Appendix A

Key Decision Required:	Yes	In the Forward Plan:	Yes

CABINET

13 SEPTEMBER 2019

REPORT OF CORPORATE FINANCE AND GOVERNANCE PORTFOLIO HOLDER

A.6 FINANCIAL PERFORMANCE REPORT – IN-YEAR PERFORMANCE AGAINST THE BUDGET AT END OF THE FIRST QUARTER 2019/20 AND LONG TERM FINANCIAL FORECAST UPDATE

(Report prepared by Richard Barrett)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To provide an overview of the Council's financial position against the budget as at the end of June 2019 and to present an updated long term forecast.

EXECUTIVE SUMMARY

- These regular finance reports present the overall financial position of the Council by bringing together in-year budget monitoring information and timely updates on the development of the long term forecast.

- Therefore the report is split over two distinct sections as follows:

  1) The Council's in-year financial position against the budget at the end of June 2019

  2) An updated long term financial forecast

In respect of the in-year financial position at the end of June 2019:

- The position to the end of June 2019, as set out in more detail within the appendices, shows that overall the General Fund Revenue Account is overspent against the profiled budget by **£0.460m.** However it is relatively early in the financial year and therefore some expenditure or income trends may still be emerging and to date the variance primarily reflects the timing of expenditure and income.

- In respect of other areas of the budget such as the Housing Revenue Account, capital programme, collection performance and treasury activity, apart from additional details set out later on in this report, there are no major issues that have been identified to date.

- Any emerging issues will be monitored and updates provided in future reports which will include their consideration as part of updating the long term financial forecast.

- Some necessary changes to the 2019/20 budget have been identified which are set out in **Appendix H,** with an associated recommendation also included within this report. The net impact of all of the budget adjustments will be moved to or from the Forecast Risk Fund. The long term forecast is based on the identification of

£0.500m of in-year outturn savings, which will be set aside over the course of the whole year within the Forecast Risk Fund to support the long term plan.

In respect of the updated long term financial forecast:

- The forecast has been reviewed and updated from 2020/21 onwards. An increase in unavoidable / on-going cost pressures is expected in 2020/21, which has had a knock on impact on the level of annual on-going savings required. Based on the initial forecast, the savings target has increased from **£0.300m** per year to **£0.450m** per year.

- Overall the revised forecast can still provide an effective method of managing financial risk and although the annual deficit or surplus position for each year of the forecast has been amended, they can still be accommodated within the overall projected long term financial position, supported by the Forecast Risk Fund that has been set up to underwrite such risks.

- A detailed review of risks associated with the long term forecast is subject to on-going review and is separately reported within **Appendix J.**

- As mentioned during the development of the longer term approach to the budget over the last two years, it is important to continue to deliver against the new longer term forecast as it continues to provide a credible alternative to the more traditional short term approach, which would require significant additional savings to be identified in 2020/21.

- In terms of delivering against the forecast for 2020/21 and beyond, work remains on-going across the 5 key work strands of:

    1) Increases to underlying income
    2) Limiting expenditure / inflationary increases where possible
    3) The identification of savings / efficiencies
    4) Delivering a positive outturn position each year
    5) The mitigation of cost pressures wherever possible.

RECOMMENDATION(S)

That in respect of the financial performance against the budget at the end of June 2019, it is recommended that:

(a) The position be noted;

(b) the proposed in-year adjustments to the budget as set out in Appendix H be agreed; and

That in respect of the Updated Long Term Forecast it is recommended that:

(a) The updated forecast be agreed and the Resources and Service Overview and Scrutiny Committee be consulted on the latest position.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

Effective budgetary control is an important tool in ensuring the financial stability of the authority by drawing attention to issues of concern at an early stage so that appropriate action can be taken. Financial stability and awareness plays a key role in delivering the Council's corporate and community aims and priorities.

The forecasting and budget setting process will have direct implications for the Council's ability to deliver on its objectives and priorities. At its heart, the long term approach being taken seeks to establish a sound and sustainable budget year on year through maximising income whilst limiting reductions in services provided to residents, business and visitors.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The financial implications are considered in the body of the report.

Risk

In respect of the position at the end of June 2019, a number of variances will be subject to change as the year progresses although at this stage it is expected that any adverse position can be managed within the overall budget. The budget position will be monitored and reviewed as part of both the future budget monitoring arrangements and Financial Strategy Processes.

