Council's constitution, the Cabinet is required to prepare interim budget proposals for the financial year ahead and consult on its proposals for no less than four weeks prior to finalising recommendations for the Council to consider in February 2016. This report sets out the interim proposals for 2016/17.
- 1.2 The Local Government Finance Settlement for 2013/14 marked the introduction of the new local government resource regime with a significant change in the way local authorities are financed. Under the new regime, more than 40% of the Council's Government funding comes directly from Business Rates and, as a consequence, has the potential to vary either upwards or downwards during the year. This is a key strand of the Government policy to localise financing of local authorities and brings the potential for increased risks or increased rewards.
- 1.3 The Spending Review 2015 confirmed that by the end of this Parliament, local government will retain 100 per cent of business rate revenues to fund local services although the system of top-ups and tariffs which redistributes revenues between local authorities will be retained. In return, local government will be required to take on additional responsibilities which may include the funding of public health and the administration of Housing Benefit for pensioners. The Government propose to consult on these and other additional responsibilities in 2016.

2. Spending Review and Local Government Finance

- 2.1 Since 2009/10 the Council's core funding from the Government has been cut by some £4.2 million, from £8.8 million to £4.6 million.
- 2.2 On 25th November 2015, the Chancellor announced details of his Spending Review which determines how the Government will spend public money over the course of the Parliament by setting budgets for each central government department. In addition he made his Autumn Statement which is an annual update of the Government's plans for the economy and provides an update on the current state of public finances and the latest economic forecasts from the Office of Budget Responsibility.
- 2.3 In his Spending Review statement, the Chancellor appears to have started the process of reversing central government's hold over local government. The Chancellor has recognised that local financial accountability cannot be achieved when the majority of its income is determined, capped or controlled by Whitehall.
- 2.4 The proposal to allow local authorities to retain 100 per cent of their business rates income is positive, but further work needs to be done to determine the details. The Government has recognised that councils need to be able to decide how to spend their reserves in order to make financial decisions based on local circumstances. In addition the Government has announced an uplift in planning fees in order to ensure a properly resourced planning system, which is crucial to economic growth
- 2.5 Over the Spending Review period, central government's direct funding of local government will fall by 24 per cent in real terms. Local Government remains the most efficient part of the public sector and, whilst this is a smaller reduction than those imposed in the 2010 Spending Review, these further reductions will be extremely challenging.

New Homes Bonus (NHB)

- 2.6 The Government introduced the NHB as a cash incentive scheme to reward councils for new home completions and for bringing empty homes back into use. This provides match funding of

£1,484 for each new property for six years (based on national average for band D property – i.e. £8,900 per dwelling over six years), plus a bonus of £350 for each affordable home (worth £2,100 over six years).

- 2.7** Funding is not ring-fenced and is designed to allow the ‘benefits of growth to be returned to communities’. Funding is split 80:20 between district and county authorities, although it is now recognised that the funding from this scheme comes from top sliced Revenue Support Grant (RSG), which has reduced significantly over the years to compensate for the NHB payments.
- 2.8** The value of NHB available to the Council in 2016/17 has been estimated at £2,172,000. However, the Government intends to consult on reforms to the NHB, including means of ‘sharpening’ the incentive to reward communities for additional homes and reducing the length of payments from six years to four years. This latter proposal could reduce the NHB payable in 2016/17 by £583,500, although the Government has said it will consider introducing a ‘floor’ to ensure that no authority loses out disproportionately. This Council will therefore make strong representations on this potentially very damaging proposal.
- 2.9** The final value of NHB will be confirmed in the final budget proposals presented to Council in February 2016.

Parish Council Support Grant

- 2.10** The Local Council Tax Support (LCTS) scheme operates in a similar way to discounts, such as for empty properties or single person occupiers. Rather than being accounted for as a benefit cash payment, the council tax base is reduced. Whilst this has no impact for the individual council tax payer, a lower council tax base reduces the tax yield to this Council, Gloucestershire County Council, Gloucestershire Police Authority and town and parish councils. To offset this impact, the Government pays a cash grant to all local authorities. The element of grant attributable to town and parish councils is paid to the billing authority (i.e. this Council). It is for each billing authority to agree with its town and parish councils any mechanism for paying over a share of the overall grant paid to the billing authority.
- 2.11** For 2013/14 through to 2015/16, the value of grant awarded to the 5 parish councils for LCTS was £10,269. Funding for Local Council Tax Support has been “rolled” in to the Revenue Support Grant and the Retained Business Rates Baseline Funding Position. As Government funding reduces, the Council will be under pressure to reduce the funding available for Local Council Tax Support available to town and parish councils. However, in order to give parish councils a degree of financial stability and give them the assurance they need to set their own precepts, once again it is not proposed to pass on any reductions in 2016/17.

