Appendix A – Medium Term Financial Strategy 2025 – 2028 (Q1 update)

1. Overview

The updated MTFS position for quarter one 2024/25 is summarised in the following graph and Table 1. This sets out the current best and worst case position based on revised key assumptions for funding, demand and inflation and includes early indicative values relating to the transformation and savings programme.

It should be noted that this is a position update, the budget setting process will continue over the next six months to ensure the Council meets its legal obligation to set a balanced budget therefore as proposal are identified and worked up to address the budget gap, the future years gaps will reduce accordingly.

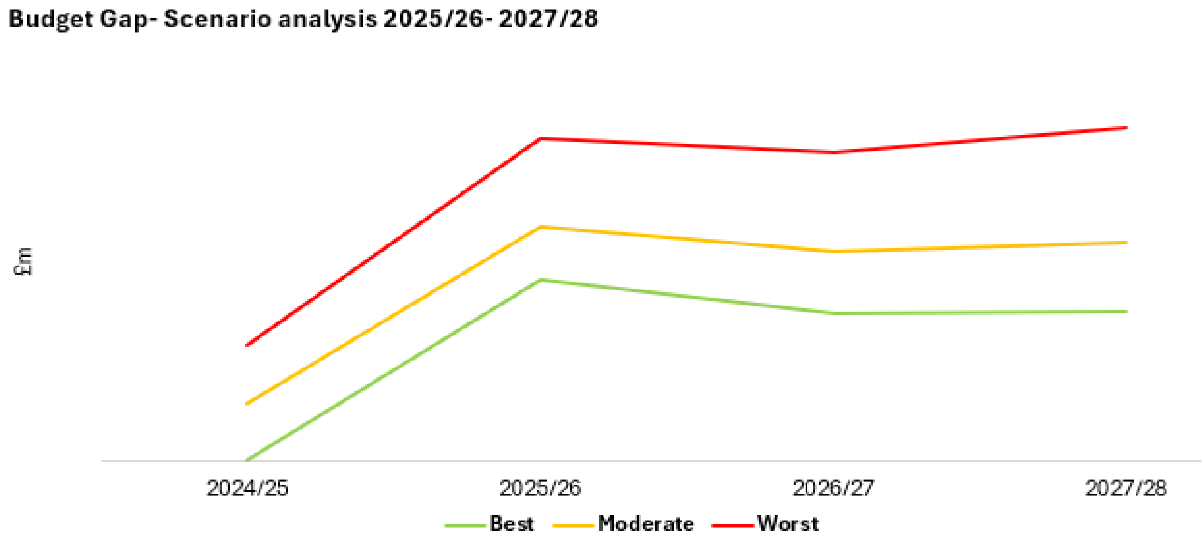


Table 1- Estimated Budget Gap	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Best Case Scenario				
Funding	(220,310)	(223,415)	(238,436)	(247,535)
Net Revenue Expenditure	220,310	236,689	249,443	258,741
	0	**13,274**	**11,007**	**11,206**
Worst Case Scenario				
Funding	(220,310)	(222,715)	(237,736)	(246,835)
Net Revenue Expenditure	230,585	246,998	261,378	272,524
	10,275*	**24,284**	**23,642**	**25,689**

*reflects the current Pressure reflected within the June BCR report.

As set out in the June BCR report (17 June Cabinet) reserve balances are forecast to reduce to c£9m. These are not **adequate and if the financial position does not improve, balances are not sufficient to cover the estimated budget gap in the next financial year.** The 2025/26 budget must balance without the use of reserves, and the in year position must improve for reserve levels to be maintained at a more appropriate level.

2. Key Assumptions

- Pay award as per the employers offer in 2024/25 and 3% pa in years 2025/26 – 2027/28.
- Average Interest Rate - 3.50% in 2025/26 and 3% in 2026/27 and 2027/28
- NNDR – increases based on business growth and CPI as per legislation

- Revenue Support Grant increasing in line with CPI
- Council Tax increase – 4.99% (2.99% general Council Tax and 2.0% Adult Social Care precept) over the life of the MTFS
- Council Tax base - estimated growth of 1,100 homes pa from 2025/26 onwards
- New Homes Bonus – continues at the same level as 2024/25.
- Inflation- based on the Bank of England forecast as a guide. (current CPI- 2.2%)

