

Report subject	Medium Term Financial Plan (MTFP) Update
Meeting date	17 July 2024
Status	Public Report
Executive summary	<p>This report:</p> <ul style="list-style-type: none"> • Aims to ensure the council continues to maintain a balanced 2025/26 budget forecast by considering the impact that various assumptions would have on the underlying approved position. • Proposes a financial strategy to support the delivery of a robust and financially sustainable budget for 2025/26. • Proposes a budget planning process and timeline for key financial reports. • Presents the outcome of the CIPFA Financial Resilience Review undertaken in the summer/autumn of 2023 and finalised in the spring of 2024. • Presents a letter submitted by the Director of Finance to DLUHC and CIPFA outlining concerns regarding the impact the deficit on the Dedicated Schools Grant is having on the financial sustainability of the Council. This recognises that due to the forecast £92m accumulated deficit on the 31 March 2025 the council will be technically insolvent (a situation where the deficit on the DSG is greater than the total reserves held by the council with a negative overall general fund position) when the current statutory override finishes on 31 March 2026. This letter also highlighted the difficulties the council will have in setting a legally balanced budget for 2025/26 when it has exhausted its ability to cover the cost of the DSG deficit from its temporary short term treasury management cashflow headroom.
Recommendations	<p>It is RECOMMENDED that Cabinet:</p> <ul style="list-style-type: none"> a) Approve the budget timetable and process as set out in Appendix A b) Endorse the scenario planning exercise that guides the potential level of activity that may now be needed to present a legally balance budget for

	<p>2025/26.</p> <p>c) Approve the financial strategy designed to support the ongoing delivery of a balanced 2025/26 Budget and MTFP as set out in Appendix B.</p> <p>d) Note the outcome of the CIPFA Financial Resilience Review and associated action plan.</p> <p>e) Note the letter submitted by the Director of Finance to DLUHC and CIPFA outlining the challenge that the deficit on the Dedicated Schools Grant presents to the financial sustainability of BCP Council.</p>
Reason for recommendations	<p>To comply with accounting codes of practice and best practice which requires councils to have a rolling multi-year medium term financial plan.</p> <p>To provide Cabinet with the latest high-level overview of the medium-term financial plan.</p> <p>To present a proposed financial strategy to support the ongoing delivery of a balanced budget for 2025/26.</p> <p>To present the CIPFA Financial Resilience Review.</p> <p>To present the letter submitted to DLUHC and CIPFA in regard to the difficulties presented by the accumulating DSG deficit.</p>
Portfolio Holder(s):	Cllr. Mike Cox, Portfolio Holder for Finance
Corporate Director	Graham Farrant, Chief Executive
Report Authors	Adam Richens, Director of Finance and Chief Finance Officer adam.richens@bcpcouncil.gov.uk
Wards	Council-wide
Classification	For Decision

Background

1. Council in February 2024 approved a budget for 2024/25 and Medium-Term Financial Plan (MTFP) with the following key features.
 - a) A balanced MTFP over the 4-year period to 31 March 2028 based on conventional local government financial management processes and revenue sources.
 - b) Addressed the inherited £30m structural deficit due to the previous use of reserves in balancing the 2023/24 budget.

- c) Addressed issues associated with the level of savings assumed in building the 2023/24 budget, particularly those associated with the transformation investment programme.
 - d) Recognised financial challenges from the ongoing cost-of-living and service demand pressures not dissimilar to those faced by all other local authorities.
 - e) A 4.99% council tax increase for 2024/25 with a financial planning assumption of the same increase in each of the following years consistent with the projections from the Office Budget Responsibility.
 - f) Assumed delivery of £38m in annual savings, efficiencies, and additional resources to balance the 2024/25 budget as itemised and supported with individual delivery plans.
 - g) Utilised a one-off business rates collection fund surplus to improve the council's financial resilience.
 - h) Adopted a revised approach regarding the mandatory statutory provision required for the annual repayment of debt with flexibility for voluntary provision.
 - i) A target of £30m in capital receipts from the disposal of assets to fund the council's transformation investment programme over the 2-year period 2023/24 and 2024/25.
2. The approved budget for 2024/25 also contained numerous risks the principle amongst which is the continual threat to the council's ongoing financial health and sustainability caused by the accumulated deficit on the Dedicated Schools Grant (DSG). The assumption being that government funding would be forthcoming to support the 31 March 2024 £64m deficit on the DSG and the currently statutory override, that allows the council to ignore the deficit in respect of an assessment of its overall solvency, would continue beyond its current end date of the 31 March 2026.

