CABINET

Budget and Policy Framework Update 2016 to 2020
01 December 2015

Report of Chief Officer (Resources)

<table>
<tr><td colspan="6" align="center">PURPOSE OF REPORT

This report provides an update on the Council’s financial position to help inform development of Cabinet’s corporate planning and budget proposals.</td></tr>
<tr><td>Key Decision</td><td></td><td>Non-Key Decision</td><td></td><td>Referral from Officer</td><td>X</td></tr>
<tr><td colspan="2">Date of notice of forthcoming key decision</td><td colspan="4">02 November 2015</td></tr>
<tr><td colspan="6">This report is public.</td></tr>
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OFFICER RECOMMENDATIONS:

1. **That Cabinet notes the draft budgetary position for current and future years as set out in the report, accepting that this is an interim update.**

2. **That the update be referred on to December Council for information.**

3. **That for the next Cabinet meeting in January, Cabinet determines its draft corporate planning and associated budget proposals to balance the General Fund budget to 2020, drawing on information from this report, the budget options currently being collated by Officers, and Government’s announcements regarding the Spending Review and the Settlement.**

4. **That Cabinet indicates whether it wishes any additional facilitation to be arranged in support of the above.**

5. **That the proposals referred to in 3) above be published at the earliest opportunity, to allow feedback and due consultation.**

6. **That Cabinet notes the working principle regarding surplus balances outlined at section 3.3.3, drawing on existing approved financial strategy.**

1 INTRODUCTION

1.1 This report provides an update on the Council’s budgetary position in view of its financial strategy. Given that at the time of writing, neither the Government’s Spending Review nor the Local Government Settlement had been announced, and other budgetary work is not yet scheduled for completion, the report is an interim update only primarily for information. It does make recommendations on the work required to feed into the next formal Cabinet meeting, however.

2 STRATEGIC CONTEXT

2.1 THE COUNCIL'S POLICY FRAMEWORK

2.1.1 For its 2015/16 Corporate Plan, the City Council retained its priorities as:

- Sustainable Economic Growth
- Health and Wellbeing
- Clean, Green and Safe Places, and
- Community Leadership

2.1.2 These are underpinned by an Ensuring Council ethos.

2.1.3 In Cabinet approving this year's budget timetable, provision was made for it to determine its initial views on draft priorities with some external facilitation, drawing on the outcomes of the public satisfaction survey as attached at ***Appendix A***. Cabinet's views will be informed by the various budget options being developed by Officers at the request of Cabinet. The expectation is that whatever priorities go forward, the range and nature of the supporting activities being undertaken will reduce significantly.

2.1.4 During December, therefore, Cabinet is recommended to use all the information available to it, in order to determine its initial corporate planning and budget proposals for January Cabinet, and in time for these to be presented to the open Budget and Performance meeting to be held on 26 January. This is in line with the timetable approved by Cabinet back in September. Depending on what options are put forward there may well be additional consultation needed and if so, this will have to be addressed also.

2.1.5 Other public bodies are going through similar exercises. In particular, the County Council has very recently produced its budget options and these really do underline the scale of reductions and change that local government is undergoing. The County's proposals (and those of other public authorities) will have major implications for the district, with significant knock on implications for the City Council and its own delivery of services.

2.1.6 As well as considering the budgetary proposals for specific functions, to inform future corporate strategy Cabinet is requested to consider what sort of direction it wishes the Council to pursue or explore. For example, does it wish to develop its culture and risk approach to:

- *explore the potential for becoming more commercial through trading?* This would involve assessing the external market potential and internal capability and capacity requirements for trading in services, typically through the setting up of a company.

- *become leaner and more agile in terms of its decision-making and operational processes?* This would involve reviewing the democratic decision-making arrangements, delegations for Members and Officers, and supporting processes for how staff go about their business, with a view to streamlining and speeding things up.

- *push forward with digital leadership and transformation?* This would involve developing the Council's capacity and capability to redesign how it does its business, to better meet the changing needs and wants of its communities, using technology.

2.1.7 All of the above would need resourcing in some form, and would requirement leadership and commitment to change. They would also require the Council to accept and embrace a greater risk appetite, as well as the potential opportunities that should flow. Crucially, this means accepting that not everything will go right, lessons will be learned ahead of 'moving on'. This still supports good governance and accountability. Realistically though, the Council cannot be risk averse (or risk unaware) if it wants to be innovative and transformational. They do not go hand in hand – but there is a choice over what sort of direction, culture and approach the Council wishes to adopt.