Council Tax

- 2.12** The Localism Act 2011 introduced a power to the Secretary of State for Communities and Local Government to issue principles that define what should be considered as an excessive council tax increase and to set limits. Any council that wishes to raise its council tax above the limit will have to hold a referendum, the result of which will be binding. The proposed limit for the last two financial years has been set at 2%.
- 2.13** For the past five years the Council has frozen its council tax precept at £187.12 a year for a Band D taxpayer, which was first set in 2010. In freezing its share of council tax for this unprecedented length of time, the Cabinet has borne in mind the difficult economic and financial climate that many of our residents face. However, during the period of the freeze our own financial position as a Council has deteriorated sharply. Our core Government funding has been cut by more than 47%, with further large cuts to come. In addition, inflation and pension deficits have continued to affect many areas of the Council’s costs.
- 2.14** Since the borough share of council tax was last increased, CPI inflation has been of the order of

13%. We are currently going through a period of extremely low inflation, with CPI inflation being 0.0% in September 2015, well below the Monetary Policy Committee's (MPC) 2% target. However, this is likely to be relatively short-lived, with inflation projected to rise around the turn of the year as past falls in energy prices begin to drop out of the annual comparison. The MPC judges that it is currently appropriate to set policy based on a likelihood that inflation will return to the 2% target within two years.

- 2.15** However, consumer price inflation is not a particularly useful guide to what is happening to the Council's costs. The most significant cost to this Council is in respect of its employee related costs – and in this area of expenditure, some very considerable cost increases are on the way. Pay awards are assumed to be in the region of 1% per annum, employer pension contributions are increasing by £406k cumulatively per annum, and employer national insurance contributions will increase by 3.4% as a result of the creation of the single tier state pension and the end of contracting out of the second state pension.
- 2.16** With this in mind, the Cabinet has had to consider whether a further freeze in council tax is sustainable, or whether it will act against the interests of local residents by creating an increased risk of service cuts and/or larger tax increases in the future.
- 2.17** The uncertainty surrounding the future of New Homes Bonus, which represents a significant proportion of our income, and the actual final local government settlement which is not likely to be announced until January 2016, could place a number of our discretionary services at risk.
- 2.18** Therefore, at this stage the Cabinet is proposing a 1.99% increase in council tax in 2016/17; an increase of £3.72 for the year for a Band D property.

Collection Fund

- 2.19** At this point in time, it is estimated that the Council's share of the Collection Fund surplus for 2016/17 is £150,000. Collection fund surpluses arise from higher than anticipated rates of collection of the council tax collection rates and the Council's actual share will be confirmed within the final budget proposals presented to Council in February 2016.

3. The Cabinet's general approach to the 2016/17 budget

- 3.1** In the current exceptionally difficult national funding situation, the Cabinet's overriding financial strategy has been, and is, to drive down the Council's costs. The Cabinet's aim is to hold down council tax as far as possible, while also protecting frontline services.
- 3.2** The Cabinet's budget strategy for 2016/17, approved at a meeting on 13th October 2015, included an estimate of £1.825m for the 2016/17 budget gap i.e. the financial gap between what the Council needs to spend to maintain services (including pay and price inflation) and the funding available assuming a 5.9% cut in government support.
- 3.3** The final assessment of the budget gap for 2016/17, based on the detailed budget preparation undertaken over recent months and the assumed financial settlement is £1.834m which takes into account the following variations:
- Additional income raised through an increased tax-base £25k
 - Supported growth proposals in 2016/17 £85k
 - Additional off-street car parking income £60k
- 3.4** The key aims in developing the approach to the budget were to:
- Do everything possible to protect frontline services with a modest increase in council tax