In respect of the long term forecast, there are significant risks associated with forecasting such as cost pressures, inflation and changes to other assumptions that form part of the financial planning process. There are a number of areas that could lead to additional expenditure being incurred, such as: -

- Economic environment / instability;
- Emergence of cost pressures;
- Changes to the local authority funding mechanisms such as the Government's fairer funding review;
- New legislation placing unfunded duties on the Council or reducing the level of the Council's funding;
- Local or national emergency;
- Income is less than that budgeted for, including business rate income retained locally.

However the forecast is based on relatively conservative estimates with no optimistic bias included. **Appendix J** discusses the various risks to the forecast with a Red / Amber / Green risk assessment approach taken.

Another potentially more important action to manage and mitigate risk is the Council's ability to financially underwrite the forecast. As with any forecast, some elements of income and expenditure will be different to that forecasted. It is fair to say that many may offset each other over the longer term. However, there are two important aspects to how this will be managed.

1) To date it is estimated that **£3.253m** will have been set aside by the end of 2019/20 within the Forecast Risk Fund to support the budget in future years. (This excludes the additional contribution of **£0.717m** to fund initiatives aimed at supporting the long term forecast, which is also being held in the reserve). This money is available to be drawn down if the timings within the forecast differ in reality and the net

position is unfavourable compared to the forecast in any one year.

2) The forecast will remain 'live' and be responsive to changing circumstances and it will continue to be revised on an on-going basis. If unfavourable issues arise that cannot be mitigated via other changes within the forecast then the forecast will be adjusted and mitigating actions taken. Actions to respond will therefore need to be considered but can be taken over a longer time period where possible. In such circumstance the Council may need to consider 'topping' up the funding mentioned in 1) above if required over the life of the forecast. This may impact on the ability to invest money elsewhere but will need to demonstrate that its use is sustainable in the context of the ten year forecast.

Set against the above foundations, the original long term forecast was based on the need to identify on-going savings of **£0.300m** each year. Due to changes to the forecast such as an unexpected increases in on-going costs pressures in 2020/21 (from **£0.150m** to potentially **£0.600m)** this savings figure has been increased to **£0.450m** per year. This increase is required to ensure that an annual surplus can still be delivered over the life of the forecast with such surpluses forecast from 2025/26 onwards.

This savings 'target' will still need to remain flexible and react as a counterbalance to other emerging issues as it is accepted that this figure may need to be revised up or down over the life of the forecast.

It is important to deliver against the forecast in the early years to continue to build confidence in the longer term approach. This will, therefore, continue to need robust input from members and officers where decisions may be required in the short term or on a cash flow basis.

Another aspect to this approach is the ability to 'flex' the delivery of services rather than cut services. As would be the case with our own personal finances, if we cannot afford something this year because of a change in our income, we can potentially put it off until next year. There is a practical sense behind this approach as we could flex the delivery of a service one year but increase it again when the forecast allows.

In addition to the above it is important to note that the Council has already prudently set aside money for significant risks in the forecast such as **£1.758m** (NDR Resilience Reserve) and **£1.000m** (Benefits Reserve), which can be taken into account during the period of the forecast if necessary. The Council also holds **£4.000m** in uncommitted reserves which supports its core financial position.

To support the forecast, sensitivity testing has been undertaken which is set out in more detail later in this report.

LEGAL

The Local Government Act 2003 makes it a statutory duty that Local Authorities monitor income and expenditure against budget and take appropriate action if variances emerge.

The arrangements for setting and agreeing a budget and for the setting and collection of council tax are defined in the Local Government Finance Act 1992. The previous legislation defining the arrangements for charging, collecting and pooling of Business Rates was contained within the Local Government Finance Act 1988. These have both been amended as appropriate to reflect the introduction of the Local Government Finance Act 2012.

The Local Government Finance Act 2012 provided the legislative framework for the introduction of the Rates Retention Scheme and the Localisation of Council Tax Support.

The Calculation of Council Tax Base Regulations 2012 set out arrangements for calculation of the council tax base following implementation of the Local Council Tax Support Scheme. The new arrangements mean that there are now lower tax bases for the district council, major preceptors and town and parish councils.

The Localism Act 2012 introduced legislation providing the right of veto for residents on excessive council tax increases.