3. Detailed Expenditure Assumptions

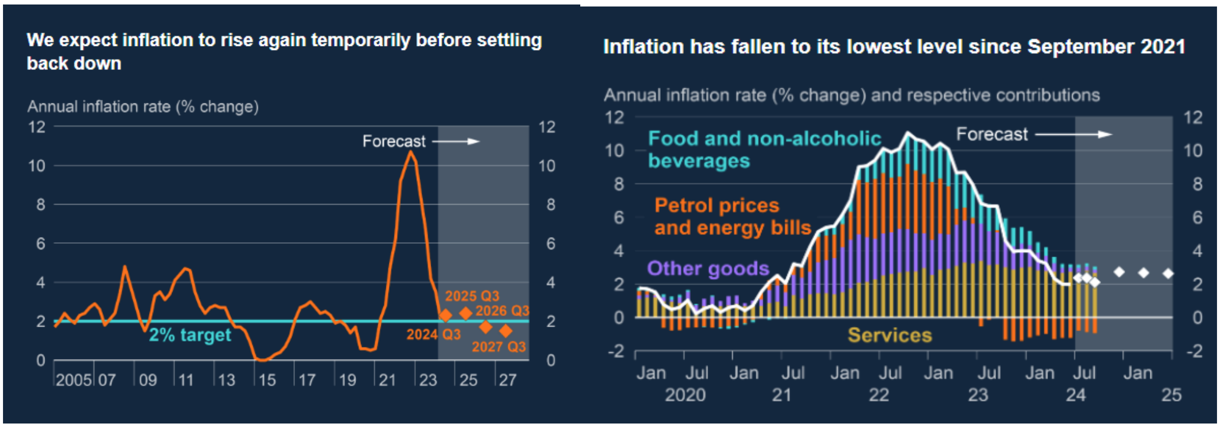
The key financial assumptions over the life of the MTFS have been reviewed and revised where appropriate. The following section summarises the position:

Pay award increase is assumed at 3% over the life of the MTFS. For 2024/25, the pay award is based on the employers offer of a £1,290 rise to all NJC salary SCP's up to 43 and a 2.5% rise to all pay points above this (chief officers agreed at this level). This offer has been accepted by one union but rejected by the others. The pay claim submitted by the unions poses a £4m risk according to initial estimates. Whilst other public sector pay increases for 2024/25 will be fully funded, local government will receive no further funding to cover its pay pressures unless further funding is announced.

National Living Wage (NLW) increased to £11.44 in April 2024 (an increase of 9.8%). Our current modelling assumes a 3.95% increase from April 2025, taking the NLW to £11.89 per hour.

Pensions Contribution Rates: the latest triennial valuation period covers 1 April 2023 to March 2026 and accounted for within the MTFS. This is based on a 17.4% contribution rate and an annual lump sum contribution of £1.955m in each of the years to March 2026. These provide a primary contribution rate of 17.5%. The same rates have been assumed for 2026/27 and 2027/28 as it is difficult to predict the outcome of the next tri-annual valuation, especially given staffing level changes because of insourcing services. This will be reviewed by the actuary in 2025, ahead of the next triennial period.

Inflation: The Bank of England monetary report (August 2024) has been used to inform the revised MTFS assumptions for our expenditure and income. The report and the following graphs highlight that CPI inflation remains around the 2% target, its lowest level since 2021. According to the Office for National Statistics, CPI was 2.2% in the 12 months to July 2024. The current projections are that inflation is expected to rise again slightly but then to fall again in 2025.



Graphs 1 & 2: BoE Inflation Projection and Drivers of inflation

Energy Costs: Higher energy prices have been contributing to the high rate of inflation in recent years and the Council's energy costs have been significantly higher than budget as a result. However, market conditions have eased, and for 2024/25, prices have been forecast to reduce by 15% and 25% for gas and electricity respectively. This is part of the forward purchasing process in the Council's energy contract and the impact lagging behind current conditions. Detailed modelling of energy consumption and pricing across the estate has increased the confidence and accuracy around the forecasts. With actions being taken, as part of an inflation strategy, to mitigate the energy wastage more widely have meant that efficiencies have been achieved on the energy budget.

Contract inflation: Most of the Council's core contractual arrangements such as highways (Milestone), Waste (Viridor) are index linked and so contractual inflation has been incorporated within the budget on that basis. Social Care contracts are heavily linked to the NLW and CPI forecasts. Where able to, the Council is managing this by controlling expenditure levels, reviewing and renegotiating contracts and implementing the Market Sustainability Plan for our Social Care contracts, which enable us to move towards implementing a Fair Cost of Care, alongside managing inflationary pressures. Other expenditure is being reviewed on a strict basis using the ONS CPI forecast as a guide. Where pressures are arising as a result of a procurement exercise, managers and Heads of Service are being encouraged to review the level of specification.

