REPORT TO:	**FINANCE & MANAGEMENT COMMITTEE**	**AGENDA ITEM:**
DATE OF MEETING:	**26th JULY 2007**	**CATEGORY: RECOMMENDED**
REPORT FROM:	**DIRECTOR OF CORPORATE SERVICES**	**OPEN**
MEMBERS' CONTACT POINT:	**KEVIN STACKHOUSE (595811)**	**DOC:** u/ks/mtfp/july2007review
SUBJECT:	**REVIEW of the MEDIUM TERM FINANCIAL PLAN**	**REF:**
WARD (S) AFFECTED:	**ALL**	**TERMS OF REFERENCE: FM 08**

1.0 Recommendations

1.1 That the updated financial projection on the General Fund to 2012 (as detailed in Appendix 1) is considered and approved.

1.2 That the revised capital investment and financing programme to 2012 (as detailed in Appendix 2) is considered and approved.

1.3 That the updated financial projection on the Housing Revenue Account to 2017 (as detailed in Appendix 3) is considered and approved.

1.4 That a provisional amount of £250,000 currently earmarked in the General Fund as a capital contribution be deleted (as set out in paragraph 3.25).

1.5 That the strategy and options for utilising proceeds from future land sales (as set out in Paragraph 4.27) be considered with a further report back.

1.6 That £1/2m contingency in the Windfall Capital Receipts Reserve is used to ease the projected shortfall in capital resources to 2012.

1.7 That any further capital spending beyond 2007/08 (except for that detailed in Appendix 2) is not committed until future income streams are certain.

1.8 That the Budget and Financial Planning Timetable for 2007/08 (as detailed in Appendix 5) is approved.

2.0 Purpose of Report

2.1 In accordance with the Council's Financial Strategy, the report reviews and updates the Council's Medium Term Financial Plan (MTFP) and associated budget projections. It considers both revenue spending and capital investment on the General Fund and Housing Revenue Accounts.

2.2 The report updates the Council's medium term financial position following the out-turn from 2006/07, together with setting an indicative position ahead of the 2008/09 budget round.

Aims of the Financial Planning Framework

2.3 A key factor within the Council's overall financial strategy is medium term financial planning. This is to achieve a sound and sustainable financial position. It includes setting a minimum level of general reserves that are required at the end of every financial planning period.

2.4 This helps the council to focus on the resources that it will have available at the end of each planning period. In addition, it helps to identify where resources and spending are changing in the medium term to enable action to be taken at an early stage to prevent any loss of financial stability.

2.5 The report is split into 4 main parts, as follows:

- General Fund Revenue Account – Pages 2 to 6 and Appendices 1 and 4
- Capital Investment and Financing – Pages 7 to 12 and Appendix 2
- Housing Revenue Account (HRA) – Pages 12 to 14 and Appendices 3 & 4
- Budget and Financial Planning Timetable – Appendix 5

3.0 GENERAL FUND

3.1 The Council has for a number of years planned its revenue spending and financing over a 3-year rolling period. However, as highlighted in the Section 25 Budget Statement in February 2007, the Council's Chief Finance Officer highlighted the need to look further forward.

3.2 The Council's financial position was projected to remain fairly sound over the next 3-years, with a healthy level of general reserves. However, the 3-year plan highlighted the continuing draw down of these reserves and the need to move towards a balanced budget over the longer-term.

3.3 Therefore, the MTFP has been extended to cover 5-years. The associated financial projections cover the period 2007/08 to 2011/12.

Latest Position

3.4 Following the budget out-turn for 2006/07 (as reported to Committee on 28th June 2007) the projected 3-year balance to 2009/10 showed a general reserve just over £1m. This is above the minimum target balance (of £1m) as set out in the financial strategy.

3.5 This was after allowing a further £200,000 for the Major Sites Appeal Inquiry (as approved at Committee on 21st June) and with some unspent budgets from 2006/07 being brought forward for spending in 2007/08.

3.6 The issue with the General Fund is that the Council has for a number of years been committing some on-going resources against money in the bank (general reserves).

3.7 This is fine to a point and although reserves are fairly healthy at present, at some stage in the future, they will be used with the risk that they will not be replaced.

