



REPORT of DIRECTOR OF RESOURCES

**to
COUNCIL
14 FEBRUARY 2019**

MEDIUM TERM FINANCIAL STRATEGY 2019 / 20 TO 2022 / 23

1. PURPOSE OF THE REPORT

- 1.1 To present the Medium Term Financial Strategy 2019 / 20 to 2022 / 23 for approval by the Council.

2. RECOMMENDATION

That the Medium Term Financial Strategy 2019 / 20 to 2022 / 23 at **APPENDIX 1** be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 The Medium Term Financial Strategy (MTFS) at **APPENDIX 1** sets out how the Council will manage its revenue finances up to 2022 / 23 and covers a five-year capital programme. The MTFS supports the delivery of the Council's objectives and priorities as set out in the Council's Corporate Plan.
- 3.2 The medium-term financial planning process has been in place for several years and is an established part of the budget setting process. It provides a forecast of the cost of continuing to provide existing levels of service and the resources that are likely to be available to the Council over the period. It identifies any shortfalls and sets out how this will be managed. This document is reviewed at least annually; regular review and update is essential to ensure the MTFS takes full account of any changes in the Council's aspirations, strategic and service delivery priorities, changes in government legislation, financial regulation and funding streams.

4. CONCLUSION

- 4.1 Medium term financial planning is an important component of the Council's strategic planning framework. No more so than in the current economic climate in which we are faced with unprecedented and continuing reductions in public expenditure. Key financial decisions need to be set in the context of a plan that looks beyond the next financial year. Forward planning offers the opportunity to link service and financial planning, as decisions taken on an annual basis are constrained in what they can achieve.

5. IMPACT ON CORPORATE GOALS

- 5.1 The Medium Term Financial Strategy (MTFS) provides the foundation against which the Council will strive to deliver the best possible value for money in the provision of efficient and cost-effective services across the District. Through the effective development and delivery of the Council's financial and other resource strategies it seeks to build upon past achievements as well as provide clear direction to the attainment of the Council's longer-term goals.

6. IMPLICATIONS

- (i) **Impact on Customers** – None arising directly from this report.
- (ii) **Impact on Equalities** – None arising directly from this report.
- (iii) **Impact on Risk** – The risks to the Council in respect of the available forecast resource envelope over the medium term are discussed in **APPENDIX 1**.
- (iv) **Impact on Resources (financial)** – **APPENDIX 1** sets out the medium term financial forecast of available resources to forecast expenditure and identifies and discusses the resource gap and the various actions that can be taken to ensure a balanced budget for the period 2020 / 21 to 2022 / 23.
- (v) **Impact on Resources (human)** – None arising directly from this report.
- (vi) **Impact on the Environment** – None arising directly from this report.

Background Papers: None.

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