2.1.8 The following budget update should be considered in context of all the above points.

3 GENERAL FUND REVENUE BUDGET: SUMMARY

3.1 CURRENT YEAR POSITION

3.1.1 In support of the existing Corporate Plan, at Council on 26 February Members approved the current year's budget at £17.052M, excluding parish precepts but after allowing for £1M use of Balances, giving rise to a council tax requirement of £7.9M. Since then, various changes have become apparent through monitoring and more significantly, numerous savings measures have been taken in preparation for future years' challenges. This proactive approach is an important element of the Council's financial strategy.

3.1.2 To draw the changes together, an in-depth update of the current year budget has now been completed, the results of which are included at ***Appendices B and C***. Net spending of £16.444M is now forecast, giving a projected net underspending of £608K prior to the review of reserves and Balances. The position is explored further in section 3.4 of this report. That said, there is still time for the revised budget position to change further over the coming weeks.

3.2 FUTURE YEARS' FORECASTS

3.2.1 The first full draft of future years' budgets has also been produced, in accordance with Financial Regulations and the budget strategy approved in September. Members should note that the revenue projections now cover four years, rather than the previous three year horizon.

3.2.2 The forecasts are summarised at ***Appendix B*** and in simple terms the outlook is as follows:

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Original Net Spending Limit Less Forecast Use of Balances	18,218 --	18,590 --	n/a New Forecast	n/a New Forecast
Net Revenue Budget [Approved Mar 2015]	**18,218**	**18,590**		
Current Net Forecast	**17,035**	**17,209**	**18,659**	**18,790**
Reduction in forecast Net Spending	**(1,183)**	**(1,381)**	**n/a**	**n/a**

3.2.3 A number of key points are highlighted:

- Provisional increases in respect of pay, price and other economic conditions have been provided for, but these are being updated to reflect the Bank of England's November Inflation report. They are therefore still subject to change.

- Whilst operational savings have been built in, the draft position does not include any specific savings options and proposals, nor does it allow for any new growth options (or the continuation of previous fixed term ones).

- New Homes Bonus income estimates have been updated, reaching a maximum of £2.5M in 2019/20. For eligible properties, the bonus is paid for six years and as the scheme started in 2011/12, from 2017/18 the early years' allocations are starting to drop out. It is not known whether, or to what extent, the NHB scheme will remain as a permanent funding feature or if it does, how its continuation might impact on other future Government funding streams. This a significant risk, therefore.

- Capital financing costs have been updated to reflect the latest draft capital programme, set out later in this report. In line with recent guidance, there has also been a review of the asset lives over which financing costs may be spread. This has extended that spread, meaning that estimated financing costs have reduced by £275K in 2016/17 with similar reductions thereafter. The financing period now extends up to 60 years for property related schemes, and this is still considered prudent given the relevant assets' nature and expected life.

- There is no use of Balances built into the projections.

3.2.4 The budget review work done to date provides a good base on which to plan and prioritise.

3.3 **PROVISIONS, RESERVES AND BALANCES**

3.3.1 Although provisionally the projections allow for increased contributions into the Bad Debts provision and they allow for the normal in-year application of funds, there has been no wider review of reserves and provisions as yet.

3.3.2 In terms of Balances, if the current year's forecast underspending proved accurate, this would mean that the budgeted £1M use of Balances would reduce by £608K, falling to £392K in 2015/16. This would result in Balances reaching £4.233M by 31 March 2016. If advice on the minimum level (currently set at £1M) remains unchanged, then £3.233M of Balances would be available to help achieve a sustainable budget over the coming years.

3.3.3 These matters will be explored further in the coming weeks, at which time the s151 Officer will give her formal advice on this issue. Drawing on the Council's existing Medium Term Financial Strategy (MTFS), in broad terms the working principle is that surplus Balances would be used to help manage the risks, lead-in times and up-front investment costs associated with implementing savings measures. Cabinet is requested to note this.

3.4 VARIANCE ANALYSIS: WHY HAVE BUDGET PROJECTIONS CHANGED?

3.4.1 To draw informed conclusions about the robustness or otherwise of the Council's budgeting, it is necessary to understand more on the nature and reasoning behind the variances, and to understand the comparators.

