Open

NORTH DEVON COUNCIL

REPORT TO:	**EXECUTIVE**
Date:	4 February 2019
TOPIC:	**REVENUE BUDGET 2019-20, CAPITAL PROGRAMME AND MEDIUM TERM FINANCIAL STRATEGY 2019-2023**
REPORT BY:	**CHIEF FINANCIAL OFFICER**

1. INTRODUCTION

1.1 This report notes the latest forecast position in the Performance and Financial Management Quarter 3 of 2018-19 reported separately on the agenda and the draft Budget for 2019-20. These figures will be the basis of the recommendation to Council on 25 February 2019 when the Council Tax levels for 2019-20 will be approved.

1.2 The Council has a legal duty to prepare a balanced budget and in order to achieve this position a number of pressures have been identified and assumptions made throughout the preparation process. Members are minded to consider whether to implement or amend these whilst taking into account the implications on the Council's overall financial position and the level of Council Tax for 2019-20 year.

1.3 The Council's Corporate Plan 2015-2018 was updated by the Executive and Full Council in January 2016. In taking decisions on the budget and Council Tax, Members will be mindful of the two key corporate objectives set out in the Plan, these being:

- Organisational Transformation
- Growing North Devon

1.4 A significant theme running through the Corporate Plan is the need to continue achieving savings within the Council's budgets. Sitting alongside and supporting the Corporate Plan is the Council's Medium Term Financial Strategy (MTFS) which has been updated and is shown later in this report.

1.5 It is however pleasing to report that the Council has a good track record of delivering efficiencies and savings and is in good financial shape to meet this challenge.

2. RECOMMENDATIONS

2.1 The Executive:

2.1.1 Note the latest forecast for Budget 2018-19 and the proposed contributions to earmarked reserves.

2.1.2 Note the Chief Financial Officer's assurance on the adequacy of the reserves and the robustness of the budget in paragraph 5.1.4.5

2.1.3 Note the Chief Financial Officer's highlighted areas of risk identified within the budget process set out in paragraph 5.1.4.6 and section 5.3

2.1.4 Note the latest Medium Term Financial forecast for 2019-2023 as shown in section 5.1.5

2.1.5 Subject to approval of 2.2.4 below, that funds are released for the capital schemes listed in section 5.2.2

2.2 Recommend to Council:

2.2.1 That there be an increase of 2.99% in the level of Council Tax charged by North Devon Council for 2019-20.

2.2.2 The actions identified in sections 5.1.2 to 5.1.4, which are required to ensure a balanced budget is achieved and therefore recommend to Council the approval of 2019-20 General Revenue Account Budget.

2.2.3 To adopt the Medium Term Financial Strategy 2019-2023 in section 5.1.5 as part of the Policy Framework.

2.2.4 The Capital Programme 2018-19 to 2021-22 as highlighted in section 5.2 be approved.

3. REASONS FOR RECOMMENDATIONS

3.1 The 2018-19 latest forecast is reported to ensure Executive maintain budgetary control for the rest of the financial year.

3.2 To ensure Executive has assurance on the financial standing of the Council and risks associated with the budgetary framework.

3.3 Decisions on the level of Council Tax need to be taken by Executive as part of recommending next year's budgetary framework for adoption by Council.

3.4 To ensure Executive have a savings plan in place to deliver the long-term financial strategy of the Council.

3.5 To ensure Executive control the performance improvement activities of the Council.

3.6 To ensure that future capital investment is available and targeted to the Council's priorities.

4. CONSTITUTIONAL CONTEXT

Article and paragraph	Referred or delegated power?	A key decision?	In the Forward Plan?
Part 3 Annexe 4	Executive delegated decision making	Yes	Yes
Part 4 Budget Procedure Rules	Executive delegated to formulate Budget	Yes	Yes

5. REPORT

5.1 Revenue Budget

5.1.1 Quarter 3 Forecast 2018-19

5.1.1.1 The Performance and Financial Management Quarter 3 of 2018-19 is also reported on the agenda. The current forecast is that the Council has a small net budget deficit of £0.019m against its budget; however we anticipate that the variance can be reduced further throughout the last quarter.

5.1.1.2 The original budget for 2018/19 included a forecast to achieve £0.200m worth of salary vacancy savings. The current position forecasts this will be exceeded this year and vacancy savings of £0.225m will be achieved.