3.8 Ideally, the Council should have a balanced budget with any additional money in reserves being used to finance more one-off or time limited expenditure – revenue or capital

Updated Projection

3.9 The projection has now been updated and extended to 5-years. It takes account in particular, of the 2006/07 final out-turn and any other known variations. The overall projection is detailed in **Appendix 1**.

3.10 The main focus of the projection is to estimate the Council's future financial position. It should not be used as an indication of impending financial difficulties, but is an early warning sign of the financial challenges that lie ahead.

3.11 It then provides an opportunity to take proper and planned remedial action. In addition, it should be used as the basis for building detailed budget plans for 2008/09 and beyond.

3.12 The following factors are included in the projection:

- The continuation of current service provision.
- Annual pay awards, increments and pension increases.
- Inflation.
- Annual increase in overall fees and charges.
- Annual increases in the level of council tax.
- Increase in the level of Government support.
- Revenue implications of capital investment.

3.13 The projection shows a general reserve balance at 31st March 2012 of approximately **£310,000 (line 40 – appendix 1)** with a drawing down from reserves in 2011/12 of approximately £442,000 (**line 39**). Using this as the starting point and depending on the strategy, these are the broad implications.

Aiming for a Reserve Balance of £1m by 2012

3.14 Broadly, if the strategy is to have a 5-year target of £1m in reserve by the end of the planning period, on-going resources of approximately £172,500 per year are required. However, this still means that the yearly draw down from reserves would be around £270,000.

A Balanced Budget

3.15 If this were to be achieved over the planning period, then more radical action would be required, i.e. covering the yearly deficit of **£442,000 per year** by 2011/12. However, depending on when the savings started accruing beforehand, this would leave balances somewhere above £1m in 2011/12.

3.16 Any amount between £172,500 and £442,000 would leave balances around £1m in 2011/12 and would lead to a balanced budget over a longer period. In any case, additional resources or savings would need to start accruing at the latest from the next budget-round.

3.17 Furthermore, it is important to highlight that this **does not allow for any additional resources** to meet new spending pressures and priorities that the council may wish to focus on over the next few years. In addition to this, there may be Government spending pressures arising from the National Bus Concession 2008, for example.

Reviewing Existing Spending

3.18 Therefore, at some stage, the Council will need to review its current base budget with a view to possible disinvestment in non-priority areas to release resources to meet new spending pressures and developments.

Main Assumptions and Risks

3.19 Clearly, any projection should be viewed with a certain degree of caution. Although every effort has been made to take into account known spending pressures, some are less predictable, for example, the impact of the next revaluation of the Pension Fund.

3.20 The main assumptions and risks associated with the projection are outlined in the following paragraphs.

Base Budget

3.21 The current base budget (**line 1**) has been projected forward at a net increase of 2.25% per year based on predicted growth rates. This allows for inflation on costs including pay, together with incremental salary increases, but offset by income from fees and charges.

Additional Costs

3.22 The 5-year projection allows for provisional costs, based on the best estimates of the following.

- Pay and grading review (**line 9**)
- Pension contributions (**line 10**)

3.23 Other provisions for the Major Sites Appeal Inquiry (£400,000) and suspended benefit cases (£282,000) have already been allowed for in the 2006/07 final accounts. Only time will tell later this year how adequate all of these provisions will be when actual costs become known.

Other Earmarked Resources (lines 16 and 17)

3.24 The projection currently earmarks other resources to issues that were approved in March and April 2007 against the old Commutation Reserve. These relate to:

- Additional support for Voluntary Sector - £100,000 in total (over 3-years).
- Addressing Grass Verge Damage - £50,000 (one-off).

3.25 In addition, a provision, previously approved of £250,000 has been allowed for as a contingency against not meeting a disposals target to fund capital expenditure (**line 8**). This could be built back into the revenue account and help to ease the projection.

3.26 Clearly, if this happened, it would not help to address the projected shortfall in resources on the capital programme that is detailed later in this report. In addition, although it would increase the revenue reserve balance, this would be on a one-off basis and would not ultimately help with attaining a balanced budget.

3.27 However, given the overall financial position (revenue and capital), on balance, **it is recommended that this amount of £250,000 is no longer held as a provision for capital**. Consequently, on these projections, the 5-year balance would rise and total **approximately £560,000 in 2012**.

Gains over this Period

3.28 Extending the projection has infact seen some benefits. For example, some of the remaining leasing agreements fall out from 2009 (**line 18**) and the interest on covenant payments (**line 19**) by 2012.