Under Section 25 of the Local Government Act 2003, the Chief Finance Officer (S151 Officer) must report to Council as part of the budget process on the robustness of estimates and adequacy of reserves. The proposed approach can deliver this requirement if actively managed and will be an issue that remains 'live' over the course of the forecast period and will be revisited in future reports to members as the budget develops.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.
Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

There are no other implications that significantly impact on the financial forecast. However, the ability of the Council to appropriately address these issues will be strongly linked to its ability to fund relevant schemes and projects and determination of the breadth and standard of service delivery to enable a balanced budget to be agreed.

An impact assessment will be undertaken as part of any separate budget decisions such as those that will be required to deliver the necessary savings.

PART 3 – SUPPORTING INFORMATION

SECTION 1 – IN YEAR FINANCIAL PERFORMANCE AGAINST THE BUDGET AT THE END OF THE FIRST QUARTER OF 2019/20

The Council's financial position against the approved budget has been prepared for the period ending 30 June 2019.

This is the first such report on the Council's financial position against the budget for 2019/20, some expenditure or income trends may still be emerging as it is still relatively early in the financial cycle. However comments are provided below where necessary against the following key areas:

- General Fund Revenue and Proposed Changes to the in-year budget
- HRA Revenue
- Capital Programme – General Fund
- Capital Programme - HRA
- Collection Performance
- Treasury Activity

GENERAL FUND REVENUE

The position to the end of June 2019, as set out in more detail in the Executive Summary attached, shows that there is an overall net overspend of **£0.460m**.

As set out in the appendices, elements of this variance are due to the timing of expenditure and income or where commitments / decisions have yet to be made.

Appendix B provides a more detailed narrative against significant variances with some highlights as follows:

- Income achieved to date is running ahead of the profile in areas such as investment income **(£0.065m**), parking **(£0.044m),** planning **(£0.139m)** and at the crematorium **(£0.017m).** This position will remain under review over the remainder of the year and considered as part of the long term forecast and budget setting processes for 2020/21.

- Additional costs of responding to planning appeals have been incurred to date along with accruing costs associated with a planning inquiry. Some bills have not yet been paid so expenditure is not appearing within the appendices at the end of the first quarter. An estimate of the work undertaken to date / still outstanding is **£0.163m**. It is proposed to meet this cost via a mix of the local plan budget and calling down money from the associated earmarked Planning Inquiries and Enforcement Reserve. Further details are set out in **Appendix H**.

  (In respect of the Planning Inquiries and Enforcement Reserve, **£0.239m** is available from this reserve in 2019/20).

- Alternative funding has been identified for two posts included within the 2019/20 budget. The posts are the Anti-Social Behaviour Officer and the Disabled Facilities Grants Coordinator. **Appendix H** sets out the budget adjustments required to recognise this change in funding, which 'releases' the money originally set aside that can then be paid into the Forecast Risk Fund.

- A reduction in the Government grant receivable to support the administration of the Local Council Tax Support Scheme has been confirmed as part of the final grant settlement announcement earlier in the year. The adjustment required of **£0.011m** is set out in **Appendix H.**

The net overall position set out in **Appendix H** results in a net contribution to the Forecast Risk Fund of **£0.077m.** It is expected that this amount will increase as further adjustments to the 2019/20 budget are identified over the remainder of the year to meet the **£0.500m** requirement highlighted earlier on in this report.

Other net neutral budget adjustments have also been included within **Appendix H.**

<u>HRA REVENUE</u>

An overall position is set out in the Executive Summary with further details included in **Appendix C**. At the end of June 2019, the HRA is showing a small net overspend of **£0.020m,** which primarily reflects a small change in the overall period that properties are vacant between lettings, but this is set against an overall rent income budget of **£12.600m**

<u>CAPITAL PROGRAMME – GENERAL FUND</u>

The overall position is set out in **Appendix D.**

As at the end of June 2019 the programme is broadly on target against the profiled position. Detailed comments are provided within the appendix against a number of schemes.

One net neutral change to the budget relating to the demolition of Westleigh House / Office Rationalisation project is set out in **Appendix H.**

CAPITAL PROGRAMME – HOUSING REVENUE ACCOUNT

The overall position is set out in **Appendix D.**

As at the end of June 2019 the programme is behind profile by **£0.100m.**

This budget relates primarily to the on-going major repairs and improvements to the Council's own dwellings. There are no specific issues to highlight at this stage and the expectation is that expenditure / commitments will be broadly in line with the budget over the course of the year as work is progressed and procurement processes completed.

