



# Cabinet

## 19 November 2025

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| <b>Report Title</b>         | <b>Medium Term Financial Strategy 2025-2028 Update</b>                                  |
| <b>Cabinet Portfolio</b>    | Finance & Governance  |
| <b>Cabinet Member</b>       | Councillor Andy Bowden (Finance)  |
| <b>Exempt Report</b>        | No  |
| <b>Reason for Exemption</b> | N/A   |
| <b>Key Decision</b>         | No  |
| <b>Public Notice issued</b> | N/A   |
| <b>Wards Affected</b>       | All   |
| <b>Report of</b>            | Cath Fogarty<br>Executive Director of Corporate Services<br>cathfogarty@sthelens.gov.uk |
| <b>Contact Officer</b>      | Richard Gibson<br>Director of Finance<br>richardgibson@sthelens.gov.uk                  |

|                               |   |   |
|-------------------------------|---|---|
| <b>Borough<br/>Priorities</b> | Ensure children and young people have a positive start in life.         | X |
|                               | Promote good health, independence, and care across our communities.     | X |
|                               | Create safe and strong communities and neighbourhoods for all.          | X |
|                               | Support a strong, thriving, inclusive and well-connected local economy. | X |
|                               | Create green and vibrant places that reflect our heritage and culture.  | X |
|                               | Be a responsible Council.   | X |

## **1. Summary**

- 1.1 This report provides Cabinet with an update in relation to the Council's Medium Term Financial Strategy (MTFS) 2025-2028.
- 1.2 The report also provides an update in relation to Government proposals for funding reform and the potential impact on the Council's financial position and sets out the anticipated timeline for receipt of information from Government and budget setting. The Provisional Settlement is set to be announcement in the week commencing 15<sup>th</sup> December 2025.
- 1.3 Based upon the most up to date review of financial modelling assumptions, the MTFS model shows that the Council will have a balanced position for 2026/27. However, there are significant financial risks faced by the Council that will need to be managed, and these are set out in the report.
- 1.4 The financial model is predicated upon delivery of previously approved savings. It is vital that where delivery of savings to date have slipped, departments implement savings as a priority or identify alternative savings that can mitigate further delays. The budget also factors in approved savings for 2026/27, these must be delivered in full and in year to protect the Council's financial position.
- 1.5 The Council has invested significantly in the Borough through an ambitious capital programme with large-scale schemes being funded through council borrowing. Whilst this has been factored into the current MTFS, the amount and cost of the borrowing necessary to deliver these schemes mean that the Council is close to an acceptable financial limit for borrowing and the Capital Programme will need to return to more normal levels, with new schemes being funded from external grants.

## **2. Recommendations for Decision**

**Cabinet is recommended to:**

- 1) Note the updated financial forecast for the period 2025-2028.**
- 2) Note the anticipated timeline for the receipt of information from Government and how this impacts upon the timetable for budget setting.**

## **3. Purpose of this report**

- 3.1 The Council remains committed to the regular monitoring of its medium-term financial outlook and this report is provided to update Cabinet on the position of the Council in respect of the estimate financial position for 2026-2029 and process to address any future budget gaps.

#### 4. Background / Reason for the recommendations

##### Medium Term Financial Strategy 2025-2028

- 4.1 The Council's Medium Term Financial Strategy 2025-2028 and Revenue & Capital Budget 2025/26 (MTFS) was approved at Cabinet on 26 February 2025 and by Council on 5 March 2025.
- 4.2 The MTFS was produced based upon prevailing assumptions at the time of production and it is prudent to review these assumptions and adjust them where appropriate. This report details the most significant assumptions that have been reviewed and the effect this has had on the medium-term financial outlook of the Council.
- 4.3 The Medium Term Financial Strategy 2024-2027 proposed a package of savings that addressed the budget gaps identified over the period 2025/26 and 2026/27, with the following table summarising the budget gap and approved savings over the period.

|                                       | 2025/26<br>£000 | 2026/27<br>£000 |
|---------------------------------------|-----------------|-----------------|
| <b>FORECAST IN-YEAR BUDGET GAP</b>    | <b>6,074</b>    | <b>2,984</b>    |
| <b>AGGREGATED FORECAST BUDGET GAP</b> | <b>6,074</b>    | <b>9,058</b>    |
| <b>AGGREGATED APPROVED SAVINGS</b>    | <b>(6,074)</b>  | <b>(9,058)</b>  |

- 4.4 Based upon the underlying assumptions for key variables, delivery of previously approved savings, and continuation of funding from Government at existing levels, the underlying forecast position over the term of the MTFS was as follows:

| <b>Table 1</b>               | 2025/26<br>£000 | 2026/27<br>£000 | 2027/28<br>£000 |
|------------------------------|-----------------|-----------------|-----------------|
| Residual Forecast Budget Gap | 0               | 0               | 1,728           |