4. Service Demand

Peterborough is a growing City, with a 17.5% growth in population since the 2011 census. A review of the Council's demand led budgets has been completed to assess the demand projections over the life of the MTFS, with this being one of the driving factors behind an increased budget gap. The following table sets out the range of additional demand required over the life of the MTFS. This includes revised assumptions for Children's Social Care placements, Adult Social Care Packages, Housing (Homelessness) and Home to School Transport. The following section provides more information on each of the areas.

Table 2: Additional Demand	2025/26 £000	2026/27 £000	2027/28 £000
Best Case Scenario	8,027	11,444	15,341
Worst Case Scenario	14,467	19,349	24,916

Children's Social Care: The Council is currently spending an additional £6m more than last year on care for young people with very complex needs. The number of children under a child protection plan has increased from 242 in November 2023 to 334 in August 24, with the number of children in care also rising, from 414 as of September 2023 to 436 in August 24, representing a 6% increase in children's care on top of the sharp rise seen in the previous period. Costs are also increasing further due to the complexity of their needs. The demand for placements in 2024/25 has already outstripped the demand within the budget by 18. Within the MTFS it is assumed that increases continue into 2025/26 and then it's expected that the demand begins to stabilise due to the improvement and transformation of Children's Services, including implementing Family Group Conferencing, the House Project and increasing the number of foster carers.

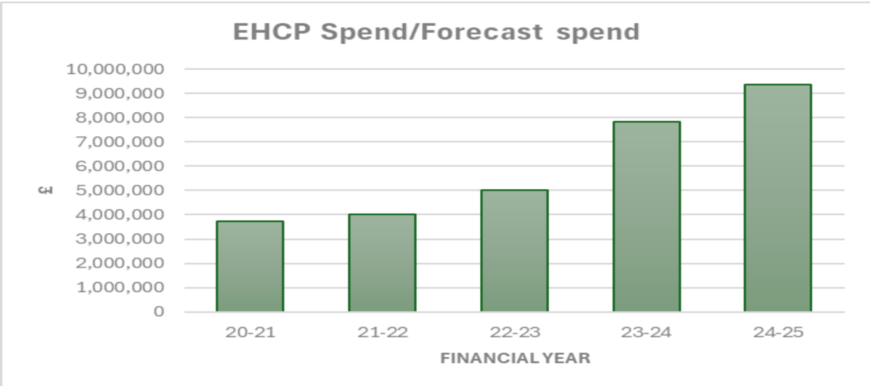
Home to School Transport: Costs are rising for Home to School Transport due to rising demand, inflationary pressures and complexity of need. Transport costs (e.g. cost per mile) are rising in Peterborough and nationally. In addition to inflation and increased demand nationally post Covid, a particular local pressure is availability of Mainstream and SEND school places which has resulted in increased eligibility for transport.

SEND transport to Out of Area Independent has doubled in the last three years. The main causes of this increase are a shortage of In-city Special School Places, or in-city provision not being able to meet the needs of the child. Transport to Out of Area Independent placements are high-cost due to distance and are often solo routes due to only one student attending the setting or complexity of need.

There has been a significant increase in Mainstream school admission and transport applications since 2021.The number of transport applications from children who are new to Peterborough is increasing.

	Mainstream Students Transported	SEND Students Transported	Total	% change (year)
June 19	1281	731	2012	
June 20	1293	735	2028	0.8%
June 21	1209	738	1947	-4.0%
June 22	1336	770	2106	8.2%
June 23	1471	845	2316	10.0%
June 24	1628	893	2521	8.9%
% change (total)	27%	22.1%	25.3%	

Special Educational Needs: The Dedicated Schools Grant High Needs Block is forecast to overspend by £5.4m in the current year. This issue is affecting over 80% of Local Authorities with responsibility for Education Services. The Council has seen a rise in requests from Schools for Education Health Care Plans which has resulted in greater spend in Peterborough Mainstream / Special Schools and Independent School placements. The number of EHCP plans has risen by almost 40% since 2017. In the last year they have increased from 2,213 in 2022/23 to 2,636 at the end of 2023/24, a 19% increase. This rise is having a detrimental impact on the Transport costs set out above.