Financial Outturn 2023/24

- 3. Another key assumption was that the council would deliver a financial outturn for 2023/24 which would mean the council could reduce the drawdown on reserves to £27.2m which was £2.8m less than assumed in the February 2023 approved budget for 2023/24. In addition, the expectation was that the financial outturn for 2023/24 would show a further improvement due to the application of the expenditure freeze covering the entirety of the final quarter of the financial year as well as specific issues such as the release of previous accruals relating to the Dolphin Shopping Centre following the February report to Cabinet and Council.
- 4. A detailed report of the financial outturn for 2023/24 is presented as a separate item on the July Cabinet agenda. This highlights that the attempts to improve the financial health and sustainability of the authority have to date been successful with the drawdown on reserves in 2023/24 reduced to £23m. The outturn position for 2023/34 will also assist in helping to manage any variations in the delivery of the £38m of budgeted 2024/25 savings and in the delivery of a legally balanced budget for 2025/26 as the intention is to undertake a fundamental rebase of the 2024/25 budget to reflect any ongoing variations that occurred in the final quarter.
- 5. The current summary reserves position is set out in Figure 1 below. This highlights that action associated with the 2024/25 Budget and 2023/24 financial outturn processes has

enabled the council to improve its financial sustainability by increasing its unearmarked reserves to 7.7% of Net Revenue Expenditure. Based on benchmarking as of 31 March 2023 this would have placed the council in the second quartile compared to other Unitary Authorities.

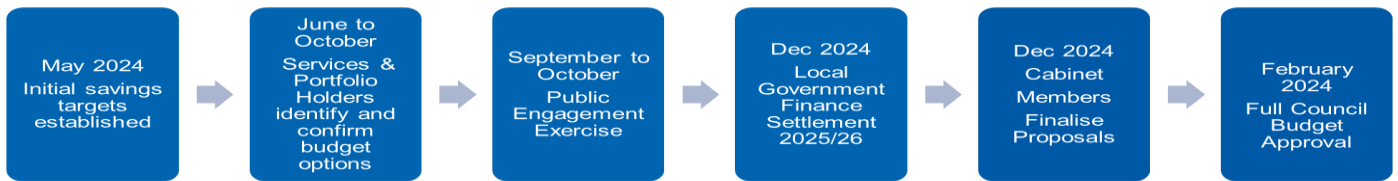
Figure 1: Current Summary Reserves Position

Balance 31-Mar-23 £m		Balance 31-Mar-24 £m	Estimate 31-Mar-25 £m	Estimate 31-Mar-26 £m
17.9	Unearmarked Reserves	26.1	26.1	26.1
68.5	Earmarked Reserves	39.0	37.6	27.4
86.4	Total Reserves	65.1	63.7	53.5
-35.8	Accumulated DSG Deficit	-63.5	-91.8	-116.5
50.6	Net Position	1.6	-28.1	-63.0

2025/26 Budget Planning Process

6. The budget for 2025/26 and the MTFP should be seen in the context of a rolling, evolving process structured to enable the ongoing proactive management and prioritisation of the council's resources.
7. As a relatively new council, setting the budgets in the first six years has been a challenge due to the lack of historic data and trend information for the council as a single entity. Stability around this position has been and will continue to be impacted by the ongoing uncertainty around the legacy and long-term consequences of the Covid-19 pandemic alongside that caused by the recent cost-of-living crisis.
8. Full details of the budget planning process and timetable to support the 2025/26 budget are set out in **Appendix A** attached. Key features include.
 - Public participation in the budget via an engagement process in September/October 2024.
 - Two budget workshops, one in November 2024 and then one in January 2025 setting out the final budget proposals.
 - Cabinet members working with Corporate Management Board colleagues to shape the proposals via bi-weekly Strategy Planning sessions throughout 2024/25.
9. A high-level summary can be shown as set out in Figure 2 below.