#### **Budget Assumptions and Risks**

##### Council Pay, National Living Wage and Pension Triennial Revaluation

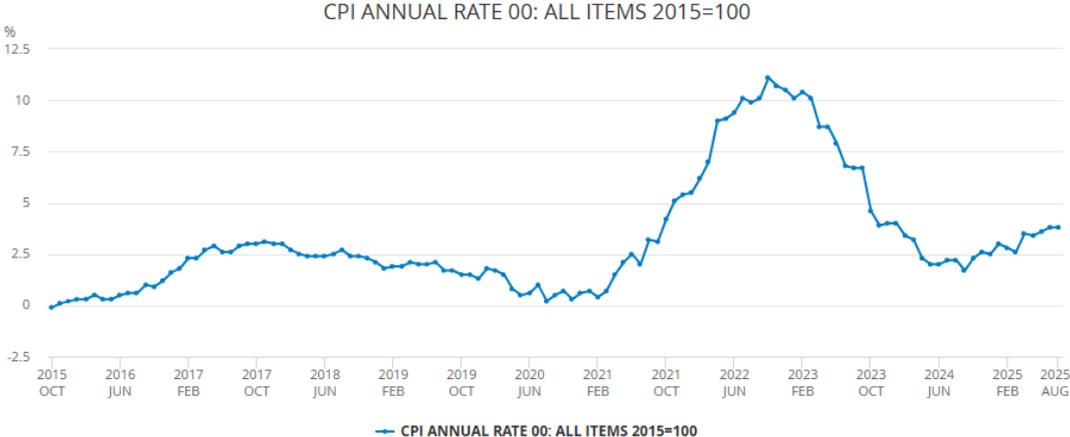
- 4.5 The original MTFS assumed pay inflation for 2026/27 and 2027/28 would be 2%. Based upon the pay award for 2025/26 of 3.2% and the fact that underlying inflation has remained fairly consistent since production of the MTFS, it has been deemed prudent to increase the assumed level of pay

inflation to 3% for both financial years. This change in assumption adds costs of circa £1m per annum to the MTFS.

- 4.6 The MTFS also recognises the estimated financial implications of increases to the National Living Wage on Integrated Health & Care contracts.
- 4.7 The National Living Wage has seen a number of increases in recent years at levels that have been higher than underlying inflation. At the time of producing the MTFS, the assumed rate of increase for National Living Wage in 2026/27 and 2027/28 was 5.4% per annum.
- 4.8 Given the increases in National Living Wage in recent years have been well above inflation levels, it is reasonable to assume that the increases over the period of the MTFS will be more in line with underlying levels of inflation. This movement to an assumed increase of 3.5% per annum will result in a reduction of circa £1.1m per year.
- 4.9 Merseyside Pension Fund’s appointed actuary, Mercer Limited, are currently undertaking the triennial actuarial valuation exercise. This will determine the rates and contributions required for the 3-year period commencing 1 April 2026 to set out a clear and transparent funding strategy identifying how each Fund employer’s pension liabilities are going to be met going forward.
- 4.10 The results of the revaluation exercise will only be known later in the financial year and will be factored into future MTFS updates. Currently, it is anticipated that there will be no negative implications from the revaluation exercise.

General and Contract Inflation

- 4.11 Assumptions around general price increases over the period of the MTFS have been reviewed and are currently assessed as being reasonable, given the underlying level of inflation and forecasts for how inflation will decrease gradually over time, though inflation generally continues to remain higher for longer than previously anticipated.



- 4.12 Specific reviews of inflation provision for items such as energy costs, fuel, IT contracts and care providers are conducted to identify any anomalous increases that are required. Reviews will be completed closer to the end of the budget setting process to ensure that the rates used are based upon the latest available information and forecasts, but it is not envisaged that these reviews will result in any significant variations.

#### Use of Service Efficiencies to Manage Budgets within Cash Limits

- 4.13 The MTFs does not account for any costs associated with demographic growth or increased demand in either Integrated Health & Care or Children's Services, on the assumption that both services will successfully manage demand within their existing financial resource, through efficiency savings within delivery.
- 4.14 In line with the Council's Transformation Programme, Services are expected to deliver continuous improvement to increase productivity and deliver both savings and efficiencies to offset these demand pressures.

#### Government Council Tax Assumptions

- 4.15 The Funding Reform 2.0 consultation confirmed that Council Tax principles for next 3 years will be set at an increase in basic Council Tax level of up to 3% and an adult social care precept of 2% each year – a combined limit of 4.99%. This level of assumed increase is hard-wired into Government's figures for increases in Core Spending Power for Local Authorities and the model assumes increases in line with Government assumptions. Any movement away from this will place additional burden on the Council's finances.

#### Fees & Charges

- 4.16 In line with the Council's Commercial Strategy individual services will undertake reviews of fee and charges for their areas, akin to current inflation levels (3.8% for August 2025). The MTFs financial model assumes a more prudent increase in all fees and charges at a consistent rate of at least 2.0%. A report will be coming to Cabinet in January 2026 to review proposals for changes to existing charges.

#### Business Rates Pilot

- 4.17 Government is consulting on potential changes to the Business Rates System and the impact of this is currently unknown. The model assumes that any impact will be cost neutral.
- 4.18 The Council has also been a member of the Liverpool City Region 100% Business Rates Pilot since 2017 and the model assumes that this will continue over the medium-term. Government are yet to confirm that this will be the case or if the level of rates retention will change.