In respect of the New Build Initiatives / Acquisitions Scheme and the new homes in Jaywick Sands, both of these schemes are being supported by the use of 'one for one' capital receipts that the Council is able to retain from right to buy sales. There is currently a three year deadline imposed by the Government that Local Authorities have to spend the money retained under the 'one for one' scheme, but the Government are considering extending this to as much as five years. Notwithstanding this, 'spend by dates' are included in **Appendix D** which the Council needs to remain alert to. Although the receipts will be targeted towards a more strategic approach, the option of purchasing properties on the open market remains a fall-back position to ensure the money retained from right to buy sales stays in the district and not paid over to the Government.

COLLECTION PERFORMANCE

A detailed analysis of the current position is shown in **Appendix E**.

There are no significant issues to highlight at the present time. Income will continue to be collected over the reminder of the year with recovery arrangements and action taken as necessary.

TREASURY ACTIVITY

A detailed analysis of the current position is shown in **Appendix F.**

There are no significant matters to highlight at the present time with investment and borrowing activity on-going in line with the Treasury Strategy and associated practices / requirements. Investment returns are ahead of the profiled budget by **£0.065m** at the end of the first quarter.

SECTION 2 – UPDATED LONG TERM FORECAST

The long term forecast is updated on an on-going basis, with the latest position set out in **Appendix I**.

The detailed context to the revised longer term approach was included in the report to Cabinet on the 5 September 2017.

The long term forecast was last considered by Cabinet on 15 February 2019. The overall net changes to the forecast since that time are set out in **Table 1** below.

Table 1

Year	Net Annual Budget Position Considered by Cabinet 15 February 2019	Updated Net Budget Position
2020/21	£0.694m (Deficit)	£0.990m (Deficit)
2021/22	£0.447m (Deficit)	£0.956m (Deficit)
2022/23	£0.195m (Deficit)	£0.671m (Deficit)
2023/24	£0.066m (Surplus)	£0.385m (Deficit)
2024/25	£0.333m (Surplus)	£0.096m (Deficit)
2025/26	£0.606m (Surplus)	£0.196m (Surplus)
2026/27	£0.885m (Surplus)	£0.488m (Surplus)

As highlighted in the table above, the updated positions shows that annual deficits in the earlier years are higher with a surplus not forecast to be achieved until 2025/26 compared with 2023/24 originally expected. This change has largely been caused by a number of unavoidable cost pressures emerging to date along with other items, with more detailed explanations provided in **Table 2** below.

Table 2

Key Strand of the Forecast	Changes / Comments
Increases in Underlying Income – Council Tax and Business Rates	The updated forecast includes a total estimated increase in underlying income of **£0.942m** for 2020/21, with figures for future years reflecting this change to the 'base' position. The forecast remains based on an increase of £5 in the level of Council Tax for Tendring District Council Services over the life of the forecast. Similar assumptions to last year have been applied in respect of additional income from property growth with the forecast updated with the most recent information / estimates. These remain relatively modest and reflect numbers set out in the local plan. As reported within the outturn report for 2018/19, a significant collection fund surplus of **£0.437m** was carried forward into 2019/20**.** There is currently no indications that this will be 'eroded' by lower collection performance over 2019/20 so is expected to remain available or potentially increase, to support the 2020/21 position. Amounts for future years are reduced down to more cautious levels which may be revised upwards to follow historic trends as the longer term position continues to develop.
Limiting Expenditure /	The main inflationary pressures are in respect of salary