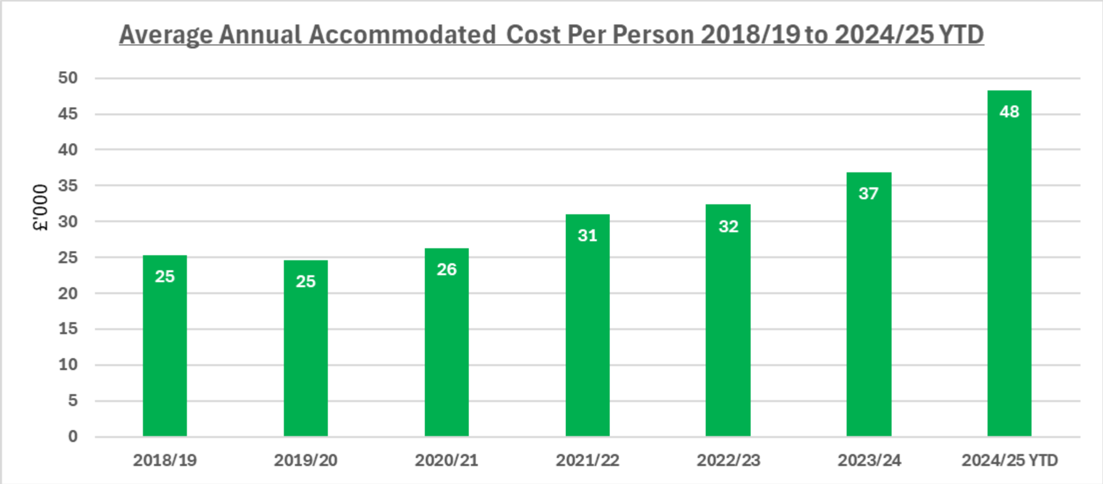


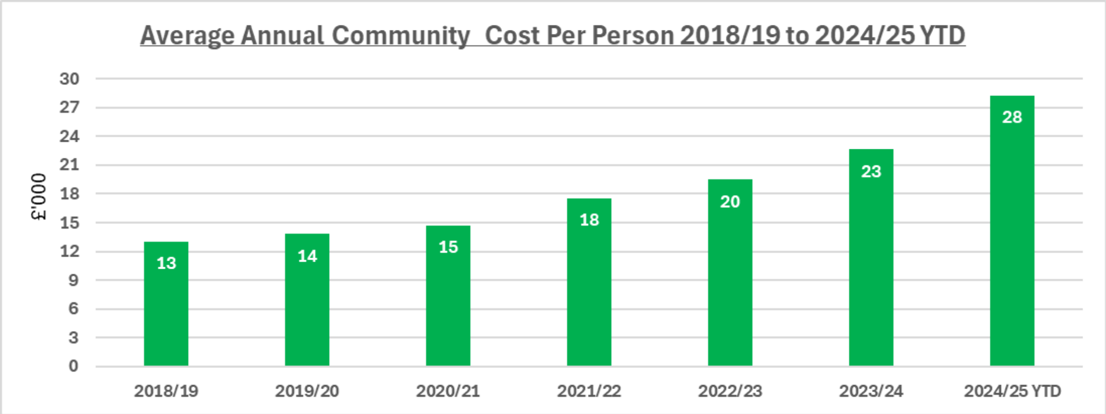
There is insufficient capacity in Peterborough SEND Schools which is resulting in more children being placed in Independent Schools. Feasibility studies are being completed to create additional Special School Capacity. An exercise is underway with Peterborough Schools to determine and promote Ordinarily Available Provision in Schools, which refers to the support that mainstream schools or settings are expected to provide for a child or young person with Special Education Needs through their agreed funding.

Adult Social Care: Demand for Adult Social Care services has been increasing for a number of years and is showing no sign of slowing down. This year, we have received an average of 3,546 contacts per month to our adult early help team with a 16% increase on the number of discharges from hospital.

In addition, Adult Social Care continue to see care required by people being more complex and at a higher cost to the council.

The graphs below show the steady increase in costs for accommodated care, such as residential care or nursing care homes until 2023/2024 then a sharper increase for the current year due to number of cases and the complexity of individuals. Support for those in the community has increased by 45%, over the past three years. This cost increase is predicted to continue over the period of the MTFS.