#### Levies

- 4.19 The Council is responsible for paying several statutory levies that support regional and national services beyond its direct control. These include

contributions to Merseyside Recycling and Waste Authority through a waste levy, Merseytravel through a transport levy, and the Environment Agency under the Flood and Water Management Act 2010. These levies are mandatory and for part of the Council's overall budget planning each year, enabling collaboration across local authorities to deliver essential services efficiently and sustainably.

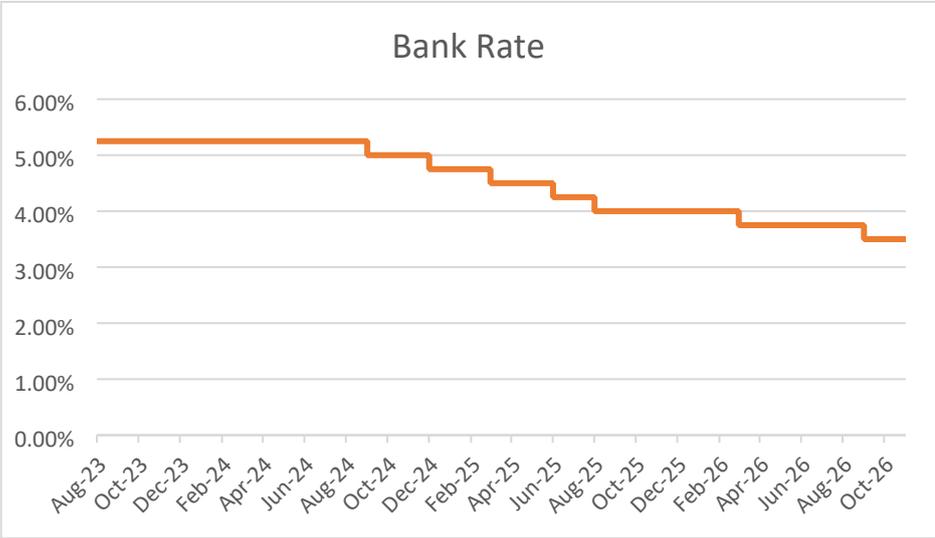
4.20 The actual levy rates for future years will only be received when these organisations are setting their budgets later in the financial year. However, current updates suggest that the levy rates will be broadly in line with previous budget assumptions.

Treasury Management, BoE Base Rates, borrowing levels and cash balances

4.21 Treasury management is the strategic handling of the authority's financial assets, liabilities and cashflows. It involves managing investments made with cash balances that are held and the borrowing undertaken to fund elements of the capital programme, in line with legal and regulatory frameworks such as the CIPFA Treasury Management Code and the Prudential Code.

4.22 Decisions around investments and borrowing, and more specifically the interest rates that can be secured, are impacted by movements in the Bank of England Bank Rate.

4.23 The current Bank Rate is 4.00%, following a gradual downward trend from its peak of 5.25% in 2024, with forecasts for a continued downward trajectory towards 3.5%.



4.24 Movements in Bank Rate and forecasts for their future changes will affect decisions made around borrowing and investment. The current relatively high levels also impact on the affordability of borrowing due to the higher cost.

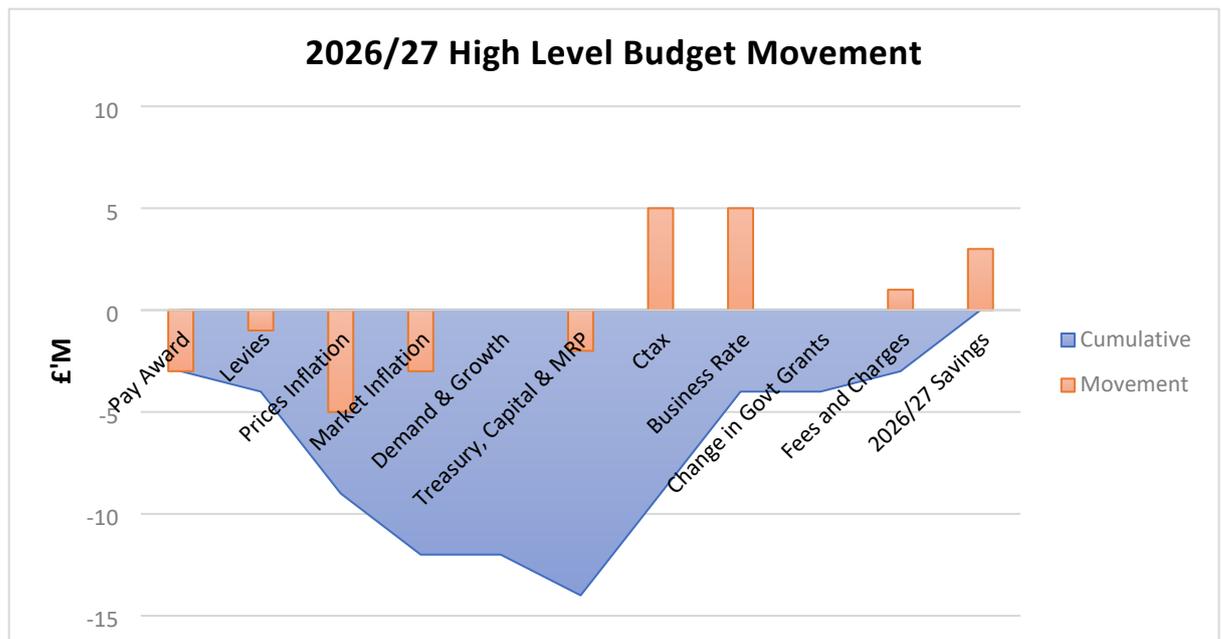
4.25 Current cash balances are reducing as a result of the deferral of borrowing until interest rates have come down. However, given the investment that is being made within the capital programme to drive regeneration within the borough,

