

**Hampshire Fire and Rescue Authority**

**10 February 2010**

**Item 10**

**Budget 2010/11**

**Report of the Treasurer and Chief Officer**

Contact: Paul Carey-Kent, Deputy Treasurer; tel: 01962 847525  
David Howells, Director of Corporate Services, tel: 023 80626833

**1 Introduction**

- 1.1 This report is an updated version of that presented to the Finance and General Purposes Committee last month. It now reflects their recommendations in additions to the improvements in the taxbase (increased from 2009/10 by £260,000) and overall position in the billing authorities collection funds.
- 1.2 The Finance and General Purposes Committee recommended to the Authority that:
- the council tax be increased by 1.8%
  - the Authority be recommended to approve the capital programme and associated Prudential Indicators set out in Appendices 5 and 10 of this report.
  - the Authority approve the Treasury Management Strategy and the recommendations contained within it as set out in Appendix 9 of this report.
  - the Authority be recommended to approve the policy on Minimum Revenue Provision as set out in section 26 of this report.
- 1.3 In reaching this view, the Finance and General Purposes Committee took account of the points made at the budget consultation meeting held on 13 January 2010. There were representatives from two unions, businesses and council tax payers present. The notes of the meeting are summarised in Appendix 11. This meeting received a presentation setting out additional background factors on the Authority's comparative position. The Finance and General Purposes Committee requested that relevant extracts be presented as background to the Authority and these are attached as Appendix 12.

1.4 This budget has been prepared in accordance with the budget strategy approved by the Finance and General Purposes Committee at its meeting on 29 October 2009, as confirmed by the full Authority on 9 December 2009. The following issues are addressed:

- spending needs for 2010/11 but with particular emphasis on planning for the longer term
- the main financial risks faced by the Authority and an assessment of the changes necessary in the levels of reserves and provisions to meet them
- the priorities for capital investment
- how the Government's expectations for efficiency savings might be met.

## 2 Recommendations

1. That the revenue budget as set out in Appendix 2b be approved.
2. That the capital programme and associated Prudential Indicators set out in Appendices 5 and 10 of this report be approved.
3. That the Treasury Management Strategy and the recommendations contained within it as set out in Appendix 9 of this report be approved.
4. That the policy on Minimum Revenue Provision as set out in section 26 of this report be approved.
5. That the total budget requirement for the general expenses of the Authority for the year beginning 1 April 2010 be £68,160,000.
6. That the Authority's basic council tax for the year beginning 1 April 2010 be £61.38.
7. That the Authority's council tax for the year beginning 1 April 2010 for properties in each band be:

Band A	£40.92	Band E	£75.02
Band B	£47.74	Band F	£88.66
Band C	£54.56	Band G	£102.30
Band D	£61.38	Band H	£122.76

8. That precepts be issued totalling £38,648,757.00 on the billing Authorities in Hampshire, requiring the payment, in such instalments and on such dates set by them and previously notified to the Authority, in proportion to the tax base of each billing authority's area as determined by them which are set out below:

Basingstoke and Deane Borough Council	63,578.00
East Hampshire District Council	48,057.30
Eastleigh Borough Council	44,087.61
Fareham Borough Council	42,650.00
Gosport Borough Council	27,599.90
Hart District Council	37,915.60
Havant Borough Council	42,823.00
New Forest District Council	72,826.00
Portsmouth City Council	59,361.30
Rushmoor Borough Council	31,409.87
Southampton City Council	66,167.00
Test Valley Borough Council	45,496.00
Winchester City Council	47,692.11
Total	629,663.69

### **3 Changes to the draft budget**

#### **Billing authorities' collection funds surpluses and deficits**

- 3.1 The final returns have now been received from the billing authorities on their collection fund surpluses or deficits. These show an overall surplus of £245,000 allocated to the Authority.
- 3.2 The opportunity could therefore be taken to either increase the budget by £245,000 or to decrease the council tax by 0.6%. However, this could only be implemented for 2010/11. Given the anticipated worsening budget position for 2011/12 and 2012/13, it is recommended that this sum be used as a one-off contribution to the capital payments reserve which could help to ease our position in the later years.