5.1.1.3 Within the overall £0.019m net budget deficit there are various cost pressures and one-off savings. I am pleased to report that the budget pressures seen within waste and recycling have not increased any further at the quarter 3 forecast. There has been a significant reduction in the forecast planning fee income of £0.159m due to a reduction in the larger applications received, which is in line with other authorities experiencing the same pressure. However I am pleased to report that we are forecasting additional Business Rates Retention income of £0.200m over and above the budgeted £1.252m Business Rates growth which has resulted in maintaining the net budget deficit at a similar level reported at quarter 2.

5.1.1.4 The Business Rate retention scheme was introduced in April 2013 which sees Billing authorities receive a ‘baseline’ funding but in addition they are exposed to the risks and rewards of retaining a proportion of the income collected. This exposure is mitigated by participation in the Devon-wide pool that collates all of the Business Rate growth and decline and returns a share of the impact to each local authority.

5.1.1.5 I am pleased to report that there is an estimated one-off additional income from the 100% Business Rates Retention pilot for 2018/19 of £0.750m; this additional income has been earmarked to the following reserves to help fund future projects:

- £0.350m Capital Funding reserve
- £0.150m Improvement Fund reserve
- £0.190m Economic Development reserve
- £0.060m Office Technology reserve

5.1.1.6 As at the 31st December 2018 total external borrowing was £1.250m. The timing of any future borrowing is dependent on how the authority manages its treasury activity and due to current low interest rates and reduced returns on investments it is prudent for the Council to 'internally borrow' and use these monies to fund the Capital Programme.

5.1.1.7 The recommended level of general fund balance is 5%-10% of the council's net revenue budget (£0.611m to £1.222m). The forecast general fund reserve at 31 March 2019 is £1.161m, which is a level of 9.5%.

5.1.2 Budget 2019-20

5.1.2.1 Preparation of the 2019-20 budget began in the autumn of 2018 in order to consider the cost of known budgetary pressures and provide opportunity to consider the impact of proposed reductions.

5.1.2.2 The Government's Spending Review (SR2015) took place in November 2015, which announced local government facing further funding reductions nationally of some 53% over the period to 2019-2020.

5.1.2.3 In addition, it was also announced that by the end of this Parliament, local government would retain 100% of all business rates. Since this announcement, the Government have deferred the roll out of 100% business rates across the whole country and offered the opportunity for Councils to bid to become pilot areas of 100% business rates in 2018-19 and pilot areas of 75% business rates in 2019-20.

5.1.2.4 A key objective of the pilot was to promote financial sustainability and to invest some of the additional retained income to encourage further growth. As mentioned earlier, Devon authorities operate in a pool at present and thus already had governance arrangements in place and in October 2017, following sign off from each authorities Leader and Chief Executive, the Devon authorities submitted a bid to Government to become a pilot area.

5.1.2.5 In December 2017, it was announced that the bid from Devon was successful and thus Devon will operate as a pilot of 100% business rates for one year only (2018/19 year). This is currently forecast to see gains of around £19m for the Devon area as a whole; of which this authority will gain a proportionate share of the one off gain of around £0.750m.

5.1.2.6 For 2019-20 the Government invited bids for further pilot areas; this time for 75% business rate retention. The Devon authorities submitted a further bid to Government, however it was announced as part of the finance settlement in December 2018 that Devon had been unsuccessful in its bid. For 2019-20 year, Devon will revert back to the pooling arrangements under the original 50% scheme.

5.1.2.7 During the last spending review (2011-2015) the Council reduced its net budget by £4m. Whilst this was achieved without significant detriment to service provision it should be noted that the Council is now operating with some 30% fewer staff than it had 8 years ago.

5.1.2.8 The Council made the decision during 2016-17 to accept the Government’s offer of a 4-year financial settlement through to 2019-20 year. This was confirmed by the Government in November 2016. By accepting the 4-year settlement helps the Council to plan ahead with greater certainty and to provide a financial platform to delivery upon our corporate plan.

5.1.2.9 The refreshed 4-year Medium Term Financial Strategy was approved this time last year (February 2018) and the forecast cumulative budget gap / (surplus) was shown as follows

Years	**2018-19 £m**	**2019-20 £m**	**2020-21 £m**	**2021-22 £m**
Budget gap / (surplus)	0	0.345	0.517	0.616

5.1.2.10 The forecast for 2019-20 (at this time last year) was a budget gap of £345,000. Following a more detailed annual budget setting exercise mentioned in 5.1.2.1 there have been a number of movements to this forecast however I am pleased to be in a position to put forward a balanced budget for 2019-20 financial year.

