

Appendix 1 – Report of the s.151 Officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves

1. Summary

Under Section 25 of the Local Government Act 2003, the Authority's Chief Financial Officer (presently the Director of Resources as the Section 151 Officer) is required to report on the robustness of the estimates made for the purposes of the Council's Budget calculations and the adequacy of the General Fund balances and reserves. The Council must have regard to this report when making decisions in respect to the budget. It is also good practice for the Authority to have a policy on the level of its general reserve and to ensure that it is monitored and maintained.

The council has a very difficult budget position for 2022/23 with a significant initial budget gap. Compounded by a capitalisation directive for 2020/21 and 2021/22, continuing demand and future uncertainty, the Council reported a structural deficit in 2021/22 that had to be addressed with the 2022/23 budget.

This has been achieved through significant reductions in non-statutory services including reducing and stopping some services, the generation of new income, cost reduction through efficiencies and the management of demand.

In addition, to mitigate over exposure to risk, new reserves have been established to support any in-year changes or pressures that will enable time to develop additional or alternative proposals to ensure the budget can remain sustainable.

Without future funding certainty, planning is difficult and as a result scenario planning has been undertaken to assess the impact of differing outcomes. During 2022/23 a series of service reviews will commence as part of a whole scale change programme which will ensure all council services delivered provide beneficial outcomes and value for money. Where these principles do not apply, the services will cease. This is the only way to ensure the Council can remain financially sustainable in the long-term.

2. Background

Local Authorities decide every year how much they are going to raise from Council Tax. Decisions are based on a budget that sets out estimates of what the Council plans to spend on each of its services in the forthcoming year. The decision on the level of the Council Tax is taken before the financial year begins and it cannot be changed during the year, so allowance for risks and uncertainties that might increase service expenditure above that planned, must be made by:

- a) Making prudent allowance in the estimates for each of the services
- b) Ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient.

This Statement is intended to give Members assurance that the Budget has been based on the best available information and reasonable assumptions. In order to meet the robustness requirement a number of key processes have been in place, including:

- Existing and future expenditure pressures are identified by reference to financial monitoring reports for the current year
- The Section 151 Officer provided advice throughout the process, and as added support and assurance for this year, additional Interim Director of Finance capacity was brought in and CIPFA were commissioned to support the assessment and validation process.
- Ownership by the relevant Policy and Services Committee's of proposed savings and their achievability
- Policy and Resources (P&R) Committee and the P&R Finance Sub-Committee providing governance and leadership for the process
- Support from the Independent Panel in critiquing the process and associated reports
- Full engagement of the Senior Leadership Team and ownership of proposals to ensure a balanced budget position
- Identification, management and monitoring of financial risks
- Revenue and capital expenditure is differentiated along with appropriate sources of funding, including revenue implications of capital expenditure
- Consultation with the Members, public and groups as required
- Accountable Service Managers identifying issues, projecting demand and considering value for money and efficiency
- Ongoing development, and refinement, of data and information to monitor service volume and unit costs and track changes in both.

3. Considerations and Priorities

3.1 Estimates and uncertainties

Reliance on funding estimates and future economic growth of the Borough
The financial settlement has provided information on funding levels for 2022/23. Some of the 2022/23 grant allocations are based on the best available information to date.

2022/23 is a one-year financial settlement, which brings with it a continuing considerably increased level of uncertainty and makes the budget planning process much more difficult.

The funding estimates in the budget are based on the best available information and are considered prudent but will be kept under review. There are significant changes proposed to local government funding in future years, and uncertainty about how the Business Rates Retention will work. The Department of Levelling Up and Housing and Communities (DLUHC) still has the Business Rates Retention under review along with the Fair Funding Review which will see an overhaul of the funding formula

that has determined local government funding allocations for over a decade. These estimates will be kept under review and refined accordingly as further details become available.

The Council's future tax base funding is now more closely aligned to the success and performance of the Council's regeneration programme than would have historically been the case and is modelled over a 15 year period to reflect the long-term ambition of the regeneration programme.

While the budget proposed contains allocations to support the Council's strategy to drive growth and support the local economy; and still taking decisions to reduce non-statutory spend, with the exception of predicted increased revenue through business rates and council tax, no other future inflows associated with regeneration are anticipated, though this will increasingly become a factor in future years.