## **Taxbase**

- 3.3 The final taxbase figures have been received from the billing authorities. There is a small increase in the taxbase which has improved the financial position by £260,000. This increase is permanent and therefore does not have to be treated as a one-off. This is incorporated in the figures presented in this report, so reducing the savings required in future years.

## **Recurring contingency**

- 3.4 The report to the Authority on 9 December identified the potential for a number of areas of risk in which there could be significant recurring expenditure. But these cannot yet be accurately quantified. So, following the Authority's meeting last month, consideration has been given as to how best to mitigate such risks. Examples include possible Firelink charges and the potential that the provision for business rates inflation is insufficient. A sum of £250,000 has been added to the draft base budget to provide an element of contingency for these risks. This has been more than offset by the increase in income from the rise in the taxbase.

## **Other changes**

- 3.5 The provision for inflation has been reviewed now that more information is available on business rates and on gas prices where significant increases are predicted due to long term cyclic and contractual issues. In addition employers National Insurance costs are due to increase by 1% from 2011/12. The overall impact is to increase the base budget by £121,000 in 2010/11. The corresponding increase for 2011/12 is £824,000.

## **4 General context**

- 4.1 2010/11 is the final year of the Government's three-year settlement under its Comprehensive Spending Review 2007 (CSR07).
- 4.2 The Government has confirmed a 1.9% increase in grant for the Authority for 2010/11, but no information for future years is expected before the general election. It is however clear that there will be a period of severe restraint on public finances with likelihood of substantial reductions in Government grant.
- 4.3 So, although CSR07 provides a relatively sound basis for financial planning for 2010/11, assumptions about 2011/12 and beyond are very speculative. The current volatility of the economy may also have an effect. Predictions for inflation, interest rates and capital receipts are more difficult to make than usual.

- 4.4 In this context the Finance and General Purposes Committee have already agreed that the key financial policy aims for this three-year period should be to:
- Focus on efficiency gains as the means by which continuous improvement in delivering services can be maintained. To that end, some of the Authority's proposed corporate objectives aim to produce cashable savings.
  - Plan to deliver savings in 2010/11 and then carry these forward to mitigate the greater financial pressures from 2011/12 onwards.
  - Keep reserves and balances appropriate to current financial risk assessments including recognition of the significant level of uncertainty in the economy.
  - Take account of the pressures on council tax payers. Aim, so far as possible, to contain council tax increases to that of general inflation and pensions increases averaged over a three-year period.
- 4.5 The Financial management Strategy for 2010/11 is attached as Appendix 13.

## **5 The current year: 2009/10**

- 5.1 As reported to the Finance and General Purposes Committee last month, it is predicted that there will be an underspend at the end of 2009/10 sufficient to bring the general balance up to £2m. The draft budget takes this into account. In addition, we can carry forward some £340,000 to ease pressures in future years.
- 5.2 It is still expected that the Authority will be successful in securing a Local Public Sector Agreement (LPSA2) grant. The outcome of the application will not be known until March 2010, but the best estimate is that this will total £1.023m. This would be split evenly between 2009/10 and 2010/11 and also required to be split evenly between revenue and capital expenditure. At this stage it is assumed that, in any event, most of this reward money would be added to the capital payments reserve (see para 11.1). However, some of this grant (about £300,000) may be needed to offset the cost of the scheme to install mobile data terminals (MDTs) in front-line vehicles.

## **6 Spending requirements from 2010/11**

- 6.1 Potential spending requirements can be split into three main categories: base budget, unavoidable costs and any high priority growth pressures.

6.2 The base budget represents the full-year cost from 2010/11 onwards of carrying forward policies approved in the 2009/10 budget. The base budget figures have also been updated making the following assumptions:

- Pay awards of 1.0% for firefighters and support staff. This is a prudent assumption. It should not be taken as view on the desirability or likelihood of pay increases. Actual pay awards may well be lower. By way of example: a pay freeze, rather than a 1% increase, would reduce the impact on the budget by £400,000 in 2010/11 and £500,000 in subsequent years.
- Price inflation of 2.5%. Although the Retail Price Index is currently lower than this, the goods and services that the Service uses tend to have higher inflation levels.
- Increase of 0.5% in the cost of employer's contributions for the Local Government Pension Scheme and 1% for the Firefighters Pensions Schemes. The latter depends on a CLG announcement not expected until February.
- The costs of financing the existing capital programme.
- The full year effect of decisions taken in previous years' budgets. It is worth noting that, unusually, the effects of previous years' decisions negative.
- Revenue contributions to capital of £730,000 in 2010/11 to minimise the impact of unsupported borrowing.