Figure 2: High level summary of the budget planning process



Currently Approved and Balanced MTFP

10. Figure 3 below sets out the current balanced MTFP to 2028. As a reminder to councillors, the table sets out changes in the revenue budgets, on an annual basis, either positive numbers which represent additional costs to be met, or negative numbers which represent forecast cost reductions or additional income. The variances are shown in the year in which they are expected to be first seen and are then assumed to recur on an ongoing basis in each of the following years. One-off changes will be seen as an entry in one year and will then be reversed out in a following year. For example, there is currently a £0.5m pressure in 2025/26 presented as a Children's Services savings as there was a one-off saving to this value in those approved for 2024/25.

11. **Figure 3:** February 2024 Council approved MTFP position

Service Pressures (net of any specific grant changes)	Budget 2024/25 £m	February 2024 Approved MTFP			
		25/26 £m	26/27 £m	27/28 £m	Total £m
Wellbeing Directorate	130.1	5.5	5.5	5.8	16.8
Children's Directorate	85.3	5.0	5.3	5.3	15.6
Operations Directorate	60.8	2.8	1.7	1.5	6.0
Resources Directorate	39.3	0.6	0.7	0.4	1.7
	315.6	14.0	13.2	12.9	40.1
Wellbeing Directorate		0.0	(0.9)	(0.8)	(1.7)
Children's Directorate		0.5	0.0	0.0	0.5
Operations Directorate		(0.6)	(2.2)	(2.0)	(4.8)
Resources Directorate		(0.4)	(0.2)	(0.1)	(0.7)
Transformation		(3.1)	(0.7)	(0.1)	(3.8)
Savings, Efficiencies, Fees & Charges		(3.6)	(4.0)	(3.0)	(10.5)
Corporate Items - Cost Pressures	27.4	8.8	2.2	6.5	17.6
Funding - Changes					
Council Tax	(261.6)	(16.9)	(15.3)	(15.5)	(47.8)
Business Rates	(91.2)	(1.1)	(1.2)	(1.2)	(3.5)
Unringfenced Government Funding	(4.6)	0.5	(0.0)	(0.0)	0.4
Reserve Movements	14.4	0.0	0.0	0.0	0.0
Funding - Changes	(343.0)	(17.6)	(16.5)	(16.7)	(50.8)
Annual – Net Funding Gap	(0.0)	1.6	(5.1)	(0.2)	(3.7)
Application of one-off business rates resources to MTFP	0.0	(1.6)	5.1	0.2	3.7
Annual – Net Funding Gap	(0.0)	(0.0)	0.0	0.0	0.0
Cumulative MTFP – Net Funding Gap		(0.0)	0.0	0.0	

12. The position as set out above is underpinned by several key assumptions which have been informed by many factors such as government announcements, economic forecasts or targets, and professional judgements. The key assumptions used in building the February 2024 Council approved 2024/25 Budget and MTFP can be listed as follows.

13. **Figure 4: 2024/25 Approved Budget and MTFP - Key assumptions**

	2024/25	2025/26	2026/27	2027/28
Council Tax: Core	2.99%	2.99%	2.99%	2.99%
Council Tax: Social Care Precept	2.00%	2.00%	2.00%	2.00%
Pay Award	4.5%	2%	2%	2%
Increase in Fees and Charges	5%	2%	2%	2%
National Living Wage (NLW) <i>% Increase in the National Living Wage</i>	9.8%	2%	2%	2%
	Dec-23	Dec-24	Dec-25	Dec-26
Bank of England - Base Rate	5.25%	4.25%	3.00%	3.00%

Financial Strategy to support maintaining a balance budget for 2025/26.