5.1.2.11 A summary of the main budget movements for 2019-20 is as follows:

	£m	£m
Medium Term Financial Strategy forecast for 2019-20	0.345	
Funding movement		0.345
Pay award *(higher than factored into MTFS)*	0.037	
Reduction in Pannier Market income	0.049	
Reduction in Recycling income	0.159	
Increase in fuel & vehicle maintenance costs	0.107	
Salary savings (net)	(0.223)	
Reduction in subsidy to Theatres	(0.037)	
Other	0.093	
Cost pressures & savings		0.185
Council Tax income (2.99%)	(0.060)	
Business Rates income *(increase on £1.3m factored into MTFS)*	(0.202)	
Further salary savings (net)	(0.039)	
Reduction in grant to South Molton Swimming Pool	(0.016)	
Reduce contribution to Executive Contingency reserve	(0.017)	
Reduce contribution to Improvement Programme reserve	(0.050)	
Reduce contribution to Local Plan reserve	(0.025)	
Review of Trade Waste service *(service cost-neutral)*	(0.040)	
Review of CCTV service *(50% saving 2019-20)*	(0.035)	
Reduce 'one-off' contribution to NHB reserve *(back to £0.100m)*	(0.046)	
Options to balance the budget		(0.530)
Draft Balanced Budget for 2019-20		**0.000**

The Council's net budget for 2019-20 is £12.518m; a table outlining the summary Budget 2019-20 is attached as **Appendix 1**.

Details showing the proposed level of strategic grants for 2019-20 are in **Appendix 2**; together with supporting statements from the organisations in receipt of a grant.

5.1.3 Budget 2019-20 Funding

5.1.3.1 There are three main sources for the Council to fund its net budget of £12.518m; direct Government Grants, Business Rates and income collected from Council Tax payers.

5.1.3.2 The level of funding the Council receives for its share of the Council Tax bill equates to £6.301m.

5.1.3.3 The main grant received from Central Government is paid via the Local Government Finance Settlement.

5.1.3.4 North Devon has been provisionally allocated £3.269m, which is £0.363m (10%) less than the £3.632m allocated for 2018-19. The final settlement is due to be approved by Parliament in February 2019.

5.1.3.5 The balance of funding of £2.948m used to fund the Budget 2019-20 is as follows:

- New Homes Bonus of £1.446m, which is made up as follows:

	Increase	Cumulative total
Year 1 (2016/17)	£332,040	
Year 2 (2017/18)	£299,095	
Year 3 (2018/19)	£379,676	
Year 4 (2019/20)	£434,860	£1,445,671

- The government reviewed New Homes Bonus as part of the 2017-18 finance settlement and made changes to reduce the legacy payments of the original scheme of 6 years down to 4 years from 2018-19. In addition to this, the scheme also would now only be rewarding growth over a national baseline of 0.40%. The government announced no new changes as part of the 2019-20 finance settlement, however the funding review planned for 2020-21 year there are potential changes to the scheme; these are yet to be announced by Central Government.

- Business Rates Retention growth of £1.502m. In the current year 2018-19 we are reporting additional business rates income of £0.200m over and above the budgeted £1.252m business rates growth.

  Initial projections for 2019-20 are forecasting a net additional gain of £1.692m. Exposure to the risks and rewards of the scheme are currently mitigated by participating in the Devon-wide pool. However, these figures can fluctuate depending on how all the Local Authorities within the pool perform and we have prudently budgeted for a lower additional income figure of £1.502m for 2019-20.

5.1.4 Reserves

5.1.4.1 The Council started 2018-19 with earmarked reserves of £5.647m and a General Fund Balance of £1.161m.

5.1.4.2 The Performance and Financial Management Quarter 3 report of 2018-19, also on the agenda, provides an updated forecast position for reserves. It is currently forecast that the amount held in earmarked reserves will reduce to £4.416m and the General Fund Balance to remain at £1.161m as at 31 March 2019.

5.1.4.3 The Budget 2019-20 includes contributions to and (from) specific earmarked reserves. Appendix 1 summarises these reserve movements.

5.1.4.4 **Appendix 3** details the forecast reserve balances for the period to 31 March 2020 and it is currently forecast that the amount held in earmarked reserves will be £3.289m and the General Fund Balance of £1.161m as at 31 March 2020.