It will take some time for the full economic benefit of some of the regeneration initiatives to be realised and they will only be reflected in budget estimates once these ongoing benefits are known. The Covid-19 pandemic has increased uncertainty around the wider economy which may impact on some of these initiatives.

3.2 Statutory service delivery

Throughout the budget preparation process there has been a sustained focus on ensuring that any impacts on statutory services are minimised and the quality of those services to residents is sustained. The scale of cost reduction required means the Council has had to challenge all aspects of its service delivery and to seek out alternative more cost effective ways of meeting demand within the funding available. All changes are subject to careful consideration, impact assessment and wider consultation before they are implemented.

3.3 Demand pressures

The budget setting process has specifically taken into account the impact of changes in the demand for Council services due to factors including, Covid, increased cost of energy, demographic growth and the rising costs of service provision. These pressures have been subject to robust assessment and valuation to ensure they are evidence based and are as accurate as they can be at this time.

3.4 Impact of Covid-19

The impact of the Covid-19 on the Council, in terms of both its day-to-day operations and the coordination of the response, has been significant throughout the pandemic.

Central Government has, over the past two years, provided the Council with funding to address the pressures faced on both expenditure and income. Some of this funding continues into 2022/23 to recognise the ongoing impact of the Covid-19, specifically on health and social care and local business. The Council requested external financial support (capitalisation directive) which was approved for 2020/21 and has been offered in principle for 2021/22 and does not continue into 2022/23. Following the external reviews commissioned by DLUHC much work has been undertaken in ensuring a balanced budget can be agreed that will see recurrent

reductions in the areas recommended by DLUHC. The costs and pressures in respect of Covid-19 are monitored closely and reported to DLUHC on a monthly basis.

3.5 Financial Management

The Council is continuing to embed a culture of strong financial management and its reporting strategy incorporates regular robust monitoring across all levels.

Operational managers, strategic management and Committees all receive reports on a regular basis.

These cover not only financial budget management but also the wider issues such as the impact on service outcomes and performance measures. This ensures that key elements of the budget are reviewed on a regular basis and issues are reported as soon as they emerge so they can be remedied as early as possible.

The deliverability of the budget is dependent on the achievement of all the proposals agreed within the budget. Once agreed, the savings will be monitored rigorously to ensure they are on track, and where there is a risk of partial non-achievement, remedial action will be presented and implemented as soon as possible. Savings will be monitored via the Policy and Resources Finance Sub-Group during the year. In recognition that some of the proposals are subject to specific consultation, are estimates and that things could change in year that may have an impact on their deliverability, a specific reserve, at around 15% of the agreed savings, has been established to offset any in-year under-achievement.

The Council manages risk on an ongoing basis at all levels of the organisation. Directorate risks are reported to each service committee and the Corporate Risk Register presented to the Audit and Risk Management Committee quarterly. This enables the Council to anticipate risks as they emerge. Clearly the Council faces a significant financial challenge over the coming year and all expenditure plans will be continually reviewed and monitored in this context. Given greater controls are in place the likelihood of significant unanticipated budget issues is reduced but should any emerge, that cannot be managed within existing budgets, contingency balances may need to be drawn on provide short term funding until a longer term resolution can be implemented.

4. Capital Strategy

As part of the preparation of the capital programme, specific consideration is given to the level of borrowing required to support capital aspirations. This determines the most appropriate means of borrowing along with the impact on the debt profile of the Council.

The Council uses a range of prudential indicators to manage and control the impact of capital investment decisions. This ensures that repayment of debt is affordable within the available funding and is particularly relevant during times of reducing funding. This is carefully monitored by the S151 Officer and the Policy and Resources Committee.

5. Reserves Strategy

The Council holds a range of reserves that it uses and holds for different purposes. This report considers each in turn.

5.1 General Fund

The General Fund is the Council's primary reserve. It exists to provide the Council with a contingency against unexpected events which could otherwise undermine the Council's sound financial standing. The fund is only to be utilised to address short term issues and is not to be relied upon to finance ongoing budget deficits. Where it is used in the short term, an immediate plan will be implemented to return it to a long-term equilibrium position in the medium term.