14. A financial strategy designed to ensure the council continues to maintain a balanced 2025/26 budget forecast is attached in **Appendix B**. This focuses on a prudent approach to the council's financial management by considering the actions that need to be developed and potentially implemented should any of the current underlying assumptions change. The approach continues to be one focused on conventional local government financial management processes and revenue sources. Developed by Cabinet working with Senior Officers, the strategy is focused on the following summarised workstreams which are detailed in the relevant appendix.

- a) Focus on delivering the February 2024 approved MTFP.
- b) Dedicated Schools Grant.
- c) Financial Outturn 2023/24.
- d) Accommodation Strategy.
- e) Corporate Landlord Model.
- f) Pipeline of Capital Receipts from Asset Disposals.
- g) Capital Programme.
- h) Transformation Investment Programme.
- i) Fees and Charges.
- j) Service Rationalisations.
- k) Procurement & Commissioning.
- l) Harmonisations of Services.

- m) Review of the Business Rates Collection Fund.
 - n) An Enabling Council – Strength Based Approach.
 - o) Explore Alternative structures for service delivery.
 - p) Resident Cards.
 - q) Integrated Care System.
 - r) Housing Revenue Account/Companies.
 - s) Review of Balance Sheet.
 - t) Government Reforms.
15. In addition, and in support of the ongoing financial strategy, Council agreed as part of the February 2024 Budget report for 2024/25 to implement a freeze on all non-essential expenditure from 1 April 2024. The intention is that this freeze continues to be implemented until such time as the Corporate Management Board have provided Cabinet Members with assurance that all the £38m of 2024/25 budget savings have been delivered.
16. In essence, the financial strategy continues to be designed to improve the overall financial resilience of the council, to provide more overall financial stability, and to ensure that the Council can set a legally balanced budget for 2025/26.

Scenario Planning: Potential Variations

17. In support of the financial planning approach to maintain a balanced budget for 2025/26 the council has considered the level of uncertainty and therefore risk that will apply to the current key assumptions. In line with good practice these assumptions have been tested via a process of sensitivity analysis and several different models developed that highlight their impact. At the extremes they indicate there could be an improvement in the position or alternatively a deterioration which would lead to a funding gap. These models consider the impact of various changes such as.
- Lower threshold increases in council tax levels.
 - Lower or higher levels of change to the council's tax base.
 - Lower levels of resources generated from the second homes premium.
 - Lower or higher levels of base government grant funding.
 - Lower or higher annual pay awards.
 - Additional interest costs should the council be given government permission to be able to borrow to finance the DSG deficit.
 - Changes to service demands.

These changes also reflect the fact the councils have now been given one-year settlements for the last six years in a row which impede accurate long-term financial planning. They also reflect economic uncertainty and unforeseen changes in levels of service demand. No tolerance however has been made in respect of the currently assumed 2024/25 savings as services are expected to ensure their delivery.

18. **Figure 5:** Sensitivity Analysis 2025/26 Budget Models.

	Budget	Approved	Better	Slightly Different	Worse
	2024/25	25/26	25/26	25/26	25/26
	£m	£m	£m	£m	£m
Service Pressures (net of any specific grant changes)	315.6	14.0	0.3	3.3	5.8
Savings, Efficiencies, Fees & Charges		(3.6)	0.0	0.0	0.0
Corporate Items - Cost Pressures	27.4	8.8	(2.1)	1.9	8.5
Funding - Changes	(343.0)	(17.6)	(6.2)	4.7	9.8
Annual – Net Funding Gap	(0.0)	1.6	(8.0)	9.9	24.0
Application of one-off business rates resources to MTFP	0.0	(1.6)	0.0	0.0	0.0
Annual – Net Funding Gap	(0.0)	(0.0)	(8.0)	9.9	24.0
Cumulative MTFP – Net Funding Gap		(0.0)			

19. To ensure the council has considered and planned for this eventuality the intent is for service to produce savings plans based initially on the £24m upper and £9.9m lower limits. However, these have been adjusted to take account of the following.