5.1.4.5 In compliance with the Local Government Act 2003 the Chief Financial Officer assures Members of:

- The robustness of the estimates; and
- The adequacy of the proposed financial reserves

5.1.4.6 The Chief Financial Officer would also like to draw Members' attention to the risks associated with Revenue and Capital budgets identified in section 5.3 below.

5.1.5 Medium Term Financial Strategy 2019-2023

5.1.5.1 Whilst preparing the Budget 2019-20 each Head of Service was tasked with preparing service plans covering 2019-20 and beyond. These plans have been through Overview and Scrutiny Committee in January 2019 and if applicable the revenue implications have been factored into the budget. The purpose of these plans is to ensure that the Council has a strategic approach to delivering the budget reductions expected as a result of the Government's austerity programme.

5.1.5.2 The Medium Term Financial Strategy (MTFS) was last considered by the Executive at its meeting on 5 February 2018. Council approved the MTFS 2018-19 to 2021-22 at its meeting on 21 February 2018.

5.1.5.3 The MTFS underpins and provides the financial cornerstone of the Corporate Plan, which will shape the Executive's activities. It is good practice that the MTFS is refreshed on an annual basis to ensure that the Council's forward looking financial position is considered particularly in the current economic climate.

5.1.5.4 The MTFS model represents a view as of today based on numerous financial assumptions about the future, which are described in detail together with the risks associated with their volatility.

5.1.5.5 The MTFS looks at the changing financial situation of the Council over the future four financial years for 2019-20 to 2022-23. The starting position is the Budget 2019-20, which is rolled forward based on a set of assumptions.

5.1.5.6 The refresh of the MTFS has involved reviewing all previous assumptions in light of new and more current information. These changes reflect actual experience and additional information or remove unsafe assumptions. The main assumptions in the forecast are as follows:

- **Pay settlement**. The Government previously indicated continued strict controls needed to minimise public sector pay and pay increases were targeted at 1%. The 2018 & 2019 pay offer announced has relaxed this target and for 2019-20 the impact equates to an average 2.8% increase across the Council; resulting in an additional £0.340m cost. The budget for next year and the future years in the MTFS have prudently assumed a similar 2.8% increase. The risk however is that a higher increase is agreed which would add further cost to what has been predicted.
- **No further borrowing to fund capital expenditure in addition to already approved projects.** The Budget 2019-20 and Treasury Management strategy includes borrowing costs of up to £0.590m in 2019-20 to cover current capital programme commitments. The future model assumes borrowing increasing to £0.790m by 2022-23 to cover approved capital projects in the programme. It assumes no further borrowing is undertaken than currently committed to above. If borrowing beyond this is considered a business case will be made outlining all the possible funding options.
- **Additional legislative requirement will be funded by additional grant.** Under the new burdens doctrine the Ministry of Housing, Communities and Local Government (MHCLG) provides additional grant funding, either as a specific grant or included in formula grant. It is also assumed that the grant will be sufficient to fund the additional costs.
- **The move to Universal Credit has a nil effect.** The move from rent allowances to universal credit will see reductions in expenditure and grant income. It is assumed that we will make sufficient savings to match the grant reduction. It is also assumed that there will be no significant impact on homelessness and prevention.
- **No impact from future changes to pensions.** The impact from the 2017-18 triennial review of the pension scheme has already been factored into the base budget which sets out the authority’s employer contributions for the periods to 2019-20. The next triennial review of the pension scheme takes place in the autumn of 2019; the model has prudently assumed an increased cost for 2020-21 year. However, if the actual results

are in line with the assumptions recently made within the pension review then this impact should be lower.

- **Review of fees and charges.** Core fees and charges for service areas such as carparks and garden waste have not been reviewed for a number of years; however the running costs for these services have increased. A review of fees and charges has been incorporated within the forecast and will require Member approval in advance of the 2020-21 year. The risk to the financial forecast is that fees are not increased and thus increases the forecast budget gap by £0.275m.