Housing: The number of households presenting as homeless has increased by 20% in the last 12 months and new demand is outstripping current supply, leading to increased reliance on Bed & Breakfast (B&B) and temporary accommodation. Although the housing needs team work hard to find temporary or permanent accommodation, there has been an average of 79 households in B&B throughout the year, peaking at 115 in early summer (no families are in B&B for over 6 weeks). This is in-excess of the budgeted provision for B&B and it will continue to put strain on the budget in 2024/25.

We have established a cross – organisation transformation programme which is focused on prevention, supply, and improved data use to accurately map and understand future demand. A plan is being progressed which includes purchasing housing for temporary accommodation, working closely with Registered Providers in Peterborough, improving our approach to prevention and reviewing our support offer to increase access to the private rental sector. The Local Housing Allowance (LHA) rates were also increased for 2024/25, after 4 years of being frozen, which should provide some support to households. It is expected that these actions will reduce the current pressure but will still require a level or budget re-baselining to reflect a new level of normal in terms of temporary accommodation demand.

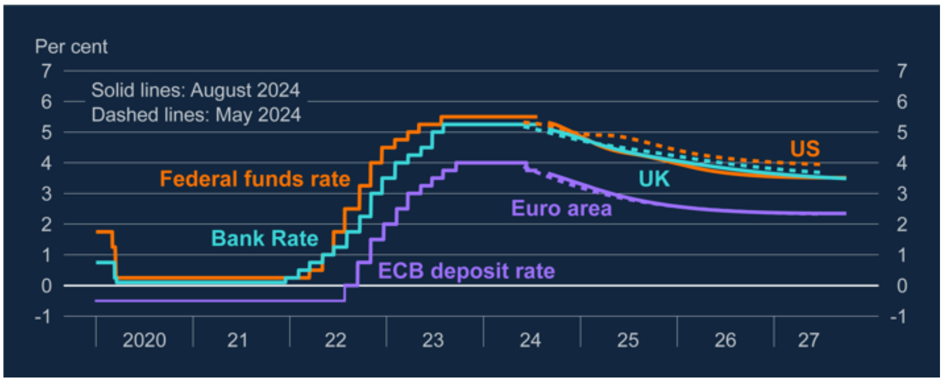
5. Capital Programme & Borrowing

The Council's Capital Programme for 2024/25 is set at £140.9m. The Council aims to fund the Capital Programme from grants, third-party contributions or capital receipts, with new borrowing only being incurred only when absolutely necessary.

The Bank of England made the first cut to interest rates in four years in August 2024 from 5.25% to 5%, with interest rates falling slower than predicted which is causing an adverse impact on the cost of borrowing position. Although the Councils debt portfolio is based on fixed term loans, there are £127.5m loans which will mature in the current year these will be refinanced at higher/similar rates, exposing the Council to a c£2.5m pressure on our borrowing (interest payable) budget.

The following graph sets out the forecast reduction in base rate, which will see interest rates only expected to come down to 3.5% in 2027.

Bank Rate predictions



Source: Bank of England

As a result of this additional pressure the Capital and Invest to Save Board agreed to introduce a Capital Moratorium until the Bank of England (BoE) base interest rates reduce to an acceptable level. This moratorium applies to all capital schemes apart from those that are:

- externally funded (i.e. by grant),
- absolutely required for Health and Safety, or
- Invest to Save (cashable revenue savings above the cost of borrowing).

The financial position will also rely on capital receipts being generated from asset sales and effective treasury management activity to maximise the Council's cashflow. Therefore, we will be accelerating the progress of the asset disposal programme for those assets which do not provide value for money or where assets could be put to better use. Receipts from asset disposals will be used to reduce borrowing costs or to invest in other council assets if required. Early this financial year, four rural sales completed totalling £6.2m. Further projected asset sales planned in 2024/25 total £17.99m, of these £7.03m is currently RAG rated as amber and £10.96m as green. This will be achieved via disposal of the rural estate, locality asset review and surplus commercial assets.

6. Detailed Funding Assumptions

Table 3 outlines the Council's estimated core funding levels in the current year and over the life of the MTFS. The majority of funding continues to come from Council Tax and NNDR, comprising 79% of the total core funding.