- £2.9m assumed fundamental rebase of the base revenue budget following the financial outturn for 2023/24.
- £1.0m additional savings and efficiencies for 2025/26 identified as part of the Adult Social Care Transformation Business Case presented as a separate item on the July Cabinet agenda.
- £0.7m Target from review of recharges and balance sheet items.
- £0.5m Target for Third Party Spend savings captured via Procurement Decision Records.

20. Therefore, services have been asked to develop savings proposals in the £4.8m lower to £18.9m upper range.

21. Working with their Portfolio Holders, Corporate Directors, Service Directors, and Budget Holders will have until the 20 September 2024 to prepare these potential additional proposals for balancing the 2025/26 budget should they be required. These will then be considered at the Bi-weekly Cabinet/Corporate Management Board meeting for further consideration as to whether they should be taken forward.

CIPFA Financial Resilience Review

22. On 3 August 2023 the council was issued with a non-statutory Best Value Notice from DLUHC in response to concerns highlighted in an external assurance review it had commissioned because of the non-traditional approach taken by the previous administration. This external assurance review, which is an independent review into the council's governance arrangements, was undertaken by Leslie Seary the former Chief Executive of the London Borough of Islington and built on an Assurance Review carried out by the Councils Chief Executive.

23. A Best Value Notice is issued to “facilitate engagement with that authority and to obtain assurance of the steps it is taking to secure compliance with the Best Value Duty, as required by the Local Government Act 1999”.
24. As an exercise in continuous improvement, the council welcomed both the external assurance review and Best Value Notice. In response, an action plan was developed and is regularly being reviewed by DLUHC and Cabinet. This monitoring report also picks up on the actions of the council’s Chief Executive’s internal assurance review carried out over a similar timescale.
25. One of the actions was for the council to commission a CIPFA financial resilience review. Such reviews can be requested in tandem to the one for external assurance of governance however, due to the assessment of our issues being particularly governance-related, the CIPFA review was only requested following the outcome of the governance review.
26. CIPFA undertook the necessary detailed work in September 2023, however their final report was significantly delayed due to their resource constraints and other priorities taking precedence. Appendix C presents their report. It is important to highlight that although not received until March 2024 it significantly relates to the evidence base gathered in September 2023 with a cursory review of any following key documents.
27. Their findings highlight that BCP Council has taken positive steps to improve its financial resilience since the BV Notice was issued and there were no critical recommendations. An action plan in respect of the recommendations they did make in support of our normal improvement best value journey is attached at Appendix D.

Dedicated Schools Grant (DSG) – Accumulating Deficit

28. Cabinet and Council has previously and consistently been made aware of the impact the accumulating deficit on the Dedicated Schools Grant, as pertaining to the High Needs Block, is having on the financial sustainability and health of the Council. The SEND Progress Update re SEND Improvement Plan and Safety Valve report to Cabinet on the 22 May 2024 was the latest report to cover this issue.
29. Appendix E attached presents a copy of a letter sent on the 22 May 2024 to Nico Heslop the Director of Local Government Finance at the Department for Levelling Up, Housing and Communities (DLUHC). The essence of the letter is to seek government advice and guidance as to how the council can set a legally balanced budget for 2025/26. This is on the basis that it is currently being forecast that the council will have exhausted all its temporary short term treasury management and cashflow borrowing flexibility, which is currently providing the cover for spending circa £30m more annually on the special educational needs and disability service than the government grant being provided. In essence the council does not have the cash resources to support the deficit which by the 31 March 2026 is estimated to be £116m as set out in Figure 3 below.

