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NORTH HERTFORDSHIRE DISTRICT COUNCIL COUNCIL

THURSDAY, 23RD NOVEMBER, 2023

SUPPLEMENTARY AGENDA

Please find attached supplementary papers relating to the above meeting, as follows:

Agenda No	Item
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| 8. | <u>ITEMS REFERRED FROM OTHER COMMITTEES</u> (Pages 3 - 4) |
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To consider any items referred from other Committees. Any items referred to this meeting will be published as a supplementary document.

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Agenda Item 8

Item No	Referred from:	CABINET
8a	Date:	14 NOVEMBER 2023
	Title of item:	MEDIUM TERM FINANCIAL STRATEGY
To be considered alongside agenda item:	AGENDA ITEM 11	

The report considered by Cabinet at the meeting held on 14 November 2023 can be viewed here: [Agenda for Cabinet on Tuesday, 14th November, 2023, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

RECOMMENDED TO COUNCIL: That Council adopt the Medium Term Financial Strategy, as attached at Appendix A.

REASON FOR RECOMMENDATION: Adoption of a MTFS and communication of its contents will assist in the process of forward planning the use of Council resources and in budget setting for 2024/2025 to 2028/2029, culminating in the setting of the Council Tax precept for 2024/25 in February 2024. This will (alongside the existing Council Plan) support the Council in setting a budget that is affordable and aligned to Council priorities.

Audio recording 18 minutes and 19 seconds

The Chair invited Councillor Sean Nolan, as Chair of the Finance, Audit and Risk Committee, to present the referral from Finance, Audit and Risk Committee on this item. Councillor Nolan advised that:

- There was a lot of discussion around the challenges ahead over the next five years including the costs of two major contracts coming up and the potential impact on future saving targets.
- It was discussed that although the Council does have reserves to reduce the short-term impact, it needed to plan how to mitigate those items in the future.
- He thanked the Service Director and Executive Member for the points they addressed.
- There were financial challenges ahead, but that the Council was in a good position to face these going forward.

Councillor Ian Albert, as Executive Member for Finance and IT, presented the report entitled 'Medium Term Financial Strategy 2024-29' and advised that:

- This report improved the way Cabinet and full Council were able to look at matters.
- The government had failed to provide a new funding formula or plan for funding for local government.
- The Council was responsible for setting a balanced budget.
- The estimated rate of savings of £3.1million by 2028-29 was detailed at page 59 of the report.
- The Council was in a good position with reserves which would give time to consider the best ways to balance the budget up to 2028-29.
- Going forward it was vital to consult with Councillor colleagues and residents to ensure needs were met.

Councillor Elizabeth Dennis acknowledged the hard work that it takes not only to deliver a balanced budget, but also to deliver the services for the residents of North Herts. She drew attention to Appendix A of the report which explained Council reserves and how important it was to consider what could happen if the Council was underfunded and needed to rely on these reserves.

In response to a question from Councillor Steve Jarvis, Councillor Albert advised that all the four items in page 59 of report regarding addressing the funding gap were being considered.

Councillor Elizabeth Dennis, as Chair, advised that this report showed that the Council had a good level of scrutiny by addressing these items and reported that Cabinet wanted to thank the members of the Finance, Audit and Risk Committee for their continued positive work.

Councillor Ian Albert proposed and Councillor Steve Jarvis seconded, and following a vote, it was:

RECOMMENDED TO COUNCIL: That Council adopt the Medium Term Financial Strategy, as attached at Appendix A.

REASON FOR RECOMMENDATION: Adoption of a MTFS and communication of its contents will assist in the process of forward planning the use of Council resources and in budget setting for 2024/2025 to 2028/2029, culminating in the setting of the Council Tax precept for 2024/25 in February 2024. This will (alongside the existing Council Plan) support the Council in setting a budget that is affordable and aligned to Council priorities.