Determining the level of General Fund

This forms a key part of the Council's medium term financial strategy and will be informed by an assessment of the risks presented by:

- State of the economy (and its impact on Council costs/funding)
- Knowledge of future changes to the Council's responsibilities
- Specific risks relating to the changes in Council services

The aim is to maintain the General Fund between 3-5% of the Council's net budget. This can be considered to be a minimum level of reserves. For 2022/23 the Council General Fund balances are set at 4.13% of the net revenue budget. Within the MTFs there is a recommendation to increase this in 2023/24.

However, this rate will not take account of variable factors such as the economic climate, government policy and local factors. Therefore, alongside the normal risk the Council also needs to make an assessment of abnormal risks it may need to fund.

5.2 Earmarked Reserves

Earmarked reserves are established for one-off events or areas of expenditure that will occur with some certainty but do not require recurrent budget funding. The level of the reserve is set commensurate with the level of expenditure expected and under principles of best practice and prudence, should be established as soon as it is known that the expenditure will occur. This may mean that the reserve is held but not spent for some time.

Earmarked reserves are reviewed on a six monthly basis as to whether they are still required and at the original value expected. Where the reserve is no longer required it can be released or added to other reserves. Earmarked reserves are not used to balance the Council's budgets. Further information on earmarked reserves can be found in section 8.

6. Considerations

6.1 Impact of Covid-19

The impact of the COVID-19 pandemic has had a significant impact upon the Council's financial position, since March 2020. Whilst the impact of the pandemic could not have been foreseen the Council's Policy and Resources Committee have received a series of reports in 2021-22 detailing the financial impact of COVID-19 and the actions being taken to achieve a balanced budget position. Grant Thornton, the Council's external auditors, were also kept up to date as to the actions being taken by the Council and the measures the Council are taking to help bring the Council's finances back into balance and comply with statutory duties.

The Covid-19 pandemic and associated response and recovery are significant and the financial implications for the Council are uncertain. There are likely to still be budget pressures on both expenditure and income into 2022-23 and potentially beyond but it is difficult to quantify these with any certainty. Some funding is available throughout 2022/23 to support the continuing impact of Covid-19, and the recurrent changes to the way the council operates as a result of doing things differently, will be picked up as part of the service reviews and embedded as business as usual.

6.2 Anticipated reductions in funding

The level of government funding that the Council receives is expected to change over the next five years but by exactly how is uncertain.

Funding is increasing by £1.2m in 2022-23 but this is a temporary increase and until Central Government can provide a multi-year settlement as part of the Comprehensive Spending Review, this will always be a risk factor when estimating our funding for future years.

There is still considerable uncertainty about future funding including the longer term funding for Adult Social Care and Health following the new legislation around the fair cost of care. The Business Rate Retention Scheme, of which Wirral is in a 100% retention pilot scheme within the Liverpool City Region and The Fair Funding Review remain under review and the timescales for implementation of either are still uncertain but could be expected from 2023/24.

6.3 Inflation

The Council has built specific allocations into the budget to provide funds for contractual and other inflationary pressures. The scale of the increase in energy costs has been a significant factor in the budget and this is based on information from the Council energy broker. The Council estimates on wider budget areas which may experience inflationary pressures in future years and their likelihood; as well as consideration of prevailing national inflation rates and pay bargaining agreements have been built into the budget over the next five years. Government funding from the one-off Services Grant was provided to meet the costs of the employers National Insurance rate increase; as this additional expenditure is permanent, the increase has been included in the baseline budget and therefore has been forecast for future years.

6.4 Changes in service delivery models

The Council continues to review the way in which it delivers services in order to ensure best practice and best value for money for its residents. This has resulted in significant changes to working practices, commissioning relationships and governance arrangements.

As these become embedded within the organisation this should reduce the risk to the organisation however there is still a degree of risk that needs to be allowed for.

From 22/23 as part of the Change Programme, a series of organisational service reviews will be undertaken. This will result in a full review of each service based on what the outcomes are for the service, what resource is required to meet the outcomes via a Zero Based Budgeting review and how the service compares in benchmarking terms; an establishment review to determine the required staffing to meet the outcomes and how the service can be as efficient as it can be in order to provide value for money.