6.3 One change to the base budget has been made. This relates to the removal of some of the growth, previously approved, for replacing firefighters' helmets. Following safety testing on samples of our oldest helmets, the manufacturers (Gallet) have advised that replacement on the basis of age – rather than condition – is unnecessary.

6.4 Overall, these assumptions increase the base budget by just 0.6% to a total of £67,046,000. The reason this increase is so low is that the full year costs of 2009/10 inflation were substantially lower than assumed and some of the growth was for one year only. Full details are set out in Appendix 1. Appendix 2a outlines the medium-term revenue budget for 2010/11 to 2012/13. Appendix 2b outlines the detailed revenue budget for 2010/11.

## **7 Budget for retained firefighters**

7.1 The budget for retained firefighters has previously been based on a formula using the rolling-average for the number of incidents attended. This worked well when the largest element of the budget was variable and driven directly by calls to incidents. However, the make up of this budget has been changing over recent years. Only about 20% of costs are now attributable to attendance at incidents. But there have been increases in other activities including: availability (on-call) payments, training, personal development and appraisal time and fire safety visits.

Consequently, the formula is no longer fit for purpose. From now on it makes better sense to determine this budget, like most others, by forecasting overall changes in expenditure. The estimated budget for 2010/11 is £6,204,000, compared with the actual expected expenditure of £6,737,000 in 2009/10.

## **8 Unavoidable costs**

- 8.1 There are currently no known unavoidable costs that cannot be contained within existing resources.

## **9 Growth pressures**

- 9.1 It is usual practice to identify high priority growth pressures which might be supported in the forward budget. However, given the bleak financial outlook this exercise has not been carried out.
- 9.2 But there is one relatively minor issue that needs to be addressed. The proposed capital programme, which is set out in Appendix 3, would incur additional revenue costs of £12,000 in 2010/11, £57,000 in 2011/12 and £114,000 in 2012/13. However, these are less than the reduction in leasing costs resulting from the vehicles coming to the end of the agreements. So, overall, the revenue cost of acquiring vehicles is decreasing.

## **10 Emerging issues and risks**

- 10.1 The following issues are difficult to quantify right now, but could prove significant. The strategy and draft budget makes no specific allowance for them at this stage but it is proposed to include a recurring contingency within the base budget of £250,000 in recognition that some recurring costs will be incurred but at this stage they are unknown.
- 10.2 Involvement in regional initiatives. Assumed to be cost-neutral for planning purposes because of the scope to access funding from the South East Fire Improvement Partnership.
- 10.3 Regional Control Centre. There remains significant uncertainty about: (a) the Government's business case assumptions; (b) the possibility of additional transitional costs; and (c) the potential cost of 'out of scope' activities. The business case suggests that once fully implemented Hampshire will save £268,000 per year. It remains to be seen whether these can be delivered. In any event, it is assumed that the Authority would resist any attempt to transfer the value of its potential savings to another Authority that fares less well. For the time being it will be assumed that implementation will be cost neutral from 2012/13.
- 10.4 Firelink. There is also uncertainty about the costs of the new radio communications system. We were originally told that the operating costs would be met in full by the department of Communities and Local

Government up until the new Regional Control Centre goes live. Because of the delay to the project, there are indications that fire and rescue authorities will be charged with effect from the previous 'go-live' date. No firm indication of costs has been received. There will certainly be additional fitting-out costs to install the Airwave radios in vehicles – it is understood these could be in the range of £3,000 to £7,000 per vehicle. These potential costs have not yet been specifically built in to the strategy and budget.

## 11 Summary

11.1 This table summarises the financial adjustments for the issues outlined above over the next three years:

	2010/11 £000	2011/12 £000	2012/32 £000
Base budget as reported to last meeting of HFRA	66,925	68,467	68,663
Changes to inflation provision, mainly business rates, gas and (from 11/12) employer's NI costs	+121	+824	+1,438
Base budget	67,046	69,291	70,101
Revenue costs of proposed capital programme	+12	+57	+114
Addition of recurring contingency	+250	+250	+250
One-off contribution to the capital payments reserve	+245		
Budgeted contribution carried forward	607	-607	
Budget requirement	68,160	68,991	70,465

## 12 Level of reserves and general balance

### General balance

12.1 The detailed work re-assessing the Authority's major financial risks has now been undertaken. The analysis is summarised in Appendix 3. It is recommended that the level of general reserves to cover these risks should be increased to £2m. As mentioned above, this can be achieved through the use of underspendings in the current year.