30. Figure 6: Accumulated deficit on the Dedicated Schools Grant

Actual 31-Mar-19 £m	Actual 31-Mar-20 £m	Actual 31-Mar-21 £m	Actual 31-Mar-22 £m	Actual 31-Mar-23 £m	Actual 31-Mar-24 £m	Estimate 31-Mar-25 £m	Estimate 31-Mar-26 £m
-3.6	-4.6	-7.9	-20.3	-35.8	-63.5	-91.6	-116.3

31. This letter from the Director of Finance was additional to the letters the Council Leader has sent in response to Council motions to the Secretaries of State for the DLUHC, and Department for Education (DfE), and the Local Government Association. The response from DLUHC and DfE and the advice, guidance they provide, hopefully underpinned by financial support, will be critical in shaping the total level of service provision affordable across the council in 2025/26 as part of the process of delivering a legally balanced budget.

Options Appraisal

32. Ultimately the budget process results in a consideration of alternative savings, efficiency, income generation and service rationalisation proposals. This may include consideration of alternative council tax strategies.

Summary of financial implications

33. Any financial implications of the report's recommendations are considered, alongside alternative options, elsewhere within this report.

Summary of legal implications

34. The council has a fiduciary duty to its taxpayers to be prudent in the administration of the funds on their behalf and an equal duty to consider the interests of the community which benefit from the services it provides.
35. It is the responsibility of councillors to ensure the council sets a balanced budget for the forthcoming year. In setting, such a budget councillors and officers of the council have a legal requirement to ensure it is balanced in a manner which reflects the needs of both current and future taxpayers in discharging these responsibilities. In essence, this is a direct reference to ensure that Council sets a financially sustainable budget which is mindful of the long-term consequences of any short-term decisions.
36. As a billing authority, failure to set a legal budget by 11 March each year may lead to intervention from the Secretary of State under section 15 of the Local Government Act 1999. It should however be noted that the deadline is, in reality, the 1 March each year to allow sufficient time for the council tax direct debit process to be adhered to.

Summary of human resources implications

37. There are no direct human resources implications associated with this report. However, the 2025/26 budget is likely to have a direct impact on the level of services delivered by the council, the mechanism by which those services are delivered and the associated staffing establishment.

Summary of sustainability impact

38. The 2024/25 approved budget protected the staffing resources associated with climate change and ecological emergency activity. In respect of support to projects £452k was specifically set aside in 2024/25 to increase the earmarked reserve which when combined with the £787k balance on the 31 March 2024 brings the overall resource available to £1.239m.

Summary of public health implications

39. The Department of Health and Social Care have announced the public health grant allocations for 2024/25. Nationally the grant will be £3.603 billion a rise of 2.1% in

cash terms. Locally public health is delivered via a pan Dorset service arrangement in partnership with Dorset Council. The local increase was as follows:

- BCP Council £21.77m (£21.29m 2023/24) 2.3% increase
- Dorset Council £15.44m (£15.09m 2023/24) 2.3% increase

40. There is an additional package of investment Nationally from 2024/25 of £70 million per year to support local authority led smoking services in support of delivering smoke free generation. (BCP allocation for 2024/25 is £422,313)

Summary of equality implications

41. Officers are expected to deliver the services they are responsible for with due regard to the equality's implications. A full equalities impact assessment will be undertaken as part of the final February 2025 report to members as part of the annual budget process.

Summary of risk assessment

42. The risks inherent in the 2024/25 budget were clearly set out in the February 2024 Council budget report. These key risks include.