6.5 Rising Demand for Services

The Council continues to face increasing demand for its services due to demographic growth pressures particularly in Adult Social Care. The Council is aware of and attempts to review and manage the potential risk of provider failure within the adult social care market. The failure of any provider may potentially result in the Council incurring additional costs under its Care Act duty to respond to provider failure. New innovations such as digital equipment and smart homes to enable residents to become and retain independence helps mitigate this demand and this is managed with continuous integrated and partnership with working with our care providers

As behaviours and culture changes within society, the Council needs to be aligned to this in terms of future demand pressures. One example as a result of Covid-19 and people working from home, is an increase in on-line shopping and packaging from home deliveries. This has an impact on the recycling and waste disposal rates for the Council and can impact on the cost of refuse collection and disposal.

Rising demand is kept under constant review with initiatives and programmes brought through the Policy and Services Committees for approval to keep it to a manageable level.

6.6 Legal Challenges

The Council regularly has to make strategic or policy decisions that could be subject to challenge or appeal from the affected bodies. Any such decisions or changes that impact on operational services may be subject to legal challenge. Whilst it is considered that the risk is low, it is prudent for the Council to have some capacity to safeguard against challenges. Any financial implications arising from legal challenges are funded from the General Fund balance, in the absence of any other reserves established for known challenges.

6.7 Regeneration Projects

As part of its regeneration agenda the Council undertakes a number of projects which require some initial short term investment to progress the schemes to a point where they either become income generating or cost saving.

While these schemes are in development and through their early years of operation, they represent a higher risk to the Council as they are typically complex and are expected to be wholly or partially funded from the income they generate. Such developments include the regeneration Wirral Waters and Birkenhead Commercial District.

The Council monitors these risks closely, and carries out extensive due diligence in advance of entering into such schemes, to ensure risk can be mitigated as much as possible to avoid future exposure to financial pressures. No specific income from regeneration projects is included within the MTFs, with the exception of additional council tax and business rates. Any additional income arising from regeneration projects will be reinvested into regeneration to ensure future resource is available and to rebuild the Council's reserves and balances.

7. Robustness of the Budgets

7.1 Approach

During 2021 Policy and Service committees were tasked with considering, with a view to agreeing proposals put forward by Officers that would contribute to the 22/23 Budget. In addition, Committees were required to identify areas for further proposals and to provide a steer to Officers in reviewing areas that could be put forward.

During the Autumn it was apparent that this approach was not wholly successful as a budget gap remained. Officers were provided with budget envelopes in which to identify a further value of proposals in order to meet the gap and remain within their budget envelope for 2022/23.

The Policy and Resources Finance-Sub Committee, met weekly to consider the proposals to meet the Budget envelopes and two workshops were held with the full Policy and Resources Committee.

The approach undertaken to set the 22/23 budget is set out below:

- Detailed estimates were prepared by Directorates in accordance with principles laid down by the Director of Resources (S151 Officer)
- The estimate submission has been subject to rigorous review throughout the budget process both in terms of reasonableness and adequacy. This process takes account of previous and current spending patterns in terms of base spending plans and the reasonableness and achievability of additional spending to meet increasing or new service pressures. This is a thorough process involving both financial and non-financial senior managers throughout the Council.

- Financial pressures experienced in the previous financial year are recognised in the following year's budget.
- As part of the budget process, directorates undertook a risk assessment of their key budgets, and provided a summary of major risks within the directorate budget documents.
- All directorate budgets contain efficiencies, income generation and service reviews which will require actions to deliver and any delay in taking decisions may have significant financial implications.
- Whilst the level of risk within the budget was considered manageable on the understanding that key decisions are taken and that where identified savings are not delivered alternative savings options will be needed.
- In order to address the estimated budget gaps identified in the Medium Term Financial Strategy the Council has established cross Council group approach provides a high support, co-ordinated and consistent approach to the identification of robust, realistic and deliverable budget savings proposals.
- The same group has oversight over the budget savings programme. Through this robust and accountable approach any variations to budgeted assumptions can be readily identified and addressed. Where appropriate, and in accordance with the Council's adopted budget principles, alternative proposals will be identified to ensure that a balanced budget position can be delivered over the period covered by this Medium-Term Financial Strategy. Progress against the delivery of these targeted savings will be included in the monthly Policy and Resource Sub Committee Reports.
- In recognition of the financial challenge the Council faced in 2021/22 from an unprecedented event the Council is establishing a number of new reserves to fund future unforeseen budget pressures and to ensure the Council becoming more financially resilient.
- Where the budget assumes the generation of additional capital receipts from property and land sales which are utilised to offset transformation activity.