## **Specific reserves**

12.2 The Authority also has specific reserves to provide for future spending. Currently these are:

- Improvement and sustainability reserve. This is used to help deliver in-year value for money improvements, and to 'pump-prime' environmental initiatives. The expectation is that the level of the reserve will be largely maintained by reinvesting any tangible efficiency gains stemming from actions which the reserve has funded. This reserve is expected to be at £926,000 by the end of 2009/10. A holding of £750,000 in this reserve is considered adequate. So the balance (£176,000) will be used to replenish the capital payments reserve.
- Equal pay reserve. This was set up in 2008 to meet the anticipated costs of implementing the equal pay review. Progress has been slower than originally anticipated and consequently £600,000 remains to cover any implementation costs attributable to years prior to 2009/10. It is hoped that agreement can be reached before the 31 March 2010, but this might slip into 2011/12. Once agreement has been reached, an assessment can then be made of how much is left for use elsewhere. This could, for example, bolster the capital payments reserve.
- Capital payments and capital grants reserves. These provide more flexibility in funding capital programme priorities. Contributions to the capital payments reserve have been: £0.5m in 2008/09, £0.75m in 2008/09, but none in 2009/10. It is estimated that there will be no balance in the reserve at the end of 2009/10. It would be advantageous to return to a substantial balance in order to improve the Authority's ability to fund new major schemes - such as a replacement station building at Basingstoke. It might therefore make sense to set aside some of the LPSA(2) reward grant (referred to above) and put this with the surplus from improvement and sustainability reserve (£176,000), the one off contribution of £225,000, plus any unused equal pay reserve. This could result in up to £1.2m to help finance capital priorities.

## **13 Savings and efficiency measures**

13.1 The District Auditor, in the Use of Resources assessment, stated that the Authority is performing well. The Authority has scored '3' in all areas covered: financial reporting, financial management, financial standing, internal control and value for money.

13.2 Members will want to be sure that appropriate savings and efficiency measures are implemented in order to:

- deliver the efficiency improvements required by Government targets
- minimise the level of council tax, and
- maximise the scope for redirecting resources to implement objectives in the Authority's corporate objectives

13.3 On the first point, it is pleasing to report that the required efficiencies (under CSR07) have already been exceeded. The Authority was required to make cashable savings of £1,055,000 in each of the three years from 2008/09 – 2010/11. These are summarised on Appendix 4 together with a summary of how the savings have been applied to improve services. This has been updated since it was presented to the Finance and General Purposes Committee.

13.4 The second and third points are dealt with in the context of options for specific levels of council tax.

## **14 Capital Spending**

14.1 The proposed capital programme for the three years 2010/11 to 2013/14 is set out in Appendix 5. This includes all existing commitments revised to reflect the latest estimate of costs for 2009/10 the details of which are set out below.

## **15 Vehicles**

15.1 The vehicle replacement programme was presented to the Finance and general Purposes Committee in October 2009. The estimated costs (updated to 2010/11 outturn prices) have been assumed in preparing this proposed budget.

15.2 In recent years revenue contributions have been set at £730,000. One of the implications of the new capital financing regulations (which came into force on 31 March 2008) is the requirement to make a larger provision for debt repayment if unsupported borrowing is used to finance the acquisition of vehicles and equipment. It is therefore helpful to maximise revenue contributions. It is therefore proposed that the current level of revenue contributions (£730,000) be maintained.

## **16 Asset Management – Buildings Maintenance**

16.1 Members have been aware of the need to address the backlog of building maintenance and have increased the capital programme to deal with this in recent years. That level of programme is maintained in the proposed budget so that the long term maintenance of stock remains on track. On that basis the proposed capital programme continues with a provision of £450,000 for major building repairs in each of the financial years 2010/11 – 2012/13.