Table 3: Funding	**2024/25**	**2025/26**	**2026/27**	**2027/28**
	£000	**£000**	**£000**	**£000**
NNDR	(70,765)	(64,813)	(73,174)	(74,640)

Table 3: Funding	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000
Revenue Support Grant	(12,920)	(13,178)	(13,442)	(13,711)
Council Tax	(104,266)	(111,120)	(118,242)	(125,607)
New Homes Bonus	(1,268)	(1,325)	(1,325)	(1,325)
Business Rate Pool	(1,894)	(1,894)	(1,894)	(1,894)
Services Grant	(293)	(293)	(293)	(293)
Improved Better Care Fund	(7,480)	(7,480)	(7,480)	(7,480)
Social Care Grant	(16,204)	(16,340)	(16,487)	(16,488)
ASC Market Sustainability & Improvement Fund	(3,472)	(3,553)	(3,582)	(3,582)
Discharge Support Grant ringfenced	(1,748)	(1,799)	(1,817)	(1,817)
Reserves	0	(919)	0	0
Funding	**(220,310)**	**(222,714)**	**(237,736)**	**(246,835)**

Council Tax:

- Assumed annual Council Tax increase of 4.99% in all years (2.99% general Council Tax and 2.0% Adult Social Care precept).
- Band D rate will increase from £1,666.27 in 2024/25, to £1,749.42 in 2025/26, £1,836.72 in 2026/27 and finally £1,928.37 in 2027/28.
- The Council Tax base for 2024/25 was set at 62,103.69, as outlined within a report to Cabinet on 18 December 2023 and the projected growth is on track. The projections over the life of the MTFS assume an average increase of 1,100 houses per year.
- The Strategy reflects the limitations on the ability of local authorities to raise local funding. The Council is currently restricted to a 4.99% total increase on Council Tax, before the requirement for a city-wide referendum.

NNDR (Business Rates):

Growth
The assumptions for Business Rates growth have in the past been based on the trend for increases seen in previous years, however these significantly slowed during 2023/24 due to:

- The current adopted local plan (2019) has seen most of the allocated employment land utilized in the first 3 years, and so the trend has slowed.
- Some properties missing the deadline for the ratings list, due to the Valuations Office Agency's (VOA) lag in adding new properties or the sites' failure to complete on time. The VOA made a decision to close the 2017 list, without completing the outstanding changes which resulted in a loss of c£1.3m of business rates yield.
- An increased change of use of buildings to residential, particularly in the Town Centre whilst this has increased the council tax due, the loss to business rates in the whole has been greater.

The Council is bringing forward development plans for several sites across the city, including the Station Quarter and the area known as Middleholme as outlined in the Councils new investment prospectus launched in January. We are also continuing to develop our new Local Plan, which will set out our strategy and policies to deliver growth, and identify further employment land, therefore we expect to see growth in Business Rates return to previous levels in the future.

Empty Property Relief
There has been a large increase in empty properties, which has led to an increase in the cost of empty property relief. Businesses have also been using tax avoidance methods (commonly referred to as 'box

shifting'), to avoid paying business rates by claiming empty property relief which exempts them from paying rates for a certain period. However, this relief is intended to help businesses that are genuinely struggling to find tenants or buyers. Therefore, the government has introduced measures to prevent business rates avoidance using empty property relief, such as imposing penalties for providing false information, increasing inspections and audits, and limiting the duration of the relief for certain types of properties, and we therefore anticipate a reduction in the cost of empty property relief from 2024/25 onwards.

Appeals
The closure of the 2023 valuations listing triggered a wave of appeals as businesses sought to reduce their Ratable Value. Although all of the appeals submitted were reviewed and an estimate made based on what historic success rates, the outcomes of these have been significantly worse than anticipated. Some of the adverse movement is driven by the VOA making decisions on groups or sectors to speed up processing. Due to the volatility and complexity of this the Council has commissioned a rating expert to complete an assessment of this forecast.

The above factors have led to a negative impact one-off c£6m impact on the forecast collection fund position in 2025/26, with assumptions in the future years having been reassessed. Despite this the collection of business rates remains robust, last year we were in the 2nd quartile for collection and are currently ahead of our tracking target for 2024-25. This position is included in table 3.

Grants
Overall given the recent change in Government it is difficult to predict current changes in forecasts. Some sources indicate strongly that a rollover settlement is the most likely outcome. Any far-reaching changes in funding would need a full consultation, which is very unlikely for 2025-26 settlement.

7. Future Sustainable Council – Strategic Direction

As the previous sections summarise, pressure on the Councils demand led budgets and the increased cost of borrowing is having a detrimental impact on the Councils financial position in the current and future years. The Quarter 1 Budgetary control report sets out actions which are being taken in the current year to minimise the impact and protect the shrinking reserves balances. In addition to these, Heads of Service have been challenged to set out what a 10% and 20% reduction in service would look like, in order to drive quick, short term budget reductions.