In assessing the robustness of the Revenue Budgets the key risks are:

- Reasonableness for the provision of inflationary pressures;
- The delivery of the known savings and efficiencies;
- Deliverability of budget changes;
- The impact of increasing demand for services, particularly care services;
- Deliverability of income targets;
- The impact of Covid-19 on the longer term which as yet is unknown;
- Changes to the Capital Programme and associated revenue costs;
- The generation of capital receipts from the sale of land and buildings;
- The ability to increase the General Fund and Earmarked reserves to meet unforeseen costs; and
- On-going review of the risks relating to Council Tax and Business Rates collection levels and appeals.

These assumptions and changing circumstances require forecasts to be regularly reviewed and monitored. This monitoring will take place through the Policy and Resources and Policy and Service Committees during 2022/23.

7.2 Chief Officer and Member Engagement

The Council and its senior management have very clear expectations regarding the delivery of a 'balanced budget' and have instigated appropriate monitoring and reporting processes to ensure any emerging pressures are promptly addressed.

The significant work that has taken place via the Committee Budget Workshops and subsequent Committee meetings have ensured that the Council's priorities are embedded throughout the organisation.

The creation of a Policy and Resource Finance Sub-Group made up of cross-party members provides support, co-ordinated and consistent approach and decisions to ensure realistic and achievable budget saving proposals are approved in line with the recommendations from the DLUHC reports. The Leader of the Council and Leader of the Conservatives also sit on the Independent Panel.

The same group has oversight over the budget savings programme. Through this robust and accountable approach any variations to budgeted assumptions can be readily identified and addressed.

7.3 Five-year plan

The Council has a five-year rolling Medium Term Financial Strategy and Plan. The plan for 2023-27 allows more certainty for forward planning and early implementation of future years savings proposals or mitigation of pressures. Given the uncertainty regarding funding in future years, the plan is closely monitored on a regular basis to ensure the most up to date position can be reported at any time.

7.4 Robustness of the Capital Programme

In assessing the robustness of the Capital Programme and following the recommendations from DLUHC a review of the programme has been undertaken to assess the deliverability of the projects and their value of money. Where necessary, the Council can choose to stop or freeze parts of the Programme throughout the year to ensure spend is kept within the agreed budget and to ensure that the programme only supports key priorities. The capital programme facilitates the implementation of programmes and initiatives that support the council's future financial sustainability through generation of new income and cost avoidance. A clear example of this is technology for independence and smart homes which enable residents to remain in their homes for longer this avoiding future costs of social care.

The main risks of the Capital Programme are:

- The ability to deliver the Programme within the agreed timescales. The re-profiling and slippage from previous years is fully funded but increases the pressure to deliver the anticipated 2022/23 Programme.
- The future Programme includes new starts based on the availability of resources. The programme includes asset disposal and in current economic the capital receipts may be higher or lower than expected.

- Market and economic factors that may increase the cost of materials associated with projects that had not been factored in and may increase borrowing costs
- Deliverability of projects within current capacity
- Over exposure to borrowing

8. Adequacy of the Level of Reserves and Balances

Reserves and balances are sums set aside to meet possible future costs where there is no certainty about whether or not the costs will actually be incurred, the date of when the cost will be incurred or where the funding is on-off and not required on a recurrent basis.

The purposes of the general reserve policy are to help longer-term financial stability and mitigate the potential impact of future events or developments which may cause financial difficulty. General and useable reserves are a key measure of the financial resilience of the Council, allowing the Authority to address unexpected and unplanned pressures.

When reviewing the Medium Term Financial Plan and preparing the Annual Budget, local authorities should consider the establishment and maintenance of balances and reserves. These can be held for three main purposes:

- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of the general fund reserve.
- A contingency to cushion the impact of unexpected events or emergencies – this forms part of the general fund reserve.
- A means of building up funds, referred to as earmarked reserves to meet known or predicted requirements. Earmarked reserves are accounted for separately but remain legally part of the general fund.

Reserves are not to be used to avoid decisions being taken to recommend a balanced budget to Full Council but can be used as a smoothing mechanism where robust plans can be evidenced that arrangements are in place to deliver proposals as a part year effect in-year and for as a full year effect in the following year.