3.29 Interest on cash flow has been revised following the favourable budget out-turn (+£100,000) and the base budget for planning fees (**line 27**) has been increased by £50,000 per year to reflect recent trends and expected demand.

Temporary Posts

3.30 The projection assumes that temporary posts (**line 23**) in leisure and community, I.T. planning and economic regeneration fall out between 2008 and 2010 as current funding ends. To “mainstream” these posts in total, would cost in excess of £100,000 per year.

Loss of Income

3.31 As highlighted in the current MTFP, it has been assumed that one of the Council’s major property holdings will be sold under agreement in November

2008. This should generate a large capital receipt (the property is valued at over £2m) but the loss of revenue income is £170,000 per year (**line 24**).

Planning Delivery Grant (PDG)

3.32 The base budget assumes ongoing PDG of £200,000 per year. This is lower than amounts received in recent years (although 2007/08 is still to be confirmed).

3.33 This is the final year of the current grant, but it is expected that it will be replaced by a new grant scheme in accordance with the Government's policy for planning and housing development. However, its allocation will not be known for probably 9 to 12 months.

Efficiencies

3.34 Only efficiencies banked to-date have been included in the base budget. Clearly new ones (cashable) will be in addition.

Government Grant (line 30)

3.35 Based on initial soundings emanating from the Government's Comprehensive Spending Review (CSR 07), a net 2% increase year on year in grant has still been included in the projection. A 1% variance equates to approximately **£67,000 per year**, either way. The Council will receive a 3-year settlement out of the CSR, but this will not be known until November 2007.

3.36 The Council currently receives a general grant settlement around £140,000 per year less than the formula assessment. Effectively, the grant is capped as part of the national system to protect "less well off" authorities. Clearly, if this were addressed in anyway, it would result in a higher grant settlement for the Council.

Council Tax (line 31)

3.37 The projection has been amended to include a 2.5% annual increase in council tax as opposed to 4.5% previously used. Clearly, this reduces income compared to previous projections.

3.38 The projection also includes an annual increase in the tax base of 1.6%, based on the average over the last 5-years. This equates to approximately 500 new houses (at Band D) coming into the system per year. Based on these figures, a 1% variance away from the 2.5% equates to approximately £**45,000 per year**.

Financial Risk Analysis

3.39 In addition, there are a range of factors that will have an impact on the above projection and these are detailed in **Appendix 4**. This is basically the financial risk register and is the basis of calculating the minimum level of general reserves, based mainly on current budgets.

4.0 CAPITAL INVESTMENT and FINANCING

4.1 The Council is guided under a National Prudential Code of Practice to set a 5-year capital investment programme. Clearly, this has to be based on assumptions about likely resources to be available and potential commitments facing the Council over this period.

4.2 As highlighted in the budget report to Council on 1st March 2007, a planned review of capital would be undertaken as part of the MTFP. It was highlighted that capital would come under specific scrutiny due to the increasing shortfall in projected resources to fund the current 5-year planned (but not all committed) capital programme.

Background

4.3 For the last couple of years, budget and financial monitoring reports have been highlighting a shortfall in projected resources to meet all planned expenditure over the next 5-years. This is mainly due to the slowdown in council house sales that have reduced from 120 per year in 2004/05 to 48 in 2006/07 – receipts from council house sales being one of the main sources of income to finance capital investment.

4.4 Projected resources have been regularly updated (reduced) in capital programmes and reported as such to reflect this. The situation has become more acute over the last 12 months.

4.5 In response to this, new spending approved as part of the 2006/07 budget-round, was fairly minimal and financed largely by reducing planned expenditure elsewhere in the programme. For 2007/08, no new capital spending was approved during the last budget-round in recognition of the increasing shortfall.

Council House Sales

4.6 The current capital programme is built on the following level of sales:

- 2007/08 – 50 sales
- 2008/09 – 48 sales
- 2009/10 – 48 sales
- 2010/11 – 36 sales
- 2011/12 – 36 sales

4.7 This equates to 218 over the next 5-years. Each sale is worth on average £15,500 in usable receipts (i.e. after 75% is paid to the national pool).

4.8 In 2007/08, only 5 completions have come through to-date with very little in the pipeline. Clearly, projecting council house sales is extremely difficult, but the projections must follow the most recent trends. Given the current economy with increasing house prices and higher interest rates, together with a reduction in the number of properties becoming eligible for sale, the targets above appear optimistic.