3.4.2 Both Cabinet and Budget and Performance Panel have considered these aspects in recent weeks. In terms of net spending, the analysis is attached at ***Appendix B***. A summary of the estimated budget movements is provided below:

	2016/17 £'000	**2017/18 £'000**
Reduction in Forecast Net Spending	**(1,183)**	**(1,381)**
% Change (compared to original net forecasts)	6.5%	7.4%
% Change (compared to original gross forecasts)	1.2%	1.4%

3.4.3 It is pleasing to note that underspendings continue to arise from proactive efficiency savings measures, as well as other budgetary changes. As stated earlier making savings during the year is an important and accepted element of the Council's approved financial strategy.

3.4.4 As in previous years, staff turnover continues to deliver large savings but they will be offset in next year by increased National Insurance contributions. As reported to earlier meetings, levels of assumed turnover have been increased, drawing on recent trends.

3.4.5 Income generation and capital financing changes account for the bulk of other savings and underspendings.

3.4.6 Numerous cost pressures have been confirmed since Quarter 2 monitoring, however. These range from the Queen's visit, to Elections and Commercial Property income. Together with some capital financing aspects, they account for the change in the forecast underspending in the current year (down from £842K to £608K).

3.4.7 Overall, the Council's monitoring and budgeting arrangements do give scope for continuing improvement – they will never be perfect - but on the whole, performance is considered to be reasonably good. The most notable changes in budgeting approach relate to being less cautious about staff turnover and income forecasts – meaning an increase in the Council's financial risk appetite. It is assumed that Members are comfortable with this.

4 LOCAL TAXATION

4.1 Council Tax Rates and Targets

4.1.1 Alongside the Settlement, Government is expected to confirm its proposals regarding council tax referendum thresholds and the future of the council tax freeze compensation scheme. This is another area in which there has been much speculation, but no firm announcements.

4.1.2 Simply mirroring last year, a local referendum threshold of just below 2% (1.99%) is still assumed, in line with existing MTFS targets. A 1% change in council tax is likely to amount to around £80K.

4.1.3 Once Government has made the relevant announcements, the various scenarios will be presented to Cabinet in order that informed recommendations can be made regarding future council tax rates and targets.

4.2 Localised Council Tax Support (LCTS)

4.2.1 Following on from Council's decision to retain existing support levels, the expected financial impact from the scheme has continued to be monitored. In next year effectively a projected cost of £9.5M has been allowed for. In future years, the impact is simply expected to rise broadly in line with council tax rates, i.e. a little under 2%. There are risks around the knock on impact of other potential welfare reforms but there is also the chance that more generally caseload and total awards will continue to fall, in line with recent trends.

4.3 Council Tax Collection

4.3.1 Council tax income (i.e. the amount collectable) continues to rise in year. The increase is the net result of all the various changes that occur in the tax base, be they in relation to new homes being built, empty properties coming back into use, changes in LCTS awarded from that budgeted, and the myriad of other banding, discount and exemption changes that occur on a daily basis. Furthermore, actual collection is holding up reasonably well.

4.3.2 These points result in the current estimated surplus of approaching £500K on the council tax Collection Fund, based on Quarter 2 monitoring, to be shared with other major precepting authorities. About £60K would be due to the City Council and this is reflected in the 2016/17 draft budget. Figures will be finalised in January in line with statutory requirements.

4.3.3 Looking ahead for next year onwards, the council tax base projections have been provisionally updated as follows:

- in 2016/17, the estimated base has increased from 39,100 to 39,700, equating to £125,000 additional income;

- in 2017/18, the base has increased from 39,700 to 40,300, equating to £127,000 additional income;

- this trend has been factored in up to 2019/20 also.

4.3.4 It is impossible to forecast the tax base with absolute certainty and so risks will always exist. Nonetheless, the exposure is considered manageable and all indications are that housing needs will continue to grow. The tax base forecasts do not yet make any specific assumptions regarding future land allocation policy, however.

4.3.5 On the downside, a bigger population increases the demands and pressures on many council services (such as refuse collection, tax collection, planning and environmental health services, from the City Council's perspective). As far as possible these are considered in drafting the budget but this is not an exact science and as ever, the pressures will need to be kept under review. This will be particularly so, once land allocations have been determined.

4.4 **Business Rates Income**

4.4.1 This continues to pose the biggest headache, in financial planning and budgeting terms.

4.4.2 Government is currently consulting on reforms to the rating appeals process, but more fundamental and significant changes are expected to be consulted on at some point – though this may be into the summer of next year.