the deferral of borrowing is not a sustainable strategy, and additional borrowing will be required in the near future.

### Summary of Budget Movements

4.26 After taking into account the budget assumptions that were factored into the MTFS 2025-2028 and the revisions described above, the budget position for 2026/27 is predicted to be broadly balanced.

4.27 The following chart shows the high level budget movements that are included within the MTFS Update for 2026/27 in arriving at a balanced budget position.



### Pressures / Risks / Efficiencies

4.28 Although the review of budget assumptions results in a broadly balanced budget position for 2026/27, there are a number of key pressures and risks that could impact upon the budget position, if variations to the current position happen. There also exists uncertainty around a number of key assumptions.

### Dedicated Schools Grant

4.29 The Council is currently facing a Dedicated Schools Grant (DSG) deficit. At the end of the 2024/25 financial year, the deficit stood at £1.432m, primarily due to a significant overspend of £4.633 million in the High Needs Block, which supports children and young people with special educational needs and disabilities (SEND).

4.30 The latest forecast position for 2025/26 is that this overspend will continue and that the deficit position at the end of the financial year will be in the region of £8.5m.

4.31 Under current arrangements and regulations set out in the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2020,

DSG deficits are held within a separate reserve and do not impact on the Council's revenue budget. The statutory override that allows this treatment is only in place until March 2028, whilst plans to deal with deficits and reform the SEND system are put in place by Government.

- 4.32 If Government plans to deal with these issues do not come to fruition and the statutory override comes to an end, the deficit position at that time would need to be accounted for within the revenue budget position, reducing reserves and putting the financial sustainability of the Council at risk.

#### Section 75 Agreement

- 4.33 The Council has in place a Section 75 agreement, which is a legal arrangement under the National Health Service Act 2006 that allows a local authority and an Integrated Care Board (ICB) to pool resources and delegate functions to deliver joined-up health and social care services.
- 4.34 The current Section 75 agreement runs until the end of the 2025/26 financial year. Work is ongoing to review the terms of the agreement with the ICB and any change in the cost sharing arrangements could have a potentially significant financial impact upon the Council.

#### Delivery of Agreed Savings

- 4.35 As explained in paragraph 4.3, the MTFs for 2025-2028 included provision for a number of savings that had previously been approved in previous years' MTFs. Delivery of these savings, as well as the implementation of savings that had been agreed for prior periods that have slipped, is vital to ensuring that the Council delivers an in-year balanced budget position.
- 4.36 The most significant savings that still require implementation are in the following areas:
- Children's Residential Care Provision
  - Premises rationalisation and asset sales
  - Reduction in Residual Waste Collection

- 4.37 As demonstrated in the Financial Monitoring Report 2, and referenced by Grant Thornton in the Annual Auditor's Report, the non-delivery of savings results in pressures against the revenue budget and leads to the unplanned usage of reserves. The continuation of this over an extended period can impact on the financial sustainability of the authority and the credibility of the budget setting process.

- 4.38 The agreed savings for 2026/27 are:

- Review of Domiciliary Care Hours
- Review of Quality Monitoring Service
- Foster Care recruitment
- Residual Waste
- Capital Programme

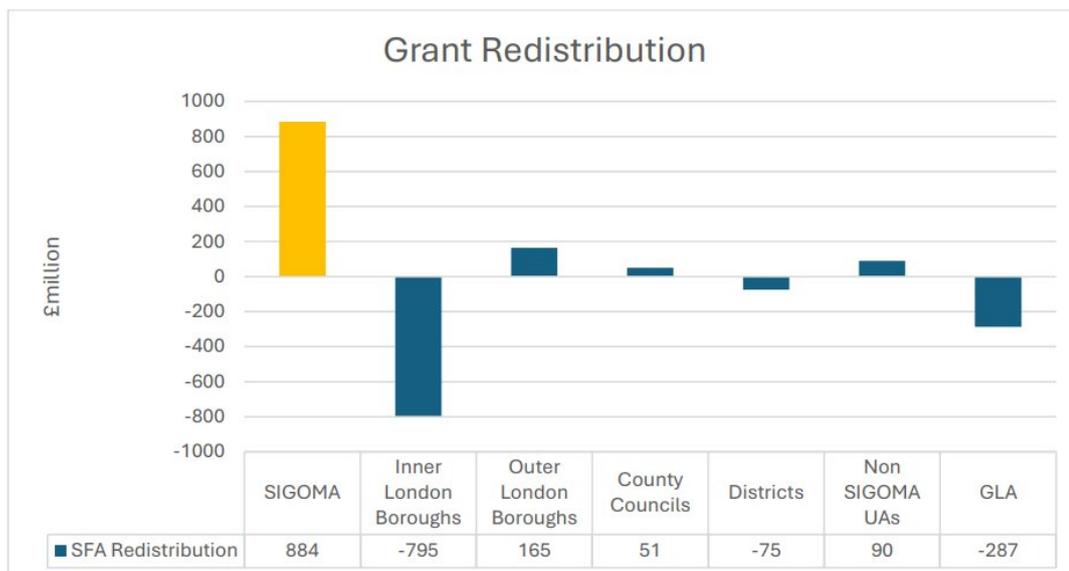
- Income and supplies & services savings

