

North Tyneside Council

Report to Cabinet

Date: 25 November 2019

Title: 2020-2024 Financial Planning and Budget Process: Cabinet's Initial Budget proposals

Portfolio(s):	Elected Mayor	Cabinet Member(s):	Mrs Norma Redfearn
	Finance and Resources		Councillor Ray Glindon
	Housing and Transport		Councillor Steve Cox
	Community Safety and Engagement		Councillor Carole Burdis

Report from Service Area:

Senior Leadership Team

Responsible Officer:

**Janice Gillespie, Head of Resources
(Chief Finance Officer)**

Tel: 643 5701

Wards affected:

All

PART 1

1.1 Executive Summary:

- 1.1.1 On 29 October 2019 Parliament voted in support of a General Election to be held on 12 December 2019. This decision has meant that both the Government's Budget Statement, due to be announced on 6 November 2019, and the Provisional Local Government Finance Settlement, due to be announced on 5 December 2019, have been delayed. This creates significant uncertainty for the Authority when considering its Budget proposals for 2020/21 and further uncertainty when planning for the medium term.
- 1.1.2 Whilst the details of the above are still to be confirmed, the most pragmatic approach for the Authority to take when planning for 2020/21 is to do so on the basis of the Spending Round announcement delivered to Parliament on 4 September 2019. This approach has also been recommended in a letter to local authority chief executives and chief finance officers, received from the Ministry of Housing Communities and Local Government on 5 November 2019.

- 1.1.3 In the Spending Round 2019 (SR19), the Chancellor announced proposals for a £2.9 billion cash increase in local government 'core spending power'. This is to come from an extra £1.2 billion in social care grant funding for local authorities. The other £1.8 billion is expected to come from increases in Council Tax (1.99% general Council Tax increase, and a 2% precept for social care) and increases in business rates baseline funding in line with inflation. The Elected Mayor and Cabinet's initial Budget proposals include the impact of the nationally recommended 1.99% general Council Tax increase and 2% Adult Social Care Precept. However, the decision on any Council Tax increase will be finalised in the report to Cabinet on 20 January 2020 following the conclusion of the consultation process on its initial proposals, and further information on the Local Government Finance Settlement.
- 1.1.4 The initial Budget proposals for the General Fund set out in this report have been developed in the context of a refreshed Our North Tyneside Plan 2020-2024, as set out in Appendix A of this report. The Council Plan has been updated to reflect two key policy developments; the Council's declaration of a climate emergency and the context in which the Council now operates as part of the North of Tyne Combined Authority.
- 1.1.5 At its meeting on 9 September 2019, Cabinet approved the process and timetable to be adopted for the preparation of the draft Medium-Term Financial Plan, 2020/21 revenue budgets in respect of the General Fund, Dedicated Schools Grant (DSG) and Housing Revenue Account (HRA), the 2020-2024 Investment Plan and the 2020/21 Treasury Management Statement and Annual Investment Strategy, as part of the overall Financial Planning and Budget Process for 2020-2024. Cabinet also approved the Budget Engagement Strategy as part of that report.
- 1.1.6 This report presents, for consideration, Cabinet's initial Budget proposals, in accordance with the time-scales set out in the Authority's Constitution (Budget & Policy Framework Procedure Rules). This report presents proposals to cover a four-year planning period from 2020-2024 for the revenue Budget and a five-year planning horizon for the Investment Plan.
- 1.1.7 In addition to the short-term question there is significant uncertainty in relation to the level of funding beyond 2021 due to the changes in the local government finance system. The impact of the move to 75% Business Rates Retention, alongside the Fair Funding Review and Business Rates Reset are unknown at this stage. These increase the level of risk to financial planning, requiring current Budget forecasts to be closely monitored, and potentially refreshed more frequently than usual, as consequences become clear. The current savings requirement is estimated to be £41.822m over the period 2020-2024, before any proposals around Council Tax increases or the Adult Social Care Precept is considered.
- 1.1.8 It is important to appreciate that these proposals have been developed following several years of cumulative effort to respond to reducing resources and rising costs. They necessarily contain greater cumulative risk and require close attention to ensure delivery.