4.9 Therefore, projected resources have been reviewed and it has now been assumed that the number of sales will total **20 per year** – clearly a substantial reduction on previous projections (approximately £1.8m in capital receipts over 5-years).

The Planned Capital Programme

4.10 Given this, an analysis of current resources versus contractual commitments in the planned expenditure programme, has been undertaken for the 5-years to 2012. This is detailed in **Appendix 2**. The following assumptions and notes are highlighted:

- The starting point is money actually held in reserve as at 1st April 2007, updated for Government grant received, but reduced for committed and contracted expenditure brought forward from 2006/07 (as approved).

- Council house sales of 20 per year.

- The current 2007/08 expenditure programme will be undertaken in its entirety as approved.

- The level of support for disabled facility grants will continue i.e. to top up government grant over the 5-years.

- The repayment of covenant finance is effectively unavoidable.

- The annual contribution to the Renewals Fund to replace vehicles, major plant and equipment will continue.

4.11 Based on this, the Council will effectively use all its capital resources by 2010/11 and will not be in a position to meet the final covenant payments in 2011/12. The analysis does not include council house improvements. This is ring-fenced and financed from the Government's Major Repairs Allowance.

4.12 However, the analysis shows that there is effectively a very small capital programme **after 2007/08**, based **on current resources**. In addition, planned expenditure included in the current capital programme has **at this stage been excluded**, as summarised below, due to question marks now around its affordability.

- Other housing investment – improvement grants, energy efficiency schemes, etc. (£384,000 per year).
- Youth and play facilities (£100,000 per year).
- Crime prevention projects (£60,000 per year).
- Community partnership scheme grants (£100,000 per year).
- Planned maintenance to property (£100,000 per year).

4.13 Clearly, this may create issues for those service areas, where in recent years, substantial investment has been made.

4.14 Furthermore as with the General Fund, it is important to highlight that this **does not allow for any additional resources** to meet new spending pressures and priorities that the council may wish to focus on over the next few years.

Worst Case Scenario?

4.15 This could be considered as the “worst case position!” Apart from income from council house sales, it does not at this stage include any other income from grants, external contributions, disposals, etc beyond this year 2007/08. However, this is because these income streams are not in anyway guaranteed. They are considered in more detail below.

Government Funding

4.16 The Council has received an annual capital grant from the Government towards housing in recent years. This has been reducing gradually from year to year and amounted to £230,000 for 2007/08.

4.17 In addition, the Council received a share of a Business Improvement Grant (BIG) for 2007/08 as a “one-off.” Although this can be used for either revenue or capital purposes, it was agreed to utilise this for capital investment given its size (£336,000) and that it was a “one-off.”

4.18 Although the Council can qualify for these grants each year, there is no definitive guarantee in the funding framework (especially for the BIG) that an allocation of these grants will be received every year. Other allocations (apart from the BIG) are likely to be ring-fenced for housing.

Other Asset Disposals

4.19 The analysis of the General Fund highlighted the sale of a major property holding. The potential proceeds have not been built into projected resources at this stage, although the income has been taken out of revenue. Clearly, this could generate quite a large capital receipt (+£2m) that would not be subject to national pooling.

Disposals Policy

4.20 The reduction in a major source of income clearly puts pressure on finding other sources if the Council is to meet future capital investment requirements. The Council’s disposals policy aims to identify assets, and in particular land, considered to be “surplus to requirements,” for disposal.

4.21 There are likely to be some larger land sales over the next 5-years (**subject to Committee approval**), which are currently being worked on. However, at this stage, they are not guaranteed.

Use of Receipts

4.22 In addition, there are some limitations around the use of receipts from land sales. Capital regulations distinguish between housing and general land and how the proceeds are accounted for. Any sales of general land can be used totally at the discretion of the Council and are not subject to the national pooling arrangement. Receipts from housing land are subject to 50% pooling and the 50% usable element is at the discretion of the Council.

4.23 A majority of land sales are likely to be generated from housing land. If the Council wishes to avoid pooling, under capital accounting regulations, these receipts need to be reinvested in:

- Providing low cost affordable housing, or
- Regeneration of unused, contaminated or derelict land.