4.4.3 The Council's hugely disproportionate exposure to rating appeals continues to be at the centre of forecasting uncertainties, but issues like the 2017 revaluation and the planned 100% retention of business rates by 2020 are now added to the mix. Specific difficulties with regard to major infrastructure hereditaments such as power stations and communications networks have gained much higher profile of late – it is known that Government is aware of them - but as yet there are no firm proposals on what the solution might be. Sadly there is no simple, easy fix. The position continues to be monitored, ahead of any relevant action being taken through appropriate lobbying and consultation.

4.4.4 Whilst all this uncertainty continues, the Council's current position is this:

- Along with two other authorities and as reported in September, the City Council in not in a position to consider taking part in proposals for a Lancashire business rates pool. That said, Government has not been able to confirm whether there will be any new pools created for next year as in time, other Government plans will effectively undermine the existence of the current pooling arrangements.

- In current and future years, the Council is effectively budgeting at safety net levels for retained business rates income. This is because of the potential impact of outstanding appeals. During January, the Council will have to formalise its estimates and assumptions in line with statutory requirements. In-year monitoring has demonstrated how susceptible to change the income forecasts are, but unfortunately there is nothing to indicate that the position will stabilise any time soon. For this reason, budgeting at safety net is highly likely to continue and so if any improvement in retained income is secured at some point, this would result in a bonus. Developments such as the M6 link road should present good opportunities for business rate growth, but this could still be wiped out by the outcome of appeals and other changes.

4.4.5 All the above points will be tested further over the course of the next month or so.

5 GOVERNMENT FUNDING PROSPECTS

5.1 By the time of the Cabinet meeting Government will have announced the outcome of its Spending Review, due on 25 November. This should provide some useful headline messages on what Local Government's funding prospects are over the next few years, but it will not provide information at individual authority level.

5.2 That level of detail will be gained through the Local Government Settlement, but at the time of writing this report it was not yet known when it is due to be announced.

5.3 A briefing note will be produced for all Members once the Settlement has been received and its impact assessed. In any event, it will be reported formally into January's Cabinet meeting.

5.4 The content of the Spending Review will have direct bearing on both the impact and timing of the Settlement. As a recap:

- In the absence of any indicative projections from Government, the MTFS approved back in March simply assumed a 5% year on year cash reduction (up to 2018/19) in the Settlement Funding Assessment (SFA) from Government. The SFA is typically the combined total of Business Rates baseline income and Revenue Support Grant (RSG).

- More recently, in September, further modelling was undertaken drawing on the Government's summer budget and other announcements, as well as updating the Council's own net spending forecasts. This indicated a range of potential outcomes, giving a budget deficit of between £2.7M to £4.6M by 2020.

- The indications at that time were that the bulk of funding reductions would be implemented before 2019/20, meaning that the pressures would not really increase from thereon in.

5.5 More recently, Government has made clear the intention that by 2020, local Government should be wholly funded by local taxation, in that it may retain 100% of business rates but would lose RSG and potentially other related grants, whilst gaining other responsibilities – the overriding point being that such changes should be 'revenue neutral'. Even more recently, it has been reported that the Department for Communities and Local Government (DCLG) has agreed to budget reductions of 8% per year for the next 4 years and there is obvious speculation about whether this is what local authorities should expect to face over the coming years.

5.6 To summarise, Government funding uncertainties have continued to grow.

6 BALANCING THE GENERAL FUND BUDGET TO 2020

6.1 Given that the Settlement announcement is imminent, at this stage there is little benefit to be gained from spending much time on modelling different funding scenarios; real information is needed at this stage in the process.

6.2 Nonetheless, some very limited high level work has been done to update the budget deficit scenarios, in order to not lose sight of how uncertain and challenging the position is.

6.3 To keep things simple, the Government funding scenarios outlined back in September have been retained. The following table shows the indicative range of savings that would be needed to balance the budget to 2020, allowing for the updated net spending forecasts outlined earlier.

6.4 Taking account of the projected reductions in net spending and the increases in council tax yield, in broad terms the outlook is around £1.5M better by 2020, when compared with September's expectations. There is still a significant need to make further savings, however.