1.2 Recommendation(s):

- 1.2.1 Cabinet is recommended to:

- (a) note the progress made in relation to this year's Financial Planning and Budget process;
- (b) note the key principles being adopted in preparing the Medium-Term Financial Strategy for the Authority, subject to an annual review;
- (c) note the medium-term financial challenges and financial risks facing the Authority and agree to address these issues as part of the Efficiency Programme for the Authority, to deliver continued financial stability and prudent management of its financial resources;
- (d) note the formal Reserves and Balances Policy for the Authority, subject to review at least annually;
- (e) consider and agree the initial Budget proposals in relation to the 2020/21 General Fund Revenue Budget and Dedicated Schools Grant, including the assessment of the current year's budget monitoring information (2019/20);
- (f) authorise the Head of Resources, in consultation with the Head of Commissioning and Asset Management, the Cabinet Member for Children, Young People and Learning and the Cabinet Member for Finance and Resources, to undertake resource allocations to schools for 2020/21 in line with the school funding arrangements set out in the report;
- (g) consider and agree the proposed 2020-2025 Investment Plan, noting that the Plan continues to be under review;
- (h) note the draft Capital Investment Strategy and note that this Strategy will now be subject to consultation as part of the Budget Engagement Strategy;
- (i) note that all approved schemes within the 2020-2025 Investment Plan will be kept under corporate review by the Investment Programme Board;
- (j) consider and agree the draft 2020/21 Treasury Management Statement and Annual Investment Strategy;
- (k) note the Provisional Statement by the Chief Finance Officer;
- (l) consider and agree the initial Budget proposals in relation to the 2020-2024 Housing Revenue Account Budget, and associated Business Plan, including an assessment in relation to the current year's budget monitoring information (2019/20);
- (m) note the proposed April 2020 2.7% rent increase from April 2020 (in line with Government policy), and the initial proposals in relation to housing service charges and garage rents for 2020/21;
- (n) authorise the Elected Mayor, in conjunction with the Cabinet Member for Finance and Resources, Deputy Mayor and other Cabinet Members, to work with the Senior Leadership Team to continue their joint review of these initial Budget proposals;

- (o) authorise the Chief Executive, in consultation with the Elected Mayor, Cabinet Member for Finance and Resources, Deputy Mayor and the Senior Leadership Team to manage the Efficiency Programme and note that progress will be reported to Cabinet as part of the regular budget monitoring process;
- (p) consider and agree the proposed refreshed Our North Tyneside Plan as set out in Appendix A to this report; and
- (q) note the timetable of key milestones for 2020-2021 has been updated to reflect the potential changes which will be proposed to full Council on 28 November 2019.

1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 22 July 2019.

1.4 Council Plan and policy framework:

- 1.4.1 The Budget and Policy Framework Procedure Rules are set out in Part 4.7 of the Authority's Constitution. The Budget is guided by paragraph 4.7.3 covering the process for the preparation, consideration and final approval of the Authority's Council Tax requirement and Council Tax level. The statutory and constitutional requirements for preparing, considering and approving these issues drive the timetable for the Financial Planning and Council Tax setting process of the Authority.
- 1.4.2 The development of the Financial Plan and Budget has followed the same timetable as in previous years. However, the proposals will also be presented to the Overview and Scrutiny Committee during the course of the Budget setting process. The priorities in the Our North Tyneside Plan 2020-2024 provide the strategic framework within which budget resources are allocated.
- 1.4.3 The Financial Planning and Budget process is a fundamental part of the overall governance and assurance framework of the Authority. This in turn provides assurance that is considered as part of preparing the Annual Governance Statement each year.

