

## REVENUE BUDGET STRATEGY

The Council will ensure that there is an effective Medium Term Financial Strategy in place to drive forward the financial planning process and resource allocation. The MTFS has been developed to integrate and support the delivery of the Council's Vision priorities - Communities, Places, Opportunities and Connections.

The Council recognises the pressures upon its financial resources, and while seeking to protect and enhance front-line services as far as possible, will seek to prioritise resource allocation and support the Senior Leadership Team in the pursuit of transformational and innovative solutions to deliver key objectives and maintain quality services to the public within available resources.

The Council will wherever possible seek new funding streams and explore new and more cost effective ways of working. The Council will continue to develop partnership working, consider alternative service delivery models and methods and strive for continuous improvement in the provision of services to the public.

By becoming an increasingly 'connected council', Havering will continue to seek to improve efficiency and deliver better value for money. In particular, the Council will aim to identify efficiencies that will minimise the adverse impact upon the delivery of key services to local people. Its focus will be on identifying ways to reduce the cost to tax payers of providing good quality services.

The Council will ensure that, given the continued forecast for financial austerity, that resources will be prioritised to invest in and support the delivery and improvement of its priority services whilst meeting its statutory responsibilities. However, the Council will expect the Government to address anomalies in its central resource allocation and to ensure that adequate funding is made available to meet the needs of the Havering population and to meet the cost of new burdens placed on Havering, or from services transferred to it. Regular and robust lobbying of Government will continue to ensure the best deal possible for the residents of Havering in the future.

The Council will ensure that the most vulnerable members of its community are protected, will continue to lead in the development of social cohesion, and will ensure that the services provided and resources allocated reflect the diverse nature and needs of our local community and our responsibilities to the local environment.

The Council will engage with its local community, its partners and individual stakeholders in developing financial plans, and will reflect on the outcome of its consultation process in the identification of priorities and the allocation of resources.

While addressing its priorities and setting a balanced and prudent budget, the Council will seek to keep any increase in the Council Tax to the lowest possible level and in line with its stated aspirations whilst maintaining a minimum General Fund Balance of £11.766m.

The Council will not utilise General Fund Balances to subsidise its budget or suppress council tax increases. Further it will not use any specified or earmarked

## **THE COUNCIL'S MTFS and BUDGET 2018/19 – Appendix B**

reserves to subsidise its ongoing budget or to suppress council tax increases on an on-going basis as this is neither financially sustainable nor prudent.

It may, in exceptional circumstances, utilise appropriate specified or earmarked reserves to bridge short term forecast budget shortfalls to facilitate delivery and implementation of projects and service initiatives that will generate additional income or reduce on-going expenditure to achieve a balanced budget. Approval of decisions to utilise reserves in this manner will require the approval of a robust business case including implementation plan.

The Council will seek to ensure that sufficient financial resources are available to enable it to deliver a long-term savings plan within the constraints of funding available to it from both local taxpayers and the Government, and will seek to utilise any unallocated funds with that purpose in mind.

The Council will adopt a prudent capital investment programme designed to maintain and where possible enhance its assets and supporting the future growth and development of the borough, in line with its Corporate Vision and priorities whilst ensuring a prudent and affordable impact upon its Revenue Budget.

The overarching objective of the Council's financial strategy remains to deliver high quality, value for money services to our community, whilst ensuring that the cost of those services is compatible with the level of funding provided to it by the Government.