#### Demand / Price Pressure within Children Services, SEND & Adult Social Care

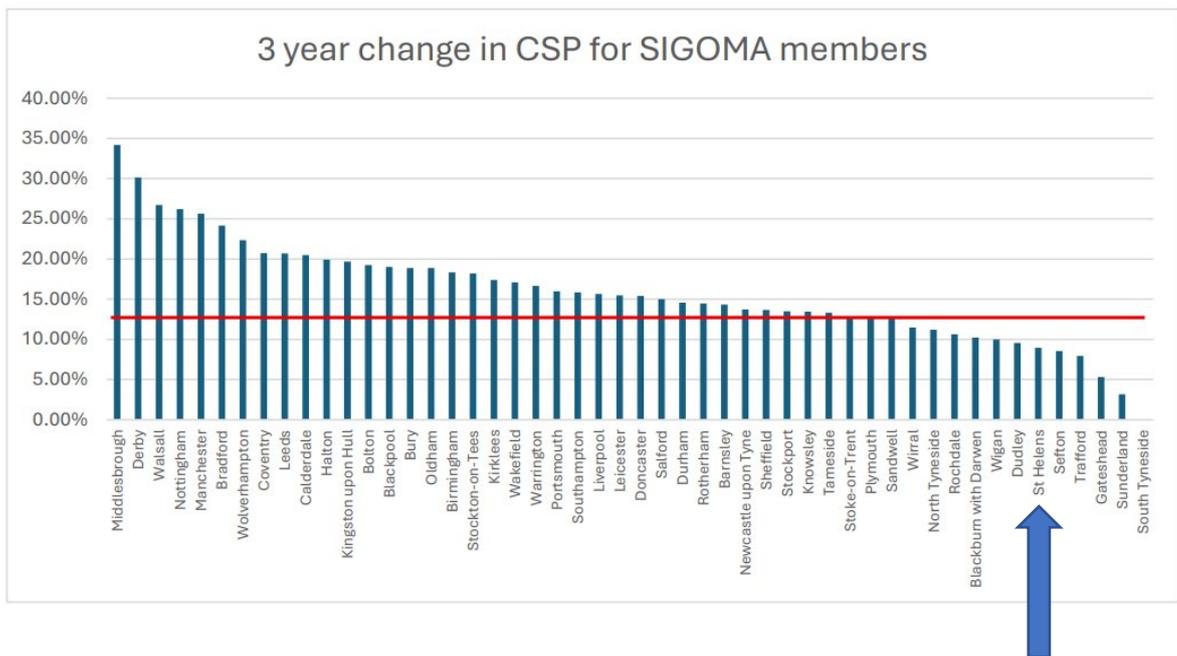
- 4.39 Care Services provided by the Council have seen significant increases in demand over previous years and this is forecast to continue. At the same time, the cost of care provision has outstripped inflationary increases as a result of the cost of living crisis, increases in National Living Wage and competition for care placements.
- 4.40 Adult Social Care has seen significant pressures caused by growing demand for domiciliary care and an increasing rate of hospital discharge into social care. Other financial risks include:
- Supporting young people transitioning from children's social care;
  - an increasing volume of higher-acuity service users being discharged from hospital placements; and
  - the wider economic climate affecting service users' ability to make a financial contribution towards their care.
- 4.41 Children's Services faces significant pressures as well. These are challenges that are being experienced at a national level, not just locally, and contributing to these include:
- the cost of providing care for looked after children, especially those with complex needs is expensive. The lack of available suitable placements within the foster care market can sometimes mean that placements are sought within residential care settings, usually at a significant cost. In addition, when a residential care placement is required, capacity challenges within this market have an upward effect on prices as local authorities compete for available places;
  - instability arising from placement breakdowns can often result in significantly increased costs, particularly when there is a need for additional support to be put in place;
  - the impact of strain on Child and Adolescent Mental Health Services as looked after children often face significant mental health challenges due to early trauma and instability; and
  - Demand for statutory SEND services as a result of the number of children receiving Education, Health and Care Plans.
- 4.42 Given the ongoing pressures faced within these areas, it is necessary for Adult Social Care and Children's Services to review previous demand management strategies and bring forward an updated strategy to show how it is planned to deal with the issues raised above.
- 4.43 In terms of the impact of these issues on the MTFs, it is essential that service efficiencies are identified to meet any increases in costs. This has already started to be addressed in Adult Social Care using home-enabled technology.