1.5 Information

General Fund

- 1.5.1 The 2019/20 financial year is the final year of the 2016 Spending Review, which had afforded local government some financial certainty with which to plan over the medium term. The lack of a multi-year Spending Review has meant that there is a significant level of uncertainty when undertaking financial planning for the longer term. Political uncertainty remains high. Brexit has been delayed until 31 January 2020, following agreement by European Leaders to offer a further extension. In addition, the recently announced General Election has caused delays for major funding announcements.

Both the Government's Budget, due on 6 November 2019, and the Provisional Local Government Finance Settlement, due in early December 2019, have now been delayed until after the conclusion of the General Election. In addition to this, as announced in the Spending Round 2019, the Fair Funding and Business Rates Retention (BRR) schemes scheduled for implementation in April 2020 will now not go ahead until April 2021. Significant risks remain to the Authority's funding around the principles yet to be agreed for fair funding distribution and how the move to 75% BRR is implemented, alongside the Business Rates reset.

- 1.5.2 Whilst waiting for further details and confirmation of funding arrangements the Authority must continue to prepare financial plans for 2020/21 and the medium term. However, this is being done with caution and pragmatism. Therefore, these initial Budget proposals have been prepared on the basis of the assumptions included in the Spending Round 2019 announced in September. This approach has also been recommended in a letter to local authority chief executives and chief finance officers, received from the Ministry of Housing Communities and Local Government on 5 November 2019. The letter advises that, when drawing up draft budgets for 2020/21, local authorities should take account of the proposals that the previous Government published in the SR19 technical consultation.
- 1.5.3 As reported to Cabinet in September, the Chancellor announced the proposed Spending Round 2019 (SR19) on 4 September 2019. As anticipated SR19 was limited to a single year, which included headline numbers for Government spending for 2020/21 and indicative three-year allocations for schools. In addition, SR19 confirmed the Government's proposal to 'roll forward' the 2019/20 Local Government Finance Settlement. As set out in earlier in this report specific funding allocations are yet to be confirmed and a full multi-year Spending Review is now planned to be held in 2020. The main headlines announced in SR19 included:
- Departmental spending to increase by 4.1% in real terms, whilst keeping within the Government's fiscal rules;
 - Social care grants that local authorities received in 2019/20 will continue in 2020/21;
 - The Improved Better Care Fund (IBCF) will be maintained at 2019/20 levels, as well as rolling the Winter Pressures Grant (£240m allocated in 2019/20) into the IBCF for 2020/21;
 - An additional £1bn of grant funding will be distributed for social care in 2020/21, plus local authorities will be able to charge a further 2% Adult Social Care Precept (ASCP) (estimated at £500m);
 - A real terms increase in the Public Health and Revenue Support Grant; and
 - Authorities will be able to increase Band D Council Tax up to 2% for the basic element in line with the referendum limit for 2020/21.
- 1.5.4 Consultation with Government is underway on the basis of distribution of the additional social care grant. However, initial indications are that the Authority will receive additional social care funding of £4.300m in 2020/21.
- 1.5.5 SR19 also included a three-year funding settlement for schools, high needs and early years which are part of the Dedicated Schools Grant (DSG). Nationally, additional funding will be £2.6bn in 2020/21, £4.8bn in 2021/22 and £7.1bn in 2022/23. The main headlines announced included:

- An increase in per pupil funding for all schools in line with inflation in 2020/21 (1.8%) with minimum per pupil funding levels set at Primary £3,750, Key Stage 3 £4,800 and Key Stage 4 £5,300;
- Minimum rate per pupil for primary schools rising to £4,000 in 2021/22;
- Additional funding of £0.700m in 2020/21 for children with special educational needs;
- Additional early years funding of £66m;
- Additional funding of £0.400m in 2020/21 for further education;
- Confirmation that the Government will continue to support additional teachers' pension costs for schools; and
- Commitment to move towards a 'hard' National Funding Formula for schools as soon as practical.