Inflation Increases	costs and major contracts. In respect of salary inflation, the original forecast included increases of 1% per annum from 2020/21 as it was hoped that the relatively significant increases across 2018/19 and 2019/20 would limit further increases in the short term. However Unison has now submitted a pay claim of 10% for 2020/21. Although this is the starting point in the negotiations, it is felt prudent to increase the inflationary allowance from 1% to 2% in 2020/21 and 1.5% across the remaining years of the forecast. In respect of major contracts, an RPI increase has been allowed for the Waste and Street Cleansing Contract. The above 2 changes have resulted in **£0.646m** being added to the 2020/21 forecast, which is an additional **£0.272m** compared with the original forecast considered by Cabinet in February. All other inflationary pressures are expected to be managed within existing departmental budgets. A number of activities remain on-going within the Council's overall financial framework such as reviewing the outturn position from prior years to identify possible budget reductions. The Council also continues to explore opportunities to bring services back in-house which has the potential to reduce overall increases in costs. As mentioned last year, departments continue to take a proactive approach in delivering quality services within the context of the challenging long term financial forecast. Examples of actions taken include managing emerging issues within existing budgets wherever possible or reprioritising activities to reduce / limit pressures on the budget over the course of the year.
Mitigating Costs Pressures	As discussed last year, this line of the forecast continues to present one of the most significant risks, as in many instances it is outside the control the Council, such as reduced income from external bodies / the Government. The original forecast included a cost pressure 'allowance' of **£0.150m** in 2020/21. This figure would not ordinarily be updated until later in the year, but a number of issues have already emerged. Although work remains on-going to review these items and explore options to potentially reduce the overall figure downwards, it is likely that **£0.600m** will be required in 2020/21 to fully fund these emerging items. Although further details will be presented as the forecast develops over the year, a high level summary of the cost

	pressures emerging to date are as follow: • Insurance Premiums – Based on the Council's recent claims history, increases of 80% are expected. Although this will be split across the General Fund and HRA an increase in costs could be as high as **£0.100m.** • Microsoft Licences and other IT related Costs – As highlighted during 2018/19, Microsoft have increased the cost of software licenses and along with other potential changes associated with the digital transformation project, on-going costs could increase by as much as **£0.150m.** • As discussed last year, the Council Tax Sharing agreement with ECC is subject to further changes with the amount shared back to local authorities currently expected to decrease from 14% to 12% from 2020/21. Current estimates indicate that this could reduce income by as much as **£0.160m** from 2020/21. • A number of items have been funded on a one-off basis over recent years, such as increased Airshow costs, the Sea and Beach Festival and the contribution to the Mental Health Hub. To remove the uncertainty that funding on a one-off basis provides, it is proposed to build these items into the base budget on an on-going basis with a total cost of **£0.103m.** It is also worth highlighting that major cost pressures could emerge over the life of the forecast that relate to the maintenance of the Council's property assets. These are usually of a one-off nature but relatively large and it would be difficult to accommodate this cost within the on-going revenue forecast. Therefore it is proposed to review all property assets including those that are leased out, to identify the potential investment required over the remaining years of the forecast. To 'isolate' the revenue forecast from the resulting investment required, it is proposed to set aside one-off funding. At present **£0.717m** is held within the forecast risk fund for initiatives that support the long term forecast. In addition, **£0.417m** was set aside in reserves as part of the outturn position for 2019/20. It is therefore proposed to bring these amounts together to enable an initial sum of **£1.134m** to be made available to meet investment in the Council's property assets over the remaining years of the forecast. The necessary adjustment is set out within **Appendix H.**
Savings and Efficiencies	Due to increases to the budget set out above, the original savings 'allowance' of **£0.300m** per annum would not enable annual surpluses to be achieved over the life of

	the forecast. The annual on-going savings required has therefore been increased to **£0.450m**. This figure was arrived at by determining a figure that would still deliver expected annual surplus by the end of the forecast period, albeit at a later date than originally planned. As discussed last year, this line of the forecast is recognised as providing the 'safety valve' to the overall long term approach and may have to be increased if significant / on-going adverse issues emerge over the life of the forecast.
Delivering a positive outturn positon each year	As set out last year, the Forecast Risk Fund relies upon in-year outturn contributions of **£0.500m** per annum to support the overall balance on the reserve, which in turn underwrites the various risks to the forecast. In respect of both 2017/18 and 2018/19, the requirement to contribute **£0.500m** to the Forecast Risk Fund was delivered or exceeded. In respect of 2019/20 to date, a net contribution to the Forecast Risk Fund of **£0.077m** is proposed with expectations that additional contributions will be possible over the remaining quarters of the year.

Other items included within the forecast for 2020/21 reflect known changes or previous decisions such as the reduction in the Revenue Support Grant, removal of one-off items from 2019/20, reductions in the level of grant to Town and Parish Councils, changes to the use of reserves and the savings accruing from earlier Portfolio Holder Working Party Initiatives. In respect of the last item, it has been necessary to amend the date that savings from the disposal of Weeley Council Offices will be achievable, given the evolving office rationalisation timescales, with the expected additional **£0.090m** savings being moved back to 2021/22 from 2020/21.