- Identify savings that can be achieved through reorganisation of service delivery or raising additional income rather than through service cuts
- 3.5** In preparing the interim budget proposals, the Cabinet and officers have:
- Prepared a budget projection under a general philosophy of no growth in services unless there is a statutory requirement or a compelling business case for an 'invest to save' scheme. The full list of proposals for growth, including one off initiatives, is included in Appendix 3.
 - Provided for inflation for contractual, statutory, and health and safety purposes at an appropriate inflation rate where proven.
 - Budgeted for pay inflation at 1% for 2016/17.
 - Budgeted for an increase in Members allowances of 1% for 2016/17.
 - Increased income budgets assuming an average increase in fees and charges of 2.0%, with some exceptions. The Cabinet proposes to freeze car park charges and green waste charges.
 - Assessed the impact of prevailing interest rates on the investment portfolio, the implications of which have been considered by the Treasury Management Panel.
- 3.6** As in previous years, the budget for the coming year is the result of a great deal of activity and hard work by officers and members throughout the year. The Cabinet has worked with officers to develop a longer term strategy for closing the funding gap and this is monitored regularly through the Bridging the Gap (BtG) programme. The Cabinet's interim budget proposals for closing the budget gap in 2016/17, which are the result of this work, are detailed in Appendix 4, split into:
- Decisions already made by Council totalling £567,400 in savings or additional income.
 - Proposals yet to be agreed by Council which are not built into the base budget, totalling £870,400. They comprise £170,400 of efficiency savings and additional income and an additional contribution from New Homes Bonus (NHB) of £700,000 to support the base budget.
- 3.7** The Bridging the Gap programme and the commissioning process have helped the Council to move towards a robust five-year strategy for closing the funding gap. The work done on leisure and culture services, shared services with our 2020 partner councils, management restructuring and the accommodation strategy, as well as a number of smaller pieces of work, give the Council the opportunity to think ahead over a period of several years, rather than planning its budgets a year at a time.
- 3.8** This budget proposes to make fuller use of the New Homes Bonus to support the revenue budget. However, in view of current uncertainties we have limited the amount of New Homes Bonus income being directly taken into the revenue budget to a total of £1.750m, which is 80% of the total expected income in 2016/17 of £2.170m. It is proposed that the remainder should be earmarked for one off or time-limited spending, kept in reserve or put towards this Council's contribution to the 2020 Vision Programme as agreed in February 2015.
- 3.9** The proposed one-off uses of New Homes Bonus income include £50k to support the well-liked and very effective Community Pride.
- 3.10** In determining the budget strategy in October 2015, the Section 151 Officer recommended the creation of a specific earmarked reserve: a 'budget strategy (support) reserve', to provide greater resilience. The new reserve will also secure the Council against short-term challenges which we know we will encounter in the coming year. One of these financial challenges is a one-off drop in

business rates income estimated at £285k in 2016/17 due to redevelopment, with income levels recovering as development goes 'live' in 2017/18 and 2018/19. Another is the delay in securing car park income of £350k a year from the North Place development, which we expect to be resolved by the end of 2016. These short-term challenges require a short-term response and it is therefore the Cabinet's intention to meet the projected shortfall in funding of £395k in 2016/17 from the budget strategy (support) reserve rather than by cuts in services or increases in charges which would have a long-term impact.

4. Treasury Management

- 4.1 Appendix 2 summarises the budget estimates for interest and investment income activity. Security of capital remains the Council's main investment objective.
- 4.2 The latest forecast from our Treasury Advisors includes a first increase in the Bank Rate in quarter 2 or 3 of 2016 although it is recognised that events outside our control could result in a delay in any Bank Rate increase. With this in mind, for 2016/17 interest receivable is assumed to remain broadly consistent with that now projected for 2015/16.

5. Local council tax support scheme for 2016/17

- 5.1 On 13th October 2014, the Council decided to keep the local scheme for working age customers unchanged for 2015/16 and 2016/17, other than the annual uprating of premiums, allowances, non-dependent deductions and any changes to the national pension scheme that need to be reflected in the local working age scheme.
- 5.2 For 2016/17 there are two changes outside of uprating which need to be considered for inclusion in the 2016/17 local scheme for working age customers, one of which is also a change in the national pension scheme for council tax support.
- 5.3 The first change is to reduce the time limit for backdating a claim from six months to one month where 'continuous good cause' has been shown for not contacting us at the correct time. This change would be to fall in line with the Housing Benefit scheme which is paid at the same time as council tax support, if someone also needs help with their rent. Between April and October this year, we had 10 council tax support cases which were backdated over one month.
- 5.4 The second change is the removal of the "family premium" from 1st May 2016 for new working age customers with children claiming council tax support; or for existing customers who become responsible for a child for the first time. Again this change would be to fall in line with the Housing Benefit scheme and the national pensioner scheme for Council Tax Support.
- 5.5 The family premium is one of a number of premiums, which are added together to make up a family's maximum award in council tax support and if their income is above this figure, they have to make a contribution to their council tax on a sliding scale. If it were to be removed from the council tax support scheme, we would still award premiums for each child, personal allowances for the customer being a lone parent or couple, and disability premiums for those who are disabled. In addition, customers on Universal Credit, Income Support, income related Employment & Support Allowance or Income based Job Seekers Allowance would still receive maximum support.
- 5.6 However, the family premium is £17.45 per week and if this were removed from the local council tax support scheme, new customers might have to pay up to an extra £3.49 per week if their total income is above the new maximum award for their family circumstances.
- 5.7 There are conflicting considerations in deciding whether to incorporate the changes into council tax support. Up to now, the Council has prided itself on protecting the council tax support scheme from Government cuts. Clearly the removal of family premium would impact on some of the

poorest people in the community. On the other hand it will complicate the administration of benefits and involve additional software costs if the removal of the family premium is not adopted, as it will result in us having to treat council tax support and Housing Benefit differently when a family makes a joint claim for both benefits.