Analysis is underway to identify high area of spend, cross cutting opportunities or where the Council is an outlier in comparison to other local authorities. This work is expected to be progressed throughout September, outlining areas or opportunity and further investigation. This will include reaching out to those Councils that are best in class or if required seeking targeted external support.

It's recognised that focus needs to be placed firmly on long term, sustainable transformation of services. The portfolio boards are developing business cases for change. Some of the key themes cutting across those boards include:

- Improving Workforce Productivity, creating a sustainable workforce and reviewing the spans of control.
- Economic Growth within the City- encouraging regeneration, external investment and improving the City Centre.
- Digital and automation – driving efficiency in processes.
- Preventing and managing demand in key areas.

- Improving practise across Children's Services (in light of the Ofsted report)

The following provides an overview of the key programmes within each portfolio board:

Prevention, Independence and Resilience – to help & support our residents early on in their lives and prevent them from slipping into crisis. Key projects being progressed include:

- **Integrated Neighbourhood** - This programme is focused on reducing demand and long-term care needs by working together across health, social care and housing.
- **Digital and Assistive Technology** - This programme is focused on utilising technology to help manage demand, create efficiencies, empower our communities and empower our workforce.
- **Preparing and Enabling Independency in Adulthood** - This programme consists of Transitions to Adulthood, Continuing Healthcare and Improving Education and Skills for people with Mental Health and Learning Disabilities.

Economy and Inclusive Growth – to maximise economic growth and prosperity in an inclusive and environmentally sustainable way. Key projects being progressed include:

- **Climate Change**– The aim of this programme is to achieve net zero carbon as an organisation and support the city to become net zero. This will be achieved through a reduction of emissions produced, local energy generation and an increase in carbon capture whilst ensuring the city adapts to the inevitable impact's climate change will bring.
- **Major Growth and Regeneration projects** – This programme aims to enable Peterborough to grow through major growth and regeneration projects
- **Skills and Employment** – This programme aims to enable the delivery of extraordinary learning experiences, producing a high quality and productive local workforce, through our motivated residents, that have been inspired by our city, our employers and our learning and skills providers.
- **Economic Development** - The aim of this programme is to drive sustainable and inclusive economic growth across the Peterborough UA, raising its profile as an attractive location for investors, businesses, and visitors, and ensuring that all residents have access to the opportunities that presents.
- **City Centre Transformation -** This programme is focused on creating safe, clean and green spaces for residents, business and visitors to live, work and enjoy
- **Peterborough Limited-** to ensure the councils Latco operates in the most efficient and commercial manner, including finalising the contract for the provision of Culture and Leisure services which will yield financial benefits.
- **Housing and Homelessness-** a new cross-council Housing and Homelessness Programme Board has been formed to implement proposals to prevent homelessness and support the delivery of supply.

Sustainable Future City Council – to adjust how we work, serve and enable, informed by strong data and insight capability. Key projects being progressed include:

- **Service Integration** - This programme is focused on ensuring future service models are fit for purpose and in line with the Council's ambitions, following the insourcing of services previously provided by Serco.
- **People and Culture** - This programme focuses on redefining our approach to people and culture to improve how we identify, attract, retain, develop and grow the workforce to support short term and long term goals
- **Localities Asset Review** - This programme aims for a fit for purpose estate where the services are delivered from appropriate buildings that are properly funded and maintained
- **Companies** - This programme entails the detailed review and assessment of companies ensuring dormant companies are closed and the right governance structure and arrangement are in place to effectively manage our fit for purpose corporate entities.

- **Constitutional Governance** - This project ensures we put good governance at the heart of everything we do by ensuring fit for purpose governance arrangements, easy to use constitution and confidence from members and officers on the mechanisms of how decisions are to be made within the council
- **Digital, Data and Analytics** - Actively using data and digital solutions to inform, deliver and develop services to meet the needs of residents today and help plan for tomorrow.