## **17 Basingstoke Fire Station**

- 17.1 Members may recall that there are particular problems with the main fabric of Basingstoke Fire Station. A feasibility report has been commissioned to assess options for a new building on the existing site. At this stage, because likely costs are not known, the scheme has not been specifically included in the capital programme other than £100,000 to cover feasibility work. A full scheme can be added to the 2013/14 capital budget once more information is available.

## **18 Capital Financing**

- 18.1 The latest estimated costs and the proposed financing of the capital programme is set out on Appendix 6. The capital allocations for 2011/12 onwards have not been announced. For the purposes of budget planning it is assumed that the same level of allocation will be received from 2011/12 onwards as in 2010/11.

## **19 Options for Setting Council Tax for 2010/11**

- 19.1 From 2011/12 the financial position is expected to be much tougher. The scale of the challenge is likely to be more than can be tackled by selective savings measures applied across parts of the Service's operations. More radical measures will be required which seek to deliver services differently. The aim is to deliver improved services but at lower cost. Some of proposed objectives set out in the draft corporate plan are measures of that type. They will form the foundation of the forward budget strategy.
- 19.2 Consideration should also be given to seeking to use the more flexible position of 2010/11 to place the Authority in the best possible position to face the more difficult years ahead. This can be done by setting a level of council tax in 2010/11 that allows the potential to carry forward savings to 2011/12 onwards and /or allows for further contributions to be made to a capital reserves.
- 19.3 There is difficult balance to be struck between maintaining a low council tax level for 2010/11 and the need to prepare the Authority for more difficult times ahead. To assist in the Finance and General Purposes Committee's consideration and the consultation process with stakeholders' representatives, illustrations were provided of how 2010/11 and 2011/12 were expected to look given a 5% reduction in grant funding in 2011/12 and assuming three different levels of council tax increase for 2010/11: 0%, 1.5% and 3%. [Note: A 5% reduction in government grant is what some commentators have suggested is likely. It needs to be made clear, however, that this is purely illustrative at this stage in order to plan on as prudent a basis as possible].

19.4 The conclusion reached by the Committee, consistent with the consultation responses, was that a 1.8% increase would provide the best balance. That would in summary lead to a council tax rise of 5.5% in 2011/12 but with:

- the need for £1.4m worth of savings on the assumption that a 3% council tax increase was to be set in 2011/12
- the need for £2.0m worth of savings on the assumption that a 1.5% council tax increase was to be set in 2011/12
- the need for £2.5m worth of savings on the assumption that a 0% council tax increase was to be set in 2011/12

19.5 It is also worth noting that all three options could improve the Authority's position if savings are generated during 2010/11 and then carried forward. Appendix 8 suggests that at least £0.5m of savings could well be generated. Also, if the 2011/12 grant settlement is more favourable than the reduction of 5% illustrated, then this would also improve the position. Each 1% of grant funding is worth about £0.3m.

19.6 However, there is a strong likelihood of further grant reductions in future years. This assumption has not been factored in at this stage. Clearly, the more savings that can be achieved in the next two years (2010/11 and 2011/12), then the easier it will be to maintain services at publicly acceptable levels of council tax in 2012/13 and onwards.

## **20 Council tax capping**

20.1 The Government has reserve powers to cap local authorities proposing council taxes which it considers excessive. Given current and anticipated inflation levels and ministerial statements to date, it might reasonably be assumed that the Government will expect council taxes to increase by no more than 3%, and perhaps less, in 2010/11.

## **21 State pension policy**

21.1 Over the last four years, the Authority has pursued a policy of aiming to keep the level of council tax increase at or below the increase in state pensions (averaged over a three year period). The table below sets out the position over the previous two years and shows the proposed council tax increase (1.8%) for 2010/11. The proposed budget is well within this policy.