- **Includes increases in the level of council tax per annum with effect from 2019-20.** This does not mean that the Council cannot freeze or amend the level of council tax, but the decision will be made as part of the budget consideration each year. However, the model assumes a rise each year, if a decision is made to not increase then this will produce a cumulative budget gap of £0.180m in each of the years the tax is not increased.
- **No impact from changes to council tax support or other council tax discounts.** The scheme has been based on a cost neutral model; however changes due to increased take up or loss of collection above that forecast would have a direct financial impact on the Council and its major preceptors. The scheme is reviewed as part of the quarterly performance and financial management report.
- **Government Fair Funding Review and income from retention of Business Rates.** From 2013-14 the government allowed authorities to share in the benefit from growth in business rates. The latest forecast for 2018-19 is estimating additional Business Rates Retention income of £0.200m over and above the budgeted £1.252m Business Rates growth; this is in addition to Baseline funding. Baseline funding is being reviewed and a planned reset for 2020-21 year which will see the above growth reset and a new Baseline funding level for each authority. The MTFS model forecasts an assumed overall reduction in Baseline funding and Business Rates income for 2020-21 onwards. Indicative funding allocations should be announced in autumn 2019, however the risk to the Council is that the overall funding is lower than the level assumed in the financial forecast.

- **Use of New Homes Bonus.** The government reviewed New Homes Bonus and made changes to reduce the legacy payments of the original scheme of 6 years down to 4 years from 2018-19. In addition to this, the scheme now only rewards growth over a national baseline of 0.40%. The MTFS has incorporated the estimated impact of the changes for future year forecasts through to 2022-23. There are further potential changes to the scheme in 2020-21; but details have not been announced yet by MHCLG. Based on the current scheme

North Devon is forecast to receive between £1.5m-£1.6m per year; however we have prudently assumed a lower figure of £1.4m in the forecast. The risk to the Council is that the scheme is changed fundamentally and the financial impact results in a lower then assumed income figure.

5.1.5.7 The refreshed MTFS model detail is shown in **Appendix 4** and the forecast cumulative budget gap / (surplus) is shown as follows:

Years	2019-20 £m	2020-21 £m	2021-22 £m	2022-23 £m
Budget gap / (surplus)	0	0.401	0.470	0.666

5.1.5.8 The figures shown in the model are forecast and members should be mindful of the sensitivity of some of the figures incorporated; the following **sensitivity analysis** highlights how figures can change both upwards and downwards:

- A 1% movement on pay awards has an impact of £0.100m; the MTFS has factored in 2.8% each year therefore any variance to this will change the forecast
- No Council Tax rise is a cost impact of £0.180m each year in lost income on the base budget
- For every £1m extra borrowed (over a 10 year period) would be an additional annual cost to revenue budget of £0.120m

5.1.5.9 The major plans currently included within the MTFS to deliver the savings required in the short to medium term are:

- Inclusion in the Devon-wide saving sharing scheme with Devon County Council following the roll out of changes to recycling service.
- Review of CCTV service with a number of potential options moving forwards. Separate detailed report being brought to Executive shortly; prudently included the lowest potential saving in the budget forecast.
- Review of core fees and charges for service areas such as carparks and garden waste; the running costs for these services have increased however the fees and charges have not been reviewed for a number of years. A review has been incorporated within the forecast and will require Member approval in advance of the 2020-21 year.
- Continued vigorous vacancy management measures and on going reviews of the structure of the Council to determine

whether posts can be removed without detrimentally impacting on the way the Council operates.

- Reviewing Parish grants and all external grants/services provided by external partners through voluntary and contractual arrangements.

5.1.5.10 The Council has been preparing and positioning itself for on going budget reductions and will continue to work on options to deliver the savings necessary to balance the budget gaps through to 2022-23 year.

5.1.5.11 Performance against the budget and savings targets is carried out through the year and incorporated into the quarterly financial and performance management report received by Executive. It is fundamental that early work continues by the Leadership Team in conjunction with service areas to identify savings options to meet the above budget gap.

5.2 Capital Programme

5.2.1 The Performance and Financial Management Quarter 3 of 2018-19 is also reported on the agenda. This report highlights the latest plans for capital investment for the period 2018-19 to 2020-21, which amounts to £12.842m and is broken down as follows:

- 2018-19 £5.529m
- 2019-20 £6.313m
- 2020-21 £1.000m

5.2.2 Further investment of £7.126m through to 2021-22 has been identified following business cases submitted to the Project Appraisal Group, which is broken down across the following schemes:

• Rolling Road for Workshop	£30,000
• Vehicle Replacement Programme	£1,198,000
• Material Recovery Facility – infrastructure	£760,000
• HR and Payroll System	£98,500
• Pannier Market – new roof	£500,000
• Digital Transformation – asset management	£40,000
• Contact Centre – telephony system	£86,500
• ICT Office Technology	£813,250
• Disabled Facility Grants	£3,600,000

5.2.3 The Council therefore has identified investment needs of £19.968m, which it expects to be funded from capital receipts/borrowing (£4.061m), external grants and contributions (£12.614m) and reserves (£3.293m).