- 5.8 On careful consideration, the Cabinet has decided not to recommend to Council that the Housing Benefit changes in respect of backdating and family premium are incorporated into the local council tax support scheme. However the council tax support scheme may need to be reviewed in a year's time when it is expected that the Government will announce further changes.

6. Reserves

- 6.1 Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (Section 151 Officer) to comment upon "the robustness of the estimates and the adequacy of the reserves for which the budget provides". This review forms part of the formal budget setting report presented to Council in February 2016. A projection of the level of reserves to be held at 31st March 2016 and 31st March 2017 respectively is detailed in Appendix 5.
- 6.2 The Cabinet is proactive in strengthening reserves when appropriate and necessary through the use of underspends and one-off income. It is therefore recommended that any future underspends or fortuitous windfalls are earmarked for transfer to either general balances or the budget strategy (support) reserve.

7. Capital Programme

- 7.1 The interim capital programme for the period 2015/16 to 2019/20 is set out at Appendix 6.
- 7.2 The strategy for the use of its capital resources is led by our corporate priorities. The existing programme includes sums for infrastructure investment to be funded from the Civic Pride reserve and capital receipts and the construction of new homes through Cheltenham Borough Homes. It also includes the allocations agreed by the Council in April 2015 to facilitate the redevelopment to the Town Hall and the Crematorium, the purchase of Delta Place and the Shopfitters site, a new play facility at Pittville Park and an earmarked contribution to public realm works at Boots Corner.

8. Property Maintenance Programme

- 8.1 The interim budget proposals include the 2016/17 property maintenance programme, which has been reviewed by the Asset Management Working Group, and the budget includes a revenue contribution of £600k to planned maintenance as detailed in Appendix 7.

9. Reasons for recommendations

- 9.1 As outlined in the report.

10. Alternative options considered

- 10.1 The Cabinet has considered many alternatives in arriving at the interim budget proposals. Opposition groups will be able to suggest alternative budget proposals for consideration by Council in February 2016.

11. Consultation and feedback

- 11.1 The formal budget consultation on the detailed interim budget proposals will be over the period **16 December 2015 to 20 January 2016**. The Cabinet will seek to ensure that the opportunity to have input into the budget consultation process is publicised to the widest possible audience.

During the consultation period, interested parties including businesses, tenants, residents, staff and trade unions will be encouraged to comment on the initial budget proposals. They will be asked to identify, as far as possible, how alternative proposals complement the Council's Business Plan and Community Plan and how they can be financed. The Overview and Scrutiny Committee will be invited to review the interim budget proposals in the meetings scheduled for January 2016 and any comments will be fed back to the Cabinet.

- 11.2** Whilst the Cabinet will be as flexible as possible, it is unlikely that any comments received after the consultation period can be properly assessed to consider their full implications and to be built into the budget.
- 11.3** All comments relating to the initial budget proposals should be returned to the Section 151 Officer by the end of the consultation period for consideration by the Cabinet in preparing their final budget proposals. Consultation questionnaires will be available in key locations and for completion on line via the council's website. Comments can be e-mailed to **money matters@cheltenham.gov.uk**.
- 11.4** It is important that any political group wishing to make alternative budget proposals should discuss them, in confidence, with the Section 151 Officer (preferably channelled through one Group representative) to ensure that the purpose, output and source of funding of any proposed change is captured.
- 11.5** Given the financial pressures and the potentially very difficult decisions which will have to be made, it is very important that there is time for members to carefully consider and evaluate any alternative budget proposals. Political groups wishing to put forward alternative proposals are not obliged to circulate them in advance of the budget-setting meeting, but in the interests of sound and lawful decision-making, it would be more effective to do so, particularly given that they may have implications for staff.

12. Performance management – monitoring and review

- 12.1** The scale of budget savings will require significant work to deliver them within the agreed timescales and there is a danger that this could divert management time from delivery of services to delivery of savings. There are regular progress meetings to monitor the delivery of savings and this will need to be matched with performance against the corporate strategy action plan to ensure that resources are used to best effect and prioritised.
- 12.2** The delivery of the savings workstreams included in the interim budget proposals, if approved by full Council will be monitored by the BtG group.