4.24 The regulations provide some broad definitions of what constitutes low cost affordable housing and regeneration. If the pooling payment is to be avoided, it needs to be earmarked to a defined scheme or project **already approved** by the Council and agreed by the Council's External Auditor.

4.25 The proposed scheme must be included in a council strategy, business plan or be a priority, etc. and meet the relevant definition. Currently, the Council's Sheltered Housing Vision and associated works has been approved as a low cost affordable housing scheme. Receipts from housing land sales have to-date, been earmarked and spent to help deliver these works.

4.26 Any of these receipts not earmarked become subject to the pooling payment and upto 50% needs to be paid over to the national pool. However, the remaining 50% can be spent at the discretion of the Council, including on non-housing schemes.

4.27 **The Council's future strategy for using any receipts from housing land needs to be established sooner rather than later in lieu of some potential sales being made**. In doing so, the following issues (from a financial viewpoint) need to be addressed:

- Will all sales be reinvested in low cost affordable housing or regeneration?

- If so, what are the schemes, priorities, targets, etc. – when will they be approved and agreed with the External Auditor?

- What other funding streams are available, e.g. Section 106 planning agreements?

- Is the Council prepared to contribute to the National Pool but maintain discretion on how 50% is reinvested?

- Does each sale and its proceeds need to be judged at that particular time? This provides more flexibility and a decision can be taken in the light of the most up-to-date position. However, an agreed scheme (housing or regeneration) would still need to be available.

Prudential Borrowing

4.28 Under the National Prudential Framework for Borrowing, the Council has the flexibility to borrow for capital purposes. There are several “tests” to pass; the main one for the Council would be demonstrating that the cost is affordable and sustainable within its revenue budgets.

4.29 In addition, the repayment period would need to reflect the life of the asset. For example, borrowing over 20 years would need to be in accordance with significant improvements/developments to assets such as land and buildings.

4.30 Borrowing over 5 years is designed for replacing vehicles, plant and equipment.

4.31 The Council’s approved Capital Strategy contains provision for prudential borrowing on an “invest to save” basis, i.e. the cost of loan finance is met from the payback of the investment (efficiencies, greater income, etc).

4.32 Based on current interest rates, the approximate cost of repayment per £100,000 borrowed is:

- 5 years - £27,000 per year
- 10 years - £16,000 per year
- 20 years - £10,000 per year

Easing the Situation in the Short Term

4.33 Given the much-improved position on the HRA (which is considered in more detail later) consideration should be given to the amount held (£1m) in capital as a contingency to defray planned maintenance expenditure in the HRA.

4.34 It should be noted that if this contingency is not ultimately used, it would become available for other capital works the only constraint being it must be reinvested in Housing, either public or private sector.

4.35 If say £1/2m was utilised, this could finance the commitments on housing in respect of the covenant payments and help ensure that these commitments are financed to 2012. This would still leave £1/2m available as a contingency for the HRA.

Further Spending Pressures

4.36 It has already been highlighted that the planned programme beyond this year may need to be curtailed. In addition, there may be additional spending pressures. For example, to meet fully, the demand for disabled facility grants – this being subject to a separate report elsewhere on the Agenda.

Conclusion - Proposed Strategy for Capital

4.37 Clearly, the Council cannot afford all of its planned expenditure previously approved beyond 2007/08 from within current resources and projected council house sales. On the positive side, income from government grant, other external funding and disposals are likely to accrue in the future.

4.38 However, the timing and amount is not guaranteed by any means. Therefore, **it is recommended that commitments to new spending are only made once the relevant income stream (amount and time) is certain.** This will maintain a careful and prudent approach to future capital investment.

5.0 HOUSING REVENUE ACCOUNT (HRA)

5.1 In accordance with the business plan process for council housing, the long-term (10-year) financial projection on the HRA has also been updated. This can be a complex process as the variables that make up the national subsidy system and the Council's actual HRA are inter-related.

5.2 Therefore, the Council uses a financial model developed with an external agency for its projections. The model automatically calculates the longer-term position when any of the variables change.

Latest Position

5.3 The previous projection was considered during the last budget round in February 2007. This highlighted a balance on the HRA's general reserve of approximately **£322,000** by 2017, below the minimum target level of £1/2m.

5.4 This projection has now been updated and is shown in **Appendix 3.** The changes compared to the previous projection are summarised in the following table.