The Authority is currently working through the implications of the funding announcement and is waiting for further details to be released by the Government to understand the impact for schools and other services supported by the DSG.

- 1.5.6 The Authority is experiencing an incredibly difficult period and it is faced with relentless pressure on reduced budgets. The initial Budget proposals in this report aim to protect essential services for the people of North Tyneside, invest in the future of the borough, grow the local economy, and create more jobs and opportunities in a borough that works better for residents.
- 1.5.7 With so many competing demands to pay for services, the Elected Mayor and Cabinet have carefully scrutinised the Authority's finances. With the scale of the funding reductions, very difficult decisions have had to be made and unfortunately many more lie ahead if the Authority is to manage within available resources. These proposals aim to protect essential services and make sure that the Authority operates as efficiently as possible to provide excellent value for money for local taxpayers.
- 1.5.8 The Our North Tyneside Plan 2020 – 2024 provides the policy framework or context for the Budget proposals set out in this report. The Plan, which has been refreshed to reflect two key policy developments as agreed previously by full Council, namely the declaration of a climate emergency and the role of the North of Tyne Combined Authority, is set out in Appendix A to this report.
- 1.5.9 Engagement on both the refreshed Our North Tyneside Plan and the draft Budget proposals set out in this report will take place from 26 November to 5 January 2019. The engagement approach will be as agreed by Cabinet on 9 September 2019.

Housing Revenue Account

- 1.5.10 The HRA has faced significant challenges from legislation, particularly linked to the Welfare Reform and Work Act 2016 and the Housing and Planning Act 2016. 2020/21 represents the end of the Government's policy to reduce rent by 1% for four years as enacted in the Welfare Reform and Work Act 2016 for all housing stock. From April 2020 Government has announced that social rents will return to the previous policy of being based on Consumer Prices Index (CPI) plus 1% for at least 5 years to give some greater surety to allow longer-term business planning. Changes initially proposed in the Housing and Planning Act 2016 have not come

into legislation, removing the potential risk from policy proposals such as Pay to Stay, Sale of High Value Assets and short-term tenancies. The Authority is also facing the impact of the continued roll-out of Universal Credit and other welfare reforms.

1.5.11 Cabinet will be aware that on 1 April 2019 the Housing, Property and Construction service within Environment, Housing and Leisure was established to deliver all of the Authority's repairs and construction requirements. A benefits realisation plan was developed as part of the project with the aim of feeding benefits into the HRA Business Plan as a result of returning the service to the Authority. The first set of benefits (£1.500m p.a in revenue, and circa £1.000m p.a in Capital) are included within the projections for the 2020-2024 HRA Business Plan and 2020-2025 Housing Capital Investment Plan and are aligned to the Elected Mayor and Cabinet's priorities. The initially identified benefits are proposed to be re-invested in a number of areas:-

- The Elected Mayor and Cabinet's commitment to delivering more affordable housing by increasing the resources available to deliver new build schemes;
- Creating a tenants' priorities budget to focus on key areas of need, those needs could vary year on year to match changing tenant needs and priorities, for example pest control, empty homes standard and fencing; and
- Strengthening the resources available to support our tenants in coping with the changes arising from welfare reform and the continued roll-out of Universal Credit.

1.5.12 In the October 2018 Spending Review, the Government removed the HRA borrowing cap. Cabinet will remember that North Tyneside's self-financing was above the borrowing cap. It will now be for the Authority to determine the level of unsupported borrowing it wishes to undertake to fund new build in line with the Prudential Code which already applies to the rest of the Authority's borrowing strategy. This will need to be assessed against the levels of rental income that can be raised to support such borrowing and against a background of no guaranteed additional grants to support the build, the availability of suitable sites, and no proposed cessation of the RTB scheme or changes to the levels of discounts available to tenants. A review of the HRA debt management strategy has been undertaken and the initial decision is not to change the Authority's approach at this stage, although work will continue in this area to keep abreast of opportunities and ensure that the Authority takes advantage of any funding opportunities to deliver new build over and above what is already identified in the plan.