Year	**Indicative General Fund Budget Deficits or Saving Requirements (Cumulative, Rounded)**			
	Original MTFS Projections	**Updated MTFS Projections**	**Better Case**	**Worse Case**
2016/17	£1.5M	£0.5M	£0.4M	£0.9M
2017/18	£2M	£0.8M	£0.6M	£1.5M
2018/19	N/A	£2.1M	£1.7M	£3.3M
2019/20	**N/A**	**£1.7M**	**£1.2M**	**£3.1M**

6.5 The bottom line 2019/20 budget deficit range is emboldened, as tackling it is the main aim of this budget strategy. It is no longer about balancing just one year or taking a short term view. That said, the 2018/9 projections currently show the worst position, although this could readily change.

6.6 In line with that central budget aim, Officers have been working towards identifying £4M of budget options by the end of November, for Cabinet's consideration.

6.7 At the time of writing this report, good progress was being made on this but the exercise was still underway. More savings ideas were expected but also, the need for up-front investment was also expected to grow. Furthermore, the timing of options will need more work and this is necessary in order to feed into the review of Reserves and Balances. Nonetheless, in early December it will be possible to circulate a set of budget options for Cabinet's initial consideration and prioritisation. A further update will be provided at the Cabinet meeting.

6.8 Cabinet is recommended to consider the budget proposals and all other relevant information becoming available over the coming weeks, so that by the time of the January Cabinet meeting, it will be in a position to set out its corporate planning and budget proposals for consultation and referral on to Council, for initial feedback.

6.9 Clearly Management Team will provide whatever support is required, but Cabinet is also requested to indicate whether it wishes to arrange any additional facilitation.

6.10 Finally, Cabinet is encouraged to publish its draft proposals as soon as practical, in support of due consultation and to allow as much time as possible for feedback. This should also help with managing and addressing the expectations of communities and other stakeholders.

7 GENERAL FUND CAPITAL PROGRAMME

7.1 Alongside updating revenue expectations, the capital programme has been updated for known changes to date. To keep revenue and capital planning horizons the same, the programme still covers the period to 2019/20.

7.2 Gross capital investment of £18.892M is currently forecast over the period, resulting in an increase in the Capital Financing Requirement (or underlying need to borrow) of £15.1M. This is now £2.057M higher, predominantly as a result of slippage being brought forward from last year.

7.3 Other changes have been made to reflect known pressures such as ICT system upgrades and provisionally the corporate property programme has been increased to reflect recent additional essential works in Lancaster Town Hall and other cost pressures (given that the condition survey that informed the programme is now 3 to 4 years old). Over the coming weeks, ways of offsetting these costs will be explored.

7.4 Additionally, arrangements are in hand to review the Council's planned property disposal schedule and this too will be fed into the budget process.

7.5 Equally important is the consideration of any up-front investment needs attached to budget savings options.

7.6 A full capital programme summary is included at ***Appendix D***, and the movements to date are summarised below.

	Gross Programme	**Change in Underlying Borrowing Need: CFR**
	£000	**£000**
Original Approved Programme (2015/16 to 2019/20)	**29,786**	**+13,049**
Key Changes:		
Approved Slippage *(Cabinet July 2015, minute 28)*	+2,526	+1,511
Quarter 2 Monitoring: Officer Delegated Changes	+1,120	--
Wave Reflection Wall Changes / Re-profiling	-106	-106
Vehicle, Plant and Equipment Renewals	-678	-678
ICT Upgrades	+404	+404
Corporate Property Works: Increased Costs	+851	+851
Additions / Increases in Other Council Funded Schemes	+78	+63
Other Net Changes in Externally Funded Schemes	-36	+12
Total Changes	**4,159**	**+2,057**
Resulting Draft Capital Programme (to 2019/20)	**33,945**	**+15,106**

7.7 As stated each year, all of the Council's capital investment plans need to be affordable, sustainable and prudent, and capital investment is intrinsically linked to the revenue budget. As such, the draft programme will continue to be updated during January and February as Cabinet's budget proposals develop; all in all there is scope for considerable change. This particularly so given the potential for upfront capital investment requirements attached to any invest to save or similar budget proposals. The current update may be regarded simply as a snapshot, therefore.

8 COUNCIL HOUSING (HOUSING REVENUE ACCOUNT- HRA)

8.1 As reflected in the MTFS, Cabinet's current rent policy for council housing is based on:

- an average rent of £71.31 for 2015/16, representing a 2% increase on the previous year; and

- target average rent increases of 3% year on year thereafter.

8.2 The aim of the policy was to strike a balance between keeping rents affordable, managing financial risks, and increasing and improving council housing provision. For information a 1% change in rent equates to approaching £140K.