The general fund balance for 2022/23 is forecast to be circa 4.13% of the 2022/23 net revenue budget. It is planned to increase this to 4.5% in 2023/24 and continue increasing to a sustainable level by 2026/27.

The use of reserves and balances to support the Councils budget setting process is not used, as agreed by the Policy and Resources Committee on 1 December 2021. This is clearly not sustainable and undermines robust financial management.

In their letter to the Chief Executive in 2020, Grant Thornton stated that 'In my view, it is not prudent for Council's to use non-recurrent money to fund recurrent expenditure' and that 'I do not consider that reducing the general fund reserve would be appropriate and this would leave the Council exposed should a financial crisis

occur. In accordance with this recommendation this Medium-Term Financial Strategy assumes that reserves will be at circa £64m in 2022/23 and will rise to circa £69m by 2026/27. The indicative general reserve levels from 2021/22 to 2026/27 are set out in Table 8.1 below. This position assumes that a balanced budget position is delivered in 2021/22.

Table 8.1

	Forecast closing 2022/23 £m	Forecast closing 2023/24 £m	Forecast closing 2024/25 £m	Forecast closing 2025/26 £m	Forecast closing 2026/27 £m
General Reserves	13.62	14.86	16.22	17.54	17.82
Earmarked Reserves	51.17	51.17	51.17	51.17	51.17
Total Reserves	64.78	66.02	67.39	68.71	68.99

In the External Assurance Report, commissioned by DLUHC on Leadership and Governance, Ada Burns presented her findings and recommendations in November 2021 to the Council. In the report it was recommended that the Council “Prioritise income from growth to support the re-building of reserves”. In External Assurance Report on financial sustainability, CIPFA noted the concerns that reserves have been reducing and are lower than similar Councils and the risks associated with this if saving fail to be delivered.

Both of these reports support the findings set out by Grant Thornton as part of their external audit for 2019/20 where they gave an adverse conclusion for securing efficiency, economy and effectiveness in its use of resources and recommended we build our reserves to a satisfactory level.

The MTFs has set out as outlined above a forecast for growth in the General Fund and where possible additional reserves will be created but not at the detriment of statutory services.

9. Overall Conclusion

The level of future financial risk is significant, particularly with regard to the achievability of programmed savings, significant uncertainty regarding local government funding changes beyond 2022/23, and the significant funding gap forecast over future years.

The 2022/23 budget is considered robust. Although there are significant savings that need to be delivered in 2022/23 they have been challenged in terms of deliverability and phasing and assurances have been obtained from Directors that these are achievable. Estimates within the budget are based on professional advice and there are considered to be sufficient contingencies within the budget to deal with unforeseen or uncertain items.

Budget review sessions will act as a strong control loop in meeting the budgetary plans to ensure that the Council's financial position is protected. It will be necessary to keep a very tight control of progress towards envisaged savings targets and of spending decisions. This will be closely monitored and action will be taken promptly to address any concerns that may emerge.

The level of both general and earmarked reserves are planned to mature to an appropriate level. The earmarked reserves have been set aside for specific purposes and have been rigorously reviewed. The general reserves level has been risk assessed and although low the MTFs has set growth in its plans to support future unknown costs.

Given the funding uncertainty over the next five-year financial planning period this level of reserves is necessary to smooth the impact of any significant funding reductions. The Covid-19 pandemic has been a recent example of why the Council needs to grow its reserves.

The Council will continue to closely monitor and engage in the consultations in relation to the local government funding changes which will have a significant impact on how the Council is funded in the future and the financial scenario will be updated as further information emerges.

The Council will need to carefully consider its response to the financial gap and unprecedented financial uncertainty facing the Council for 2023-24 onwards. This will be a priority area for the finance function, senior leadership team and Committee members over the coming months.

I have considered a wide range of factors having regard for short term considerations and in the context of the Council's Medium Term Financial Strategy I declare that the level of reserves need to grow in the forthcoming year and for the financial planning period provided, that the estimates the budget is based upon are realistic and robust and there is ongoing commitment by Members and Directors to control spending within approved budgets.

In overall view is that the 2022/23 budget is sound response to continuing challenging financial circumstances, which maintains services as far as possible, maximises efficiencies and responds to future financial challenges.

My advice to Members is to take steps to increase the General Fund Balance to 4.5% of the net Revenue Budget in 2023/24 to ensure a reduced risk to the Council's future financial sustainability.