1.5.13 These factors continue to be considered as part of the updating of the 30-year plan which aims to ensure the long-term viability of the HRA in line with the policy direction of the Elected Mayor and Cabinet and the needs of tenants. For the purposes of the current Financial Planning and Budget process, a four-year revenue plan has been developed in line with the approach adopted for the General Fund. Cabinet is advised that all projections after 2020/21 are only indicative at this stage.

1.5.14 Building on regular engagement with Housing Revenue Account customers, tenants will be consulted on these initial Budget proposals and the final HRA Budget will be presented to Cabinet on 20 January 2020. At that meeting Cabinet will be asked to approve the HRA Business Plan and Budget for 2020/21, including the housing

rent, garage rent and service charge changes and the Housing Capital Investment Plan.

Initial Budget Proposals

- 1.5.15 Annex 1 to this report sets down in detail the Cabinet's 2020-2024 initial Budget proposals for the General Fund Revenue Budget, Dedicated Schools Grant, Housing Revenue Account, 2020-2025 Investment Plan, and the 2020/21 Treasury Management Statement and Annual Investment Strategy.
- 1.5.16 Cabinet's initial Budget proposals are based upon available information and judgements at the time of the writing of this report. There are a number of assumptions and judgements built into the figures presented that are outside the control of the Authority and need to be finalised. The initial Budget proposals are therefore subject to further review before they can be confirmed. The information to be assessed and finalised is:
- (a) The Government's Budget;
 - (b) The Provisional and Final Local Government Finance Settlement announcements for 2020/21, including capital announcements and specific grants (including the Dedicated Schools Grant (DSG));
 - (c) Police and Crime Commissioner for Northumbria and the Tyne and Wear Fire and Rescue Authority Precepts (due February 2020);
 - (d) Levies, including the North of Tyne element of the Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority Transport Levy (due January 2020);
 - (e) Tyne and Wear Joint Service Budgets (due January/February 2020); and
 - (f) Consideration of the impact of the economic climate on the residents of the borough and Council Tax payers.

Therefore, as some external announcements are still to be received, it is recommended that Cabinet authorises the Elected Mayor, in conjunction with the Cabinet Member for Finance and Resources, Deputy Mayor and other Cabinet Members, to work with the Senior Leadership Team to continue their joint review of these proposals.

1.6 Decision options:

- 1.6.1 The following decision options are available for consideration by Cabinet:

Option 1

Cabinet can agree the proposals set out in this report.

Option 2

Cabinet can suggest that further / different options are considered by the Senior Leadership Team and be reported back to Cabinet for further consideration. Option 1 is the recommended option.

- 1.6.2 As explained in the Annex to the report, there is still a significant amount of external information that has not yet been received by the Authority. On this basis, Cabinet is recommended to authorise the Elected Mayor, in consultation with the Cabinet Member for Finance and Resources, the Deputy Mayor and other Cabinet Members, to work with the Senior Leadership Team to continue their joint review of these initial proposals. Recommendation 1.2.1 (o) refers.

1.7 Reasons for recommended option:

- 1.7.1 Due to external information still to be received, Cabinet is not in a position to finalise setting its proposed Council Tax level for 2020/21 in relation to the General Fund. Although these initial Budget proposals include the Government's assumed general increase to Council Tax of 1.99% and the Social Care Precept of 2% in 2020/21. This report will form the basis of Budget engagement and scrutiny over the next two months, but further work will inevitably be required before final decisions are made on the budgets for next year, hence the authorisation recommendation referred to in paragraph 1.6.2 above.