## Funding Reform 2.0 Consultation

- 4.44 In producing the local government finance settlement for 2025/26, Government committed to funding reform and multi-year settlements from 2026/27 and have started consultation around potential funding reform for local authorities.
- 4.45 One of the key issues that Government have promised to address is certainty of funding over the medium-term through the provision of a multi-year settlement. Prior to the upcoming financial settlement for 2026/27, local authorities have received seven consecutive one-year settlements, which has limited strategic financial planning and the ability to ensure financial sustainability.
- 4.46 The most significant consultation was held between June and August 2025, covering Government's main proposals for the methodology with which they planned to overhaul the funding mechanisms for local government.
- 4.47 However, as the consultation covered principals around funding changes but without giving specific, numerical examples there is a great degree of uncertainty about the final results of funding reform and what individual settlement levels will be for authorities. A few specialist organisations undertook financial modelling of the potential impact, which was then discussed with MHCLG.
- 4.48 Pixel Financial Management, who provide financial analysis for the Council, were one of the companies who produced modelling. Their modelling suggested that the redistribution of grant funding would be positive for Metropolitan Authorities, with around £900 million of grant redistributed to them over 3-years; Inner London Boroughs were estimated to have the largest negative movement.



4.49 Further analysis was provided at an individual authority level, to analyse how the grant redistribution to Metropolitan Authorities was broken down across the SIGOMA group. The average change in Core Spending Power for England is 12.8%, with SIGOMA authorities seeing an average increase of around 16%, but the modelling by Pixel suggests that the increase for St Helens would only be 8.95%.



4.50 Government undertook a Cabinet reshuffle in September which added further uncertainty to the results of the Fair Funding 2.0 Consultation due to changes to the Secretary of State for Housing, Communities and Local Government and the Minister for Local Government.

4.51 In addition to responding to the consultation, the Council lobbied Government through SIGOMA, the Liverpool City Region and via correspondence to the Secretary of State from the Leader, to put forward the Council's argument for greater weight being given to deprivation in formulas to make up for previous funding cuts.

4.52 At the same time as undertaking consultation around the funding mechanism for local authorities from Government, a consultation has been run to look at resetting the business rates retention system with the aim of resetting the system for 2026/27.

4.53 This brings an added layer of uncertainty to funding in 2026/27, with Government only likely to provide actual figures in line with the timescale for provision of the Local Government Finance Settlement. The Council expects that this reset will also set out details around the continuation or otherwise of

the 100% Business Rates Pilot that the Council has been a member of since 1 April 2017 with other authorities within the Liverpool City Region.

## **Provisional Local Government Finance Settlement and Budget Timetable**

### **Provisional Local Government Finance Settlement**

4.54 The Government announcement that the Budget will only be announced on 26 November 2025 has had a knock-on impact on the timing of the release of the Provisional Local Government Finance Settlement. Government had originally stated its intention to provide the settlement during November, but it has now confirmed that the settlement will only be received by local authorities at some stage during the week commencing 15 December.

### **Budget Timeline**

4.55 Given this announcement, the timeline of receiving information and the Council producing the Budget is as follows:

- Budget Consultation for 2026/27 – 3 to 28 November 2025
- MHCLG Budget Policy Statement – expected during November 2025
- Autumn Budget – 26 November 2025
- Provisional Settlement – week commencing 15 December 2025
- Scrutiny Review of Budget process – January 2026
- MTFS & Budget Report to Cabinet – 25 February 2026
- MTFS & Budget Report to Council – 4 March 2026