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Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Summary net budget requirement 3. Growth 4. Savings / additional income 5. Projection of reserves 6. Capital programme 7. Programmed Maintenance programme
Background information	<ol style="list-style-type: none"> 1. Budget Strategy and Process 2016/17 report to Cabinet 13 October 2015.

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	I	L	Score	Control	Action	Deadline	Responsible Officer	Transferred to risk register
CR3	If the Council is unable to come up with long term solutions which bridge the gap in the medium term financial strategy then it will find it increasingly difficult to prepare budgets year on year without making unplanned cuts in service provision.	Cabinet	15 December 2010	5	3	15	R	The budget strategy projection includes 'targets' for work streams to close the funding gap which now includes the 2020 Vision savings and a target for the new MD of Place & Economic Development. In addition there is a further target from the Accommodation Strategy.	Ongoing	Chief Finance Officer	26 January 2011
1.01	If the Budget Deficit (Support) Reserve is not suitably resourced insufficient reserves will be available to cover anticipated future deficits resulting in the use of General Balances which will consequently fall below the minimum required level as recommended by the Chief Finance Officer in the Council's Medium Term Financial Strategy.	Cabinet	October 2015	3	3	9	Reduce	In preparing the budget for 2016/17 and in ongoing budget monitoring, consideration will be given to the use of fortuitous windfalls and potential future under spends with a view of strengthening reserves whenever possible.	June 2016	Chief Finance Officer	
1.02	If income streams from the introduction of the business rates retention	Chief Finance Officer	14 th September 2012	4	2	8	Accept	The Council joined the Gloucestershire pool to share the risk of	Ongoing	Paul Jones	

	<p>scheme in April 2013 are impacted by the loss of major business and the constrained ability to grow the business rates in the town then the budget gap may increase.</p>						<p>& Monitor</p>	<p>fluctuations in business rates revenues retained by the Council.</p> <p>The Gloucestershire S151 Officers continue to monitor business rates income projections and the performance and membership of the pool.</p> <p>Work with members and Gloucestershire LEP to ensure Cheltenham grows its business rate base.</p> <p>The MD of Place & Economic Development is tasked with delivering against a £500k target through economic growth by 2019/20.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>		
1.03	<p>If the robustness of the income proposals is not sound then there is a risk that the income identified within the budget will not materialise during the course of the year.</p>	Chief Finance Officer	15 December 2010	3	3	9	R	<p>Robust forecasting is applied in preparing budget targets taking into account previous income targets, collection rates and prevailing economic conditions. Professional judgement is used in the setting / delivery of income targets. A reserve is in place to manage to potential</p>	Ongoing	Paul Jones	

								impact of the temporary closure of North Place car park.			
1.04	If when developing a longer term strategy to meet the MTFS, the Council does not make the public aware of its financial position and clearly articulates why it is making changes to service delivery then there may be confusion as to what services are being provided and customer satisfaction may decrease.	Director of Resources	15 December 2010	3	3	9	R	As part of the delivery of the BtG / commissioning programmes a clear communication strategy is in place. In adopting a commissioning culture the council is basing decisions on customer outcomes which should address satisfaction levels.	Ongoing	Communications team to support the BTG programme	
1.05	If there is a reliance on shared services delivering savings and these savings do not materialise or shared service projects do not proceed as anticipated then other savings will need to be found to meet the MTFS projections.	Deputy Chief Executive	15 December 2010	3	3	9	R	All shared services initiatives adopt sound project management guidelines with clear business case and risk logs to be developed. Savings / Benefit realisation plans are reviewed.	Ongoing	Paul Jones	
1.06	If the Council does not carefully manage the commissioning of services then it may not have the flexibility to make additional savings in the MTFS and a greater burden of savings may fall on the retained organisation	Deputy Chief Executive	15 December 2010	3	3	9	R	Contracts, SLAs and other shared service agreements will need to be drafted and negotiated to ensure that there is sufficient flexibility with regards to budget requirements	Ongoing	Paul Jones	

1.07	If the assumptions around government support, business rates income, impact of changes to council tax discounts prove to be incorrect, then there is likely to be increased volatility around future funding streams.	Chief Finance Officer	13 December 2012	4	3	12	R	Work with GOSS and county wide CFO's to monitor changes to local government financing regime including post 2015 election changes and adjust future budgets for any significant variances.	Ongoing	Paul Jones	
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