Transforming Childrens Services- to improve the quality of practise and outcomes for children:

- **International Recruitment & Social Work Academy** – to support the recruitment of a permanent and stable workforce, allowing us to reduce our reliance on agency workers.
- **The House Project** –to effectively improve outcomes for young people that are willing and able to live independently with support.
- **Step into Fostering -** will enable young people to make the transition from living in often expensive residential placements to a family environment.
- **Fostering-** following the decoupling from Cambridgeshire, this programme will see the launch of a refreshed service and offer to create more local places to meet need and provide better outcomes for more children living in local stable family environment

8. National Context

The general election called on 4 July, resulted in the end the Conservative government, after eight years, with a new Labour Government and their leader Keir Starmer becoming Prime Minister. Labour have promised to invest in public services, raise the minimum wage, and implement a green new deal, appealing to a broad coalition of voters across the country.

One of the first acts of the new Labour government was to publish a plan to fix the foundations of the UK economy. The plan, titled "Fixing the Foundations: Building Back Better and Greener", outlined a series of measures to boost productivity, innovation, skills, and infrastructure, while also addressing the urgent challenges of climate change, social inequality, and regional disparities.

A “rapid audit of public spending” was also commissioned by the Chancellor shortly after the General Election. It found that there were £22bn of unfunded spending pressures. To part-fund the shortfall, the Chancellor announced savings of £5.5bn in the current year, rising to £8.1bn next year. It was also announced by the new chancellor that the social care reform would no longer be going ahead.

The Local Government sector has been anticipating the implementation of major structural changes within the funding system, to reflect changes in relative need, resources and the continuing pressures, such as those most noticeable within Adults and Children’s Social Care budgets. The 2021 census data demonstrates this with the population in Peterborough having increased by 17.5% since 2011, much higher than the national picture at 6.6% and this growth is not being reflected in our current grant funding allocation.

The arrival of a new government introduces uncertainties regarding any future funding reforms, particularly those grants that are set to conclude in 2025 and beyond. This lack of clarity about the continuity of funding creates significant challenges when trying to set a balanced budget as the gap between funding levels and need grows increasingly wider.

Local government is facing the most challenging financial environment for many decades. Many councils are overspending and depleting their reserves, most are experiencing the adverse effects of high inflation, high interest rates and significant increases in demand due to demographic changes and concerns about future levels of government funding are widespread.

The ongoing one-year settlements for local authorities continues to hamper financial planning and achieving financial sustainability. Only with adequate long-term resources, certainty and freedoms, including a multi-year settlement, can councils deliver on their priorities.

Giving local authorities more certainty through multi-year settlements has been a prominent commitment from Labour in both their General Election manifesto and in the recent audit from the Treasury.

There will be a Budget (1 year Spending Review) on 30 October 2024, which will announce the Government's taxation and spending plans. Departmental expenditure allocations for 2025-26 will be announced on the same day, with a full multi-year spending review (covering at least 3 years from 2026-27) to be announced in Spring 2025.

9. **Strategic** Risks

The Council assesses the strategic risks to cover the MTFS period as part of its budget setting process. The Council also invested in a dedicated Risk Manager who oversees this and chairs a Risk Management Board, which is set up to challenge and support risk management across the Council and partner organisations. The output from this Board is considered regularly at Audit Committee. Some of the key risks identified will inevitably have an impact on the Council's financial position. These include:

- **Inflation**: In recent years inflation has been high. In the current year and within the proposed budget the Council has reviewed its inflationary assumptions and taken measures to manage expenditure. Although rates are now forecast in the right trajectory there is still a risk that the reduction slows, or the economy continues to influence costs such pay.
- **Funding:** The Council is becoming increasingly reliant on local taxation, with Council Tax and NNDR now equating to 80% of the Council's core funding. This means in challenging economic times, where businesses and households are struggling with the cost of living, the Council bears the greater risk of reduced income levels. There is a risk that the national deficit and £22bn of unfunded spending pressures identified by the current government could mean further cuts in local government if funding were to be prioritised for other public bodies
- **Rising Service Demand**: As mentioned within the report the Council is facing rising demand across a number of services including Adults, Children's, Education and Housing. Assumptions for increasing demand have been incorporated within the proposed budget, however there is still a risk demand may outstrip this and put further pressure on the budget.
- **Funding uncertainty** – there is significant uncertainty around funding with the continuing single year settlements. Multi-year settlements unlikely to be brought in until after 2025/26.
- **NHS integration** - Integrated Care System (ICS) and the risk resulting from health service who are also looking to make savings.
- **Climate Change-** balancing the need to reduce the Council's carbon footprint and deliver financial sustainability.
- **Interest Rate risk** - the risk of the Council's budget being affected by changes in interest rates when refinancing maturing debt.

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