Risk Assessment
Given the inherent risks to the forecast, a risk assessment of each line of the forecast is maintained as set out in **Appendix J**.

Attention is drawn to the following key areas of the forecast which have been given the highest risk rating:

- **Growth in Business Rates / Council Tax -** As highlighted within the appendix, the Government plan on completing a spending review in the near future which will in turn influence the fair funding review for Local Government and the money that Local Authorities can retain from business rates collected locally. Given the uncertainty about the outcome from the Government's review and the its timing, this line of the forecast could potentially be subject to significant amendments from next year, which will be reflected in future forecast updates as necessary.

- **Ongoing Savings –** as highlighted earlier, the annual target has been increased from **£0.300m** to **£0.450m** from 2020/21. Activities in progress to deliver this amount include a review of the historic outturn position and taking a confident but cautious approach to income streams which are currently or have historically out-performed the budget. However given the increase in the amount required each year, it is proposed to commence discussions within each directorate to identify options to deliver the necessary savings with an update to be included in future financial performance reports.

As part of their recent value for money work, the Council's external auditors recognised that the Council's savings targets are inherently challenging.

- **Unmitigated Cost Pressures –** as highlighted within the appendix, this line of the forecast presents one of the more significant risks going forward, with the total amount expected to be included in 2020/21 being as high as **£0.600m.** Some items are within the Council's control, such as repairs to assets and property etc., but many are not, such as reduced income from outside bodies. To date the Council has also refrained from using one-off money such as the New Homes Bonus to support the on-going budget. The forecast is based on this prudent principle continuing which supports the robust approach developed.

Sensitivity Testing
There are numerous risks inherent in forecasting and **Appendix I** includes the potential impact if assumptions within the forecast change such as inflation, reduction in income, the level of costs pressures or underperformance in securing the required on-going savings.

Although there will always be a large number of permutations, apart from two scenarios, all others tested are still expected to deliver an annual surplus within the life of the forecast.

The sensitivity test that would have one of the greatest impacts on the forecast is if council tax rises were 1% less than the base position. In aggregate, the annual deficits would be **£4.854m** compared with base position of **£2.414m,** so it could be managed within the overall forecast risk fund amount but would not return an annual surplus until sometime after the last year of the current forecast. A similar situation would occur if the savings achieved were 20% less than required.

If a number of issues came together at the same time then it is possible that the forecast becomes unsustainable in the longer term. This will be monitored as the forecast continues to be developed as it may be that the level of savings required needs to be increased to ensure the long term sustainability of the Council's financial position or the Council reverts back to the historic short term approach to setting the budget which would require significant savings early in the process.

Forecast Risk Fund
Appendix I also sets out the annual change in the Forecast Risk Fund with a broadly increasing balance over the life of the forecast.

It is recognised that the use of reserves to balance the budget is not sustainable in the long term. However the use of the Forecast Risk Fund is on a controlled basis with underlying income expected to offset the net increases in expenditure in the long term, which provides for a more resilient approach to resisting potential reductions in the provision of services compared with the more traditional short term approach taken in the past.

The approach to the forecast continues to be undertaken within a robust risk management framework which includes the regular reporting of a 'live' forecast as set out in this report which will enable timely actions to be taken in response to any adverse issues that may emerge. It is also important to highlight that delivery of the long term forecast in the early years will continue to provide confidence to the revised approach being taken.

Although this will be subject to revisions and updates as the year / forecast progresses, it does set out the initial estimated position for 2020/21 which includes a draw down from the Forecast Risk Fund of an estimated **£0.990m** to balance the budget in accordance with the long term forecast.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

RELATING TO SECTION 1 OF THE REPORT

Front Cover and Executive Summary

Appendix A – Summary by Portfolio / Committee
Appendix B – General Fund Budget Position by Department
Appendix C – Housing Revenue Account Budget Position
Appendix D – Capital Programme
Appendix E – Collection Performance – Council Tax, Business Rates, Housing Rent and General Debts
Appendix F – Treasury Activity
Appendix G – Income from S106 Agreements
Appendix H – Proposed Adjustments to the 2019/20 Budget

RELATING TO SECTION 2 OF THE REPORT

Appendix I – Updated Long Term Financial Forecast
Appendix J – Risk Analysis of Each Line of the Forecast