



REPORT of DIRECTOR OF RESOURCES

to
FINANCE AND CORPORATE SERVICES COMMITTEE
12 JUNE 2018

STRATEGIC AND FINANCIAL PLANNING PROCESS

1. PURPOSE OF THE REPORT

1.1 To agree the annual Strategic and Financial Planning Process (S&FPP) for 2019 / 20.

2. RECOMMENDATION

That the Strategic and Financial Planning Process for 2019 / 20 as set out at **APPENDIX 1** be approved.

3. SUMMARY OF KEY ISSUES

3.1 The latest estimate of the budget gap in the Medium Term Financial Strategy (MTFS) is summarised below.

	2019 / 20	2020 / 21	2021 / 22
	£000	£000	£000
Funding Gap	(477)	(734)	(307)

3.2 The funding gap is significant and at the Council meeting on 7 June 2018 Members will consider two alternative models of transformation which will in turn deliver ongoing revenue savings. Both models will require significant initial investment to change our systems and processes and generate future revenue savings.

3.3 To summarise both models our approach to source efficiencies in the future will be via:

- alternative delivery model of our services, where practicable and there is a financial business case to do so.
- asset rationalisation regarding existing use of office buildings.
- effective use of assets – challenging the asset base and the use of assets and looking to manage and plan maintenance in the most effective way.
- improving efficiency where possible but the scale of the financial constraint will almost certainly require reductions in services.
- exploring new areas of income generation activities.
- smarter procurement processes and ways of working.

- the Council uses a number of service review methods to identify efficiency savings, for example, best value reviews, benchmarking performance with other authorities, testing costs in a range of alternative service delivery options.

3.4 The S&FPP and timetable is attached at **APPENDIX 1**.

3.5 The timetable includes a number of opportunities where Members can have a direct influence to the budget setting process (highlighted **bold** in **APPENDIX 1**).

3.6 It is suggested that there will be two Member Seminars, one in September and one in November. All Members will be invited to attend to receive an update on the transformation programme in September with further savings options and capital items being presented in November. There will be regular reporting on the budget setting process back to this Committee throughout 2018 / 19.

4. CONCLUSION

4.1 The proposed framework will drive the budget process for 2019 / 20.

5. IMPACT ON CORPORATE GOALS

5.1 The S&FPP will contribute towards our corporate goal “Delivering good quality, cost effective and valuable services”.

5.2 The proposed process and timetable is designed to ensure that resources are directed towards the achievement of Council goals, vision, and that decisions follow a logical order.

6. IMPLICATIONS

- (i) **Impact on Customers** – Consultations will be undertaken to listen to the views of customers and the community with the aim of responding to their needs where possible.
- (ii) **Impact on Equalities** – Due regard to equality impact will be taken when making decisions arising from the S&FPP.
- (iii) **Impact on Risk** – The implementation of the S&FPP is designed to minimise the risk of not having a robust Medium Term Financial Strategy.
- (iv) **Impact on resources (financial)** – The process provides a framework for allocating resources.
- (v) **Impact on Resources (human)** – None arising from this report.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Emma Foy, Director of Resources, (Tel: 01621 875762).