1.8 Appendices:

Annex 1:	2020-2024 Financial Planning and Budget Process – Cabinet's Initial Budget Proposals
Appendix A:	2020-2024 Our North Tyneside Plan
Appendix B	General Fund 2020-2024 Financial Pressures Summary
Appendix C	General Fund 2020-2024 Efficiency Savings
Appendix D(i)	2020-2025 Investment Plan Summary
Appendix D(ii)	2020-2025 Housing Investment Plan
Appendix D(iii)	Prudential Indicators 2020-2025
Appendix D(iv)	Capital Investment Strategy
Appendix E	2020/21 Treasury Management Statement and Annual Investment Strategy
Appendix F	2020/21 Financial Planning and Budget Timetable of Key Future Decision Milestones
Appendix G	Glossary of Terms

1.9 Contact officers:

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1.10 Background information:

The following background papers and research reports have been used in the compilation of this report and are available at the offices of the author:

- (a) 2020-2024 Financial Planning and Budget Process, incorporating the Council Plan and associated Budget Engagement Strategy, Cabinet 9 September 2019. The report items are as follows: 5b

<https://my.northtyneside.gov.uk/sites/default/files/meeting/related-documents/5b%20Budget%20and%20Financial%20Plan%20Process%20Report.pdf>

- (b) State of the Area Report 2019

<https://my.northtyneside.gov.uk/sites/default/files/web-page-related-files/State%20of%20the%20Area%20Report%202019.pdf>

- (c) CIPFA local authority reserves and balances

<http://www.cipfa.org/policy-and-guidance/technical-panels-and-boards/local-authority-accounting-panel/laap-bulletins/laap-99>

- (d) 2019/20 Financial Management Report to 30 September 2019 – Cabinet 25 November 2019. The report items are as follows: 5e (a), 5e (b), 5e (c)

- (e) Local Government Finance Settlement, letter to Chief Executive / Chief Finance Officers from the Ministry of Housing Communities and Local Government

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

- 2.1.1 The financial implications arising from this report are appraised as part of the decisions made about what will be included in the Authority's Financial Plan, incorporating the 2020/21 Budget setting process. Decisions on the Budget in relation to the General Fund, Housing Revenue Account, Dedicated Schools Grant (DSG), Capital Investment Plan, Treasury Management Statement and Annual Investment Strategy need to be made within the overall context of the resources available to this Authority and within the legal framework for setting budgets. The Authority will need to closely examine the links with its key funding partners and their proposed financial plans, including an assessment of the impact of any grant fall-out over the proposed four-year resource planning period.
- 2.1.2 Cabinet and Council need to have due regard to the Chief Finance Officer's advice in relation to the levels of reserves and balances proposed as part of the four-year Financial Plan for 2020-2024, as issued in guidance from the Chartered Institute of Public Finance & Accountancy (CIPFA) in July 2014. A provisional statement to Council by the Chief Finance Officer is included in the Annex to this report.

2.2 Legal

- 2.2.1 The Local Government Finance Act 1992 (Section 32: Calculation of Budget Requirement) requires the Council to set a balanced budget in the context of the resources available, including Government grants, Business Rates and Council Tax income. The Localism Act 2011 inserted a new Section 31 into the Local Government Finance Act 1992, which requires the calculation of a Council Tax requirement by billing authorities, rather than a budget requirement calculation, as previously. The Localism Act 2011 also abolished Council Tax capping in England. It instead introduced new provisions into the 1992 Act, making provision for Council Tax referendums to be held in England if an authority increases its Council Tax by an amount exceeding the principles determined by the Secretary of State. The current principles for local authorities with responsibility for social care (county and unitary authorities) provide that a referendum is required if Council Tax is to increase by 2% or more.
- 2.2.2 The Local Government Act 2003 imposes duties on local authorities in relation to budget setting. The Act requires that, when an authority is deciding its annual Budget and Council Tax level, Members and officers must take into account a report from the Chief Finance Officer on the robustness of the Budget and the adequacy of the authority's financial reserves. The Government has a back-up power to impose a minimum level of reserves on an authority that it considers to be making inadequate provisions.
- 2.2.3 The 2020-2024 Financial Planning and Budget process has been prepared to comply with the time-scales required within the Budget & Policy Framework Procedure Rules contained in the Authority's Constitution and legislative requirements that the Council Tax Requirement is determined before the 11 March in any year.

