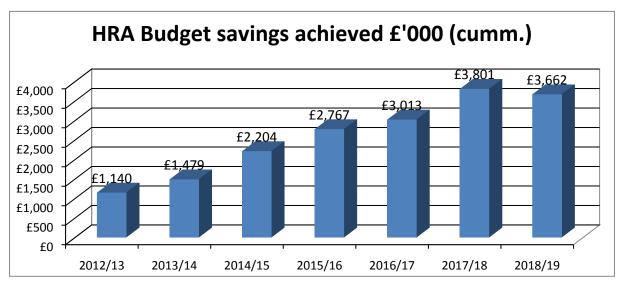
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- 3.11 At the November 2018 meeting, the Executive approved a package of Financial Security budget options and fee increases to be included in the 2019/20 Budget and these are detailed in Appendix B & C to this report.
- 3.12 The Budget and Policy Framework Procedure Rules in the Constitution prescribe the Budget setting process, which includes a minimum consultation period of three weeks. Under Article 4 of the Constitution, the Budget also includes: the allocation of financial resources to different services and projects; proposed contingency funds; setting the rents; decisions relating to the control of the Council's borrowing requirement; the control of its capital expenditure; and the setting of virement limits. The timescale required to implement this process is outlined below.

January 2019 December 2018 November 2018 30 January 2019 **Draft HRA Final HRA** Executive & **Final HRA Budget** Budget Budget Scrutiny Financial Executive and Council Executive and Security options Scrutiny Scrutiny

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 Rents

4.1.1 The continuing impact of the 1% rent reduction on an average rent is illustrated in the table below. Over the four year period a CPI+1% increase is estimated to be a 10.68% increase in average rents, compared to a 3.94% loss of a 1% rent reduction for four years. This gives an overall difference between the two rents of 14.62% and an estimated rent loss per year by year