8.3 In recent months, however, Government has made various announcements and issued draft legislation that, if enacted, would undermine the Council's current rent policy. Although clarity is still needed on various Government proposals, the main working assumption for the future is that:

- for most properties, rents will have to reduce 1% year on year, except where properties become vacant and their rents have not yet reached convergence with other social housing providers (i.e. they are below what is referred to as 'formula rent'). In these circumstances, then the rents to be charged for new tenancies can increase up to the formula rent level, less the 1% year on year reduction.

8.4 The policy details and operational implications for other potential changes, such as charging higher rents for those tenants on high incomes and selling off high value properties, are by no means clear. At this stage therefore, the implications are unknown.

8.5 Government's emerging policy for social housing rent has massive implications for the viability of Council Housing's 30-year business plan. Initial estimates indicated a shortfall of around £90M over the period, as was reported back in September.

8.6 In response to this challenging environment, an annual savings target of £500K was set for the HRA. Whilst various business functions are being reviewed, it is crucial that the 30-year business plan review is completed to inform the future capital programme and other planned/reactive maintenance provisions. Linked to this, the outcome of the recent high level review of the Repair and Maintenance Service needs to be finalised and reported through, together with any resulting action plan. Similarly, a decision will need to be reached on whether any new build plans go ahead, or whether they are formally put on hold for the time being.

8.7 Arrangements are in hand to ensure these points are addressed for reflecting in the January report to Cabinet. At that meeting, full HRA budget proposals for 2016/17 and beyond (as far as the latter can be developed) will be presented for Cabinet's consideration.

8.8 Once Government policy is clarified, there may well be a need to stand back and appraise future prospects for the viability of local authority housing provision, and how best they can be managed. If so, in all likelihood this would be a matter for consideration during 2016/17, assuming that Government policy and the legislative framework is settled by then.

9 DETAILS OF CONSULTATION

9.1 The outcome of high level public consultation is set out at ***Appendix A*** for Members' information and consideration.

9.2 Consultation on General Fund matters will be undertaken primarily with relevant stakeholders through the Budget and Performance Panel meeting in January, prior to Budget Council in early March. More specific consultation may be required depending on the budget savings options being considered. Consultation on council housing matters will be undertaken through the District Wide Tenants' Forum. This is in line with the Council's consultation strategy.

10 OPTIONS AND OPTIONS ANALYSIS (INCLUDING RISK ASSESSMENT)

10.1 Given that this report is primarily for information, no specific options are put forward.

11 CONCLUSION

11.1 Budget work is progressing pretty much as planned but as more Government announcements are made, the scope for change and uncertainty increases. The only certainty is that of austerity but at the time of writing this report, the scale of that austerity was not yet known.

11.2 Whatever the position, ahead of its next formal meeting Cabinet needs to make the most of the time available to it, by progressing its prioritisation and consideration of budget and planning options. This is so that it can be in a position to present its budget proposals to Budget and Performance Panel towards the end of January. This is essential to allow due consultation and to help manage community expectations. Inevitably deadlines are tight but this is unavoidable given the timing of the Government funding announcements and the statutory deadline (11 March) for setting the budget.

11.3 Focus must be on setting a four-year plan. For General Fund in particular, this is the only way in which reasonable planning can be achieved for the Council's reserves and Balances. Various savings proposals will have up-front costs, risks and lead-in times attached – Balances are a key tool with which these can be managed.

RELATIONSHIP TO POLICY FRAMEWORK The budget should represent, in financial terms, what the Council is seeking to achieve through its Policy Framework.	
CONCLUSION OF IMPACT ASSESSMENT **(including Diversity, Human Rights, Community Safety, Sustainability etc)** None directly arising in terms of the corporate nature of this report – any implications would be as a result of specific decisions on budget proposals affecting service delivery, etc**.**	
FINANCIAL IMPLICATIONS As set out in the report.	
SECTION 151 OFFICER'S COMMENTS The section 151 Officer (as Chief Officer (Resources)) has produced this report as part of her responsibilities.	
LEGAL IMPLICATIONS Legal Services have been consulted and have no observations to make on the report.	
MONITORING OFFICER'S COMMENTS The Monitoring Officer has been consulted and has no further comments.	
BACKGROUND PAPERS None. Background information has previously been published as part of earlier committee reports, as appropriate.	**Contact Officer: Nadine Muschamp** **Telephone: 01524 582117** **E-mail:nmuschamp@lancaster.gov.uk**