- **Uncertainty.** High levels of financial planning uncertainty at this time caused principally by the ongoing implications of cost-of-living crisis. For example, the 2024/25 budget assumed the Bank of England base rate would fall to 4.25% by December. To date the rate continues to be held at 5.25%.
- **Accumulating DSG Deficit.** Expenditure by BCP Council of c£30m more annually than the government grant available to fund the Special Educational Needs and Disability service is not sustainable. The accumulating deficit is predicted to mean the council will technically be insolvent as of 31 March 2025.
- **Best Value Notice.** Requirement to provide assurance that Council is taking steps to address concerns raised in an external assurance review by the former Chief Executive of the London Borough of Islington on behalf of DLUHC.
- **Intervention.** Children Services is on a journey of improvement since the inadequate Ofsted judgement in February 2022. Additionally, the external auditor concluded as part of their latest annual report that the council does not have adequate arrangements for securing Value for Money (financial sustainability in addition to issues associated with governance and children's services).
- **Children's Services.** Ongoing costs and demands on the service including the delivery of approved savings at a time when they are focused on their improvement journey.
- **Wellbeing Services.** Ongoing costs and demands on the service including the capacity in the care market at affordable rates and the sharp rise in homelessness.
- **Delivery £38m in savings, efficiencies, and additional income generation.** Considerable challenge and exacerbated by having a reduced head count to deliver 20% more savings etc. than the amount budgeted in

2023/24 (which was almost equal to the total saving delivered in the prevailing 3-years). Mitigation was put in place via Council agreement to an expenditure freeze implemented until delivery of the savings has been assured.

- **Pay award.** A 4.5% provision for the pay award has been made as part of the approved budget for 2024/25. Unison sought views from its members in respect of a 2024 pay claim of 10% or £3,000 whichever is greater. Every 1% variation is estimated to cost the council £1.9m. On the 16 May 2024 the National Employers Organisation offered £1,290 on all grades up to spinal column point 43 and 2.5% over this amount. This would mean a 5.77% increase for the lowest paid within the council.
- **New Pay and Grading Structure.** Including ongoing negotiations with the Trade Unions seeking to agree the arrangements for a new single pay and grading structure and terms and conditions.
- **Realisation of capital receipts to fund the council's transformation programme.** £17.5m of capital receipts from the disposal of assets need to be delivered in 2024/25 to fund the estimated spend on the transformation programme. Receipts to this value have been approved and are in the process of being delivered via work on a pipeline of asset disposals. Further work on the pipeline will enable funding of future years transformation expenditure, any backlog investment in assets, and potentially towards helping to create community hubs.
- **Carters Quay.** Payments of £15.3m have been made towards the development of the agreed 161 new homes with ancillary ground floor amenity and commercial space scheme. Inland Partnership the contractor entered administration late in 2023. Officers continue to work with the administrator on the way forward and to try to ensure the councils investment is protected.
- **New Enterprise Resource Planning (ERP) System.** A new Microsoft Enterprise Resource Planning system was implemented as part of the transformation programme in April 2023. This is leading to demonstrable improvements in the financial management and human resource information systems but there will always be glitches and a period of learning before the council is making best use of such technology.
- **Legal Claims.** Covering various matters such as planning, highway, car parking, social care, or staffing, numerous legal claims have been logged against the council.
- **Loss or disruption to IT systems and Networks from a cyber-attack.** Such actions can incapacitate essential networks by encrypting or destroying data on which vital service depend. Financial loss is common through both direct loss of funds as well as recovery costs and reputational damage. Recent ransomware attacks are reports to have cost councils between £10m and £12m in damage. The industry adage is when, not if, an attack will happen.
- **Companies.** BCP operates several companies and third-party arrangements with these organisations exposed to their own set of financial and operational

risks. As such the council would only provide for its share of such risks in circumstances where the risk is likely to materialise

Background papers

43. February 2024 Budget and Medium-Term Financial Plan 2024/25

<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=284&MId=5386&Version=4>

Appendices

- Appendix A Budget Planning process and timetable.
- Appendix B Financial strategy supporting the delivery of the 2024/25 budget.
- Appendix C CIPFA Financial Resilience Review
- Appendix D CIPFA Financial Resilience Review (Action Plan)
- Appendix E Letter to Nico Heslop DLUHC