5.2.4 **Appendix 5** provides an individual project detail of the Capital Programme for 2018-19 to 2021-22.

5.2.5 The timing and realisation of capital receipts can be impacted by events beyond the control of the Council and we have been able to manage cash flows for projects through internal borrowing.

5.2.6 We also have authority to borrow from the Public Works Loan Board (PWLB) as outlined in the Treasury Management Annual Investment Strategy and the Council currently has external borrowing of £1.25m, of which £0.750m was undertaken during 2014/15 and a further £0.5m during 2016/17 to support capital expenditure.

5.3 Risk Assessment

5.3.1 Whilst formulating the budget proposals, risks to specific income and expenditure budgets were identified. During the course of the process assessments were made in respect of these risks. In light of the information that officers had available appropriate amendments were made to the budget forecasts where possible. Highlighted below are risks identified that could yet have a major impact on the Council's ability to achieve the Budget 2019-20;

5.3.2 **Government grants** – Parliament is expected to approve the funding allocated to Local Government in February 2019. The risk to 2019-20 is that it could be approved at different levels to that assumed in the Budget 2019-20, although the likelihood is unlikely due to the Council accepting the Governments offer of a multi-year settlement which was confirmed in November 2016.

5.3.3 **Income** from car parks, planning, sale of recyclable materials, commercial waste and investments are key areas of income, which have been detrimentally impacted since 2009 as a result of the recession. Whilst some areas have started to recover it remains difficult to predict when stability and, or any significant improvement will return to the economy and is therefore continues to be a source of major risk to the Council's Budget 2019-20. However, the budget estimates have been set prudently taking account of the latest 2018-19 forecast income levels.

5.3.4 **Capital receipts –** The Council faces two main risks in this area. The first is the fact that the Capital Programme is forecast to be funded from as yet unrealised receipts. The second is the ongoing value of receipts generated could be lower due to the economic situation. Both these factors could lead the Council to seek other sources of funding, such as increasing external borrowing and therefore add further borrowing costs to that already included in the 2019-20 budget.

5.3.5 **Savings plans** – Service plans have been approved and net savings been factored into the 2019-20 budget. To achieve the full financial benefit of the savings identified will require negotiation with supplier, partners and other organisations therefore there is a risk that the full benefit may not be achieved, or achieved within 2019-20 financial year.

5.3.6 **Increase in demand for services** – Demand for specific services has continued to increase during 2018-19. Homelessness prevention measures in particular have increased over the past couple of years. It is considered that in light of the current economic climate and general public sector budget cuts that this will continue through 2019-20, which will further impact the Council's budget.

5.3.7 **Localisation of council tax support –** The proposed scheme (unchanged from 2018-19) went to the Executive in January 2019 and has been based on a cost neutral model; however, changes due to increased take up or loss of collection above that forecast would have a direct financial impact on the Council and its major preceptors. The scheme will be reviewed as part of the quarterly performance and financial management report.

5.3.8 **Business Rates retention –** We are now exposed to the risk of lower collections, decline on the tax base and successful outstanding appeals. However this is mitigated by participating in the Devon-wide pool. The Council is also experiencing growth in Business rates income, which has been included in the financial plans.

5.3.9 **Welfare reforms –** The Government has embarked on significant changes to the welfare system, which includes changes to the amounts claimants are entitled to, consolidating different forms of benefit and payment methodology. These may generate risks both from increased demand for services and more directly on resources of the Council. There are still many aspects of the reform unclear, but the Council will continue to monitor progress and analyse the impact on our customers as well as the Council itself.

6. RESOURCE IMPLICATIONS

6.1 Included in the report.

7. STATEMENT OF INTERNAL ADVICE

7.1 The author (below) confirms that advice has been taken from all appropriate Councillors and officers.

8. STATEMENT OF CONFIDENTIALITY

8.1 This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

9. BACKGROUND PAPERS

9.1 The background papers are available for inspection and kept by the author of the report.

Executive Members: Councillor Richard Edgell and Councillor Glyn Lane

Author: Jon Triggs, Head of Resources   Date: 23 January 2019