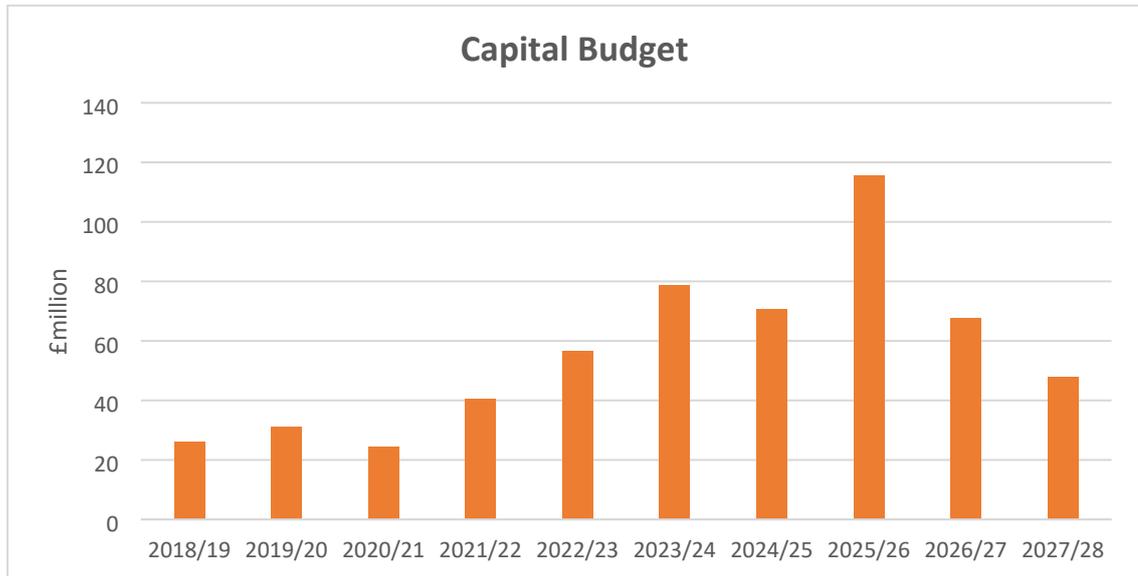
## **Capital Programme**

4.56 The Council has an ambitious capital programme, focused on progressing the strategic priorities of the authority, including the regeneration of town centres. Through a combination of securing external grant funding, utilisation of capital receipts, and borrowing, the capital programme within the MTFS approved over £230m of investment in the borough.

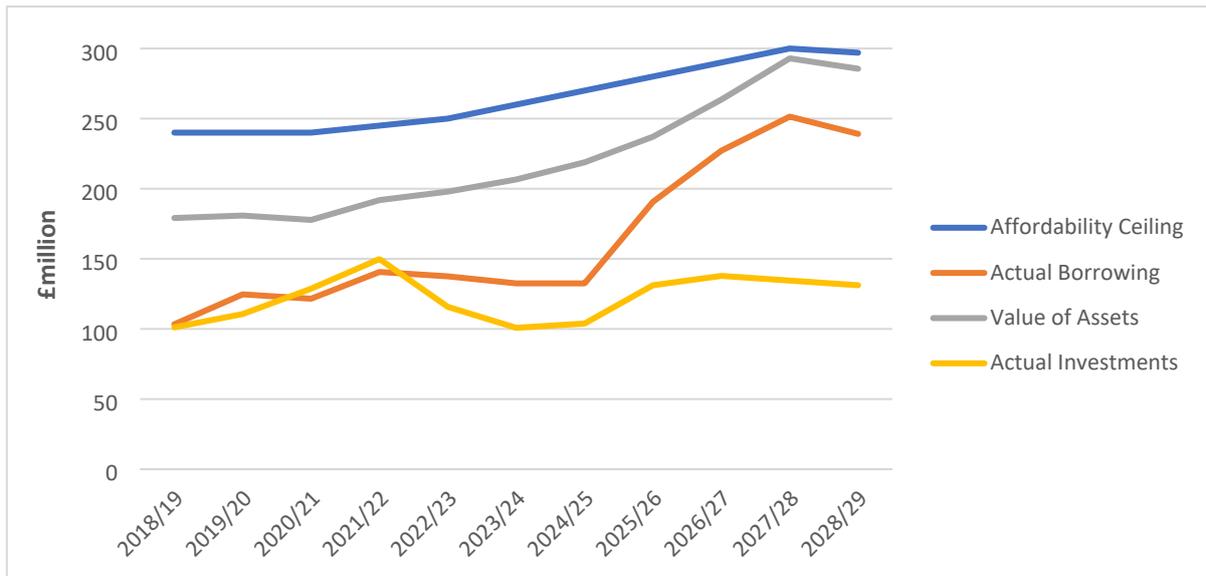
4.57 Delivery on the capital programme remains challenging and the Council may need to consider putting further investment in the town centre in order to ensure delivery. This will not be without consequence in terms of future schemes. The Town Centre regeneration scheme requires additional borrowing of £69m, taking expected borrowing levels from £150m to over £220m. This is an increase of nearly 50% and whilst this has been planned for within the MTFS it does place restriction on future borrowing levels as the Council.

4.58 The current level of investment is much higher than what could be described as a normal level of capital expenditure. The Council has ensured that the

approved investment is in line with requirements placed upon the Council through the Prudential Code for Capital Finance in Local Authorities to make sure capital expenditure plans are affordable, prudent, and sustainable, meaning the costs are within the authority's financial capacity and will not lead to long-term financial difficulty. The following chart shows the Capital Budget over the previous 7 years and the period of the MTFS.



- 4.59 Delivery on the capital programme remains challenging as costs have continued to increase and the Council may need to consider taking both difficult decisions and putting further borrowing into the town centre schemes to ensure delivery. This will not be without consequence in terms of future capital projects.
- 4.60 Following on from this significant level of investment, it will be difficult to continue at this scale in the short to medium term and projects will need to be funded through external grant funding or the generation of additional capital receipts.
- 4.61 Under CIPFA's Prudential Code for Capital Finance, the Council has a duty to ensure the total value of borrowing, and the cost of financing debt is proportionate to the size of the authority. Having factored in the approved programme over the period of the MTFS, including additional borrowing of £69m for St Helens Town Centre Regeneration, the Council will be much closer to its affordability limit for borrowing and will therefore need to realign its capital programme to be more akin to pre-2020 levels.
- 4.62 Whilst the affordability limit is not fixed, the graph overleaf provides a snapshot of the extent to which the Council will find itself much closer to its borrowing limits in the future and the extent to which this will restrict future decisions.