CHANGES OVER 10-YEARS (CUMULATIVE)	**£'000**
Increase in rent income	4,347
Less - Payment to the National Pool	(2,091)
Less - Additional provision made for Housing Repairs	(2,085)
Add – Projected increase in Supporting People Grant	274
Add – Interest on Reserve Balances	386
Add – Favourable out-turn 2006/07	407
Overall increase in projected resources	**1,238**

5.5 The more favourable out-turn position has been built in (as reported to Committee on 28th June 2007) together with the on-going effects from 2007/08. This mainly relates to the amount of grant for Supporting People.

Rent Income

5.6 In addition, the consequences of the slowdown in council house sales (as highlighted in the analysis of capital, earlier) have also been reflected in this updated projection, with the number being reduced to 20 per year. This is effectively ½ of that assumed in the previous projection. The impact of this to substantially increase the amount of rent income over the 10-years.

Payment to the Government Pool

5.7 Not all of this income is maintained in the Council, as the national subsidy system for pooling rent will claw back a proportion. However, additional allowances will be generated for management, maintenance and major repairs due to the projected increase in properties staying within the HRA. The net effect is an additional payment (projected) to the Pool of £2m over 10-years.

Repairs and Maintenance

5.8 Due to a greater number of properties now projected to stay within the HRA, the annual budget for actual repairs spending has been increased. Including building inflation, the annual increase has been assumed at 4.5% compared to 3.25% in the previous projection.

HRA Reserve Balance

5.9 The level of HRA balances is now projected to be approximately **£1.56 by 2017,** well above the minimum level of £1/2m. Clearly, this is a much-improved position since the last projection.

5.10 However, it should be highlighted **that after 2012, the projected yearly deficit on the HRA increases quite dramatically**.

5.11 The period around 2012/13 is a fairly significant one for the HRA. This is due to the fact that the Government's rent restructuring policy is planned to be fully implemented by then.

5.12 As the Council's average rent is below the national formula, the Council is able to increase its rent at a rate around 5 to 6% per year until 2012. Beyond this, rents are only projected to increase in line with a much lower inflation rate, hence reducing the income level in the HRA.

5.13 Therefore, at some stage, it will be necessary for a more fundamental review the base expenditure budget.

Contingency for Planned Maintenance

5.14 In addition, the projection still assumes the capitalisation of £1m of planned maintenance spending over this period. These resources are currently being held as a contingency in the capital receipts pot. Without this contingency, the overall surplus by 2017 would be approximately £561,000, still above the £1/2m minimum level.

Risk and Assumptions

5.15 Similar to the General Fund, any projection should be viewed with a certain degree of caution, especially one spanning 10-years. Although every effort has been made to take into account known spending pressures, some are less predictable.

Housing Subsidy and Rent Increases

5.16 In particular, the future arrangements for the national subsidy and rent setting systems. The situation is very uncertain and can change from year to year, making planning more difficult.

Housing Repairs

5.17 This budget is always subject to demand and actual expenditure can fluctuate from year to year. There was an underspending in 2006/07, but an overspending in each of the previous 2-years.

5.18 In accordance with inflation projections in the building industry, real terms increases year on year have been built into projections. Given that a certain degree of control can be exercised over this budget, it is important that spending comes within that projected to ensure the overall financial viability of the HRA.

Financial Risk Analysis

5.19 In addition, there are a range of factors that will have an impact on the above projection and these are detailed in **Appendix 4**. This is basically the financial risk register for the HRA and is the basis of calculating the minimum level of its general reserve based mainly on current budgets.

5.20 Issues such as the number of council house sales (as evidenced in this review) can have a significant impact on the projection. The longer-term position will continue to be monitored, as now, on a regular basis.

6.0 Financial Implications

6.1 As detailed in the report

7.0 Corporate Implications

7.1 The MTFP assesses the resources and options available to the Council in order for it to deliver its Corporate Plan with all its services. Clearly, the projections contained in this report highlight a potential shortfall in resources over the longer-term, in particular for capital investment.

7.2 This will continue to place pressure upon all service areas to manage resources carefully and to generate efficiencies and external funding wherever possible.

8.0 Community Implications

8.1 Very similar to the corporate implications. Ultimately, the amount of financial resources affects the level and quality of services and facilities provided to the local community.

9.0 Background Papers

9.1 None