	Council tax increase	State pension increase (%)
2008/09	3.9	3.9
2009/10	4.1	5.0

2010/11	3.4	2.5
Average	3.8	3.8

## 22 Savings proposals

- 22.1 The options set out above need to be seen in the context of what savings might be made. Initial estimates of the potential budget savings are set out in Appendix 8. The proposed corporate objectives have yet to be finalised in the light of the consultation feedback, but it is reasonable to plan on the basis that at least some of them will be implemented. If the Authority decides not to approve any of the cost-saving proposals, then alternative reductions in expenditure will need to be made.
- 22.2 The practical impact of some of the proposals is to be to provide improved fire cover using fewer firefighters. Savings will be made from wholetime firefighters leaving and not being replaced. Based on expected turnover levels of about 20 firefighters per year, savings of £360,000 would be generated directly in 2010/11, rising to £1.08m in 2011/12 and £1.81m in 2012/13. This recruitment freeze will also generate temporary savings by not running trainees' courses (£170,000 per full year of the recruitment freeze). There would also be some savings on the costs of uniforms and equipment for trainees (£39,000). Assuming that the savings are not used to support the 2010/11 budget but carried forward to 2011/12, then this could lead to some £2m of savings in 2011/12. This would bridge the 2011/12 gap under most of the financial scenarios currently envisaged. However, this might represent only a start towards what might be needed in subsequent years. There are some savings expected from the current review of the senior management structure and from the review of the retained duty system.

## 23 Budget and council tax trends

- 23.1 The table below sets out the budget and council tax trends over the years 2004/05 to 2009/10 inclusive.

	Budget (£m)	Budget increase (%)	Council tax Band D (£)	Council tax increase (%)
2005/06	60.3	2.0	52.11	1.6
2006/07	59.6	2.9	53.64	2.9
2007/08	62.5	4.9	56.07	4.5
2008/09	64.6	3.4	58.23	3.9
2009/10	66.7	3.2	60.30	3.6
2010/11:				
Proposed budget	68.2	2.3	61.38	1.8

## **24 Comparison with other fire and rescue authorities – 2009/10 council tax**

- 24.1 The Authority's council tax for 2009/10 at £60.30 for a Band D property is the 7<sup>th</sup> lowest of all 24 non-metropolitan fire and rescue authorities. It is the median of the combined fire authorities in the South East Region. It is significantly lower than Kent (£66.06) and Essex (£64.62) – the two most comparable authorities.

## **25 Treasury Management Strategy and Prudential Indicators**

- 25.1 The Authority is responsible for approving the annual Treasury Management Strategy which includes some specific recommendations. This is attached as Appendix 9 for Members' approval. The prudential indicators also require Members approval and these are set out as Appendix 10. These have been updated since they were presented to the Finance and General Purposes Committee.

## **26 Policy on Minimum Revenue Provision to repay debt**

- 26.1 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 require that before the start of each financial year, a local authority prepares a statement of its policy on making Minimum Revenue Provision (MRP) for the approval of the Full Council or equivalent.
- 26.2 It is recommended that the Authority continues with the policy adopted for 2008/09 onwards i.e. to continue to calculate MRP for supported capital expenditure, incurred both before and after 1 April 2008. This is in accordance with the previous regulations (i.e. generally based on 4% of the Authority's outstanding capital financing requirement). In respect of unsupported borrowing relating to capital expenditure incurred after 1 April 2008, it is proposed to calculate MRP on the basis of asset life, using the equal instalment basis and adopting asset lives that are no greater than those used to calculate the depreciation provision for the relevant assets.

## **27 People impact assessment**

- 27.1 The proposals in this report are considered compatible with the provisions of the European Convention on Human Rights and the Human Rights Act 1998 and the Race Relations (Amendment) Act 2000.

## **Section 100 D – Local Government Act 1972 – background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report.

NB the list excludes:

Published works.

Documents which disclose exempt or confidential information as defined in the Act:

**None**

## List of appendices

Appendix 1	Calculation of the base budget
Appendix 2a	Outline revenue base budget 2010/11 – 2012/13 (green)
Appendix 2b	Detailed revenue budget 2010/11 (green)
Appendix 3	Level of reserves
Appendix 4	Efficiencies and how they can be applied
Appendix 5	Existing capital commitments and proposed capital programme 2010/11 – 2012/13 (yellow)
Appendix 6	Financing of capital programme 2010/11 – 2012/13 (yellow)
Appendix 7	Effect on 2011/12 council tax of setting 1.8% council tax in 2010/11
Appendix 8	Potential budget savings
Appendix 9	Treasury Management Strategy (salmon)
Appendix 10	Prudential Indicators (salmon)
Appendix 11	Feedback from budget consultation meeting
Appendices 12a-d	Background factors to Authority's comparative position given in presentation to budget consultation meeting
Appendix 13	Financial Management Strategy