### **Budget Consultation**

4.63 The Council has a statutory duty to carry out a public consultation on the budget each year, under the Local Government Finance Act 1992 (Section 65) and the Local Government Act 1999. Failure to do so could be deemed unfair and subject to judicial review.

4.64 The Budget Consultation for 2026/27 went live on 3 November 2025 and will run for a period of 4 weeks, closing on 28 November. The Budget Consultation for 2026/27 is currently live on the Council’s website and provides information on the Council’s revenue budget, capital programme, the financial challenge that the Council faces in setting a balanced budget. The consultation aims to gather feedback from residents and businesses regarding the Council’s priorities, as well as the proposed levels of council tax and social care precept for 2026/27.

4.65 The detailed results of the consultation will be posted on the Council’s website in due course.

### **Reserves Position**

4.66 Whilst the Council has set balanced budgets consistently, which has been achieved through the identification of savings proposals to address budget gaps, it has overspent for three consecutive years, from 2022/23 to 2024/25, requiring the unplanned usage of £12.3m of reserves.

4.67 The overspend of £4.7m in 2024/25 was predominantly driven by the overspend of £8.4m in Children’s Services. The issue of overspending and non-delivery of savings within Children’s Services has also been flagged within the

Corporate Peer Challenge Report from February 2025 and the recent Annual Auditor's Report, with the latter raising a key recommendation to mitigate demand and cost pressures within the service.

- 4.68 The Financial Monitoring Report P2, which is considered on the same Cabinet agenda, reflects the continued issue of non-delivery of savings and demand pressures within Children's Services, which again is forecast to overspend and is the predominant reason behind the estimate of a £2.8m overspend.
- 4.69 The continued use of Earmarked Reserves to mitigate unplanned reductions in General Fund Balances as a result of overspends in unsustainable and needs to be addressed to ensure the continued financial viability of the Council.

## **5. Consideration of Alternatives**

- 5.1 None.

## **6. Conclusions**

- 6.1 Although the key risks and issues are well understood, there remains a high level of uncertainty across several factors. For example, the outcome of the Fair Funding review unknown although the move to multi-year settlements is welcomed and should help financial planning.
- 6.2 In the immediate term, the Council is working hard to avoid a 4th consecutive revenue overspend through the delivery of savings and management of costs and the revenue budget remains a critical issue for its wider financial stability.
- 6.3 There remains risk around the delivery of savings, the management of costs and demand, the ability to work with partners through the S75 agreement, all of which have been highlighted by Grant Thornton in the external auditors Annual Auditors' Report. Many of these risks were also highlighted in the Corporate Peer Challenge report from February of this year.
- 6.4 The capital programme will need to be reset once the existing regeneration programme is delivered with a significantly reduced quantum of borrowing which stays within Council affordability limits.
- 6.5 Achieving a balanced 2026/27 revenue budget will be challenging but deliverable within existing parameters; however, any deviation by way of growth will require offsetting savings or changes to service deliver to compensate for these. Services will also be expected to deliver service efficiencies to allow increases in inflation growth to be limited. This is offset by the absence of any further direct savings to specific services within 2026/27 (over and above those already agreed by Council).

6.6 The position for years 2 and 3 of the forecast (2027/28 and 2028/29) are harder to predict and further savings or changes to service delivery may be required to respond to changes post May 2026.

## **7. Legal Implications**

7.1 The purpose of this report is to highlight the forecast financial position of the Council and has no direct legal or other implications unless noted.

## **8. Financial Implications**

8.1 Whilst there are no direct financial implications from this report, the report outlines the key issues that have impacted upon the previously approved Medium Term Financial Strategy and will factor into setting the budget for 2026/27.

## **9. Equality Impact Assessment**

9.1 Whilst there are no equality implications arising directly from the report, any potential implications need to be considered and understood when taking action to ensure sustainability of the Council's financial position.

## **10. Social Value**

10.1 There are no direct social value implications arising from the report, but the financial challenge is such that any associated adverse impacts on the local economy, particularly in terms of spend and procurement, need to be fully considered and understood.

## **11. Net Zero and Environment**

11.1 There are no specific implications directly arising from this report.

## **12. Health and Wellbeing**

12.1 There are no specific implications directly arising from this report.

## **13. Customer and Resident**

13.1 There are no direct implications on people accessing Council services or those resident in the Borough from this report, but any potential adverse impacts must be fully considered and understood when taking action to ensure the Council's financial sustainability.

## **14. Asset and Property**

14.1 Section 4 and Annex F provide detail on the Council's capital programme, which includes investment in the Council's land and property assets.

## **15. Staffing and People Management**

15.1 The report has no direct staffing and human resources implications, though the financial challenge is such that future potential adverse impacts on staffing must be acknowledged.

## **16. Risks**

16.1 This report describes the budget position of the Council and highlights a number of risks in relation to the Council's financial position and sustainability.

## **17. Policy Framework Implications**

17.1 There are no specific implications directly arising from this report.

## **18. Impact and Opportunities on Localities**

18.1 There are no specific implications directly arising from this report.

## **19. Background Documents**

19.1 [Medium Term Financial Strategy 2025-2028 and Revenue & Capital Budget 2025/26](#)

## **20. Appendices**

20.1 None.