2.2.4 Section 76 (2) of the Housing Act 1989 requires each authority to produce a Housing Revenue Account budget in the January and February that immediately precede the financial year to which it will relate. In relation to the Housing Revenue Account (HRA) draft revenue budget and associated Business Plan, there is a legal requirement to give all tenants four weeks notice of any rent changes. In order to allow time for the production and delivery of the appropriate notifications, the rent and service charge increase will be presented to the 20 January 2020 Cabinet meeting for approval.

2.2.5 In accordance with the above and the Local Government Act 2000 (and the Regulations made under that Act) Cabinet is responsible for considering and determining the issues raised in this report.

2.3 Consultation / Community engagement

Internal consultation

2.3.1 Each Cabinet Member has been consulted on the individual proposals put forward in this report, with regular discussions held between the Chief Executive, Head of Resources, Heads of Service, the Elected Mayor and Cabinet.

Community engagement

2.3.2 The 2020/21 budget engagement strategy and approach was agreed at Cabinet on 9 September 2019. The Authority's overall approach to engagement ensures that the public should have opportunities to have their say throughout the year. Engagement on the refreshed Our North Tyneside Council Plan and the budget proposals will take place from 26 November 2019 to 5 January 2020.

2.4 Human rights

2.4.1 All actions and spending plans contained within the Budget are fully compliant with national and international human rights law. For example, Article 10 of the European Convention on Human Rights guarantees freedom of expression, including the freedom to 'hold opinions and to receive and impart information and ideas'. Article 8 of the Convention guarantees the right to respect for private and family life.

2.5 Equalities and diversity

2.5.1 In undertaking the Budget setting process the Authority's aim will always be to secure compliance with its responsibilities under the Equality Act 2010 and in particular the Public Sector Equality Duty under that Act.

To achieve this an Equality Impact Assessment (EIA) has been carried out on the Budget Engagement process. The aim is to remove or minimise any disadvantage for people wishing to take part in the engagement programme. Specific proposals on how services will seek to meet budgetary requirements will be subject to EIAs, which will be informed by the findings of the Budget Engagement. A cumulative impact assessment of all of these will also be undertaken prior to Cabinet in January 2020.

2.6 Risk management

- 2.6.1 Individual projects within the Financial Plan and Budget are subject to full risk reviews. For larger projects, individual project risk registers are / will be established as part of the Authority's agreed approach to project management. Risks will be entered into the appropriate operational, strategic, corporate or project risk register(s) and will be subject to ongoing management to reduce the likelihood and impact of each risk.

2.7 Crime and disorder

- 2.7.1 Projects within the Financial Plan and Budget will promote the reduction of crime and disorder within the Borough. Under the 1998 Crime and Disorder Act, local authorities have a statutory duty to work with partners on the reduction of crime and disorder.

2.8 Environment and sustainability

- 2.8.1 The Our North Tyneside Plan states that "We will reduce the carbon footprint of our operations and will work with partners to reduce the Boroughs carbon footprint." A number of the proposals will contribute to this including those to reduce the Authority's energy consumption. The environmental and sustainability aspects of individual proposals will be assessed in detail as and when agreed and implemented.

PART 3 - SIGN OFF

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|---|--|
| • Chief Executive | <input checked="checked" type="checkbox"/> |
| • Head(s) of Service | <input checked="checked" type="checkbox"/> |
| • Mayor/Cabinet Member(s) | <input checked="checked" type="checkbox"/> |
| • Chief Finance Officer | <input checked="checked" type="checkbox"/> |
| • Monitoring Officer | <input checked="checked" type="checkbox"/> |
| • Head of Corporate Strategy and Customer Service | <input checked="checked" type="checkbox"/> |