



REPORT of DIRECTOR OF RESOURCES

**to
STRATEGY AND RESOURCES COMMITTEE
19 NOVEMBER 2020**

FINANCE MEMBER WORKING GROUP

1. PURPOSE OF THE REPORT

- 1.1 To seek Committee approval to establish a Finance Member Working Group to inform and consult on the constantly updated Medium-Term Financial Strategy (MTFS).

2. RECOMMENDATIONS

- (i) That a Finance Member Working Group of six Members be established;
- (ii) That six Member representatives are appointed to the Working Group.

3. SUMMARY OF KEY ISSUES

- 3.1 The pandemic has significantly impacted on the future financial outlook of Councils. In response, the MTFS has been constantly updated and presented to member since the start of the pandemic.
- 3.2 There remains a high level of uncertainty about the economic outlook and the potential longer-term changes to people's behaviour. In such an environment financial forecasting can be difficult and subject to frequent revisions.
- 3.3 In addition to responding to the pandemic, the Council has carried out a budget review as part of the budget monitoring process and updating the MTFS. This was intended to identify pressures and savings as well as ensuring a robust baseline.

4. PURPOSE OF THE WORKING GROUP

- 4.1 Following the budget review, potential solutions to the financial challenges need to be worked through and put forward. The working group is viewed as key to ensuring early member consultation and input into the process to help shape future budgets.
- 4.2 **Terms of reference**
- 4.2.1 The proposed Terms of Reference relate to the group having an overview and input into the following areas:

- Medium Term Financial Strategy;
- Income generation and savings proposals;
- Activity and service budgets;
- Future pandemic financial assumptions.

4.2.2 The terms of reference will be finalised at the first meeting of the Working Group

5. CONCLUSION

5.1 Establishing a Finance Working Group will provide an opportunity for Member input into the development of the MTFS to overcome the financial issues being presented.

6. IMPACT ON STRATEGIC THEMES

6.1 Financial resources are a key factor in ensuring the deliver of the strategic themes.

7. IMPLICATIONS

- (i) **Impact on Customers** – None directly.
- (ii) **Impact on Equalities** – None directly.
- (iii) **Impact on Risk** – None directly.
- (iv) **Impact on Resources (financial and human)** – The Working Group is intended to help shape the financial resources available and allocated.
- (v) **Impact on the Environment** – None directly.
- (vi) **Impact on Strengthening Communities** – None directly.

Background papers: None.

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