

8B REFERRAL FROM CABINET: 13 SEPTEMBER 2022 – MEDIUM TERM FINANCIAL STRATEGY

RECOMMENDED TO COUNCIL: That Cabinet recommended to Full Council the adoption of the Medium Term Financial Strategy 2023-28 as attached at Appendix A.

REASON FOR REFERRAL: 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 2023/2024 to 2027/2028, culminating in the setting of the Council Tax precept for 2023/24 in February 2023. This will (alongside the Council Plan) support the Council in setting a budget that is affordable and aligned to Council priorities.

Audio recording – 44 minutes 58 seconds

Councillor Ian Albert presented the report entitled 'Medium Term Financial Strategy' and provided Members with the following updates:

- The strategy itself was included at Appendix A and this, alongside the report, was focussed on the recovery from Covid impacts and inflation, alongside uncertainty over future waste costs and general funding.
- The Council generally has high levels of reserve funds and some significant budget decisions can be delayed until there is more certainty regarding future funding.
- In the meantime the Council will need to reduce costs and generate income where possible, not make decisions that increase costs and be ready to make difficult decisions.
- Other areas explored when compiling this strategy were inflation affecting contractor services, pay inflation and the Council Tax Reduction Scheme.
- There has been a philosophy of cost recovery on fees and charges instilled in this strategy.
- There is likely to be a new funding formula for 2025/26.
- This is a cautious and prudent strategy, maybe with the potential to make small, one-off investments following appropriate and careful consideration.

Councillor Terry Tyler, as Chair of the Finance, Audit and Risk Committee, noted that the Council may have to start to look in 2024/25 onwards at service changes to deliver a balanced budget, but there were positive actions, such as looking at how the Council can generate more income. He advised that FAR Members agreed to refer this to Cabinet for consideration.

Councillor Tom Plater noted that this was a good strategy and it was good to see the proposal to sell of surplus land for green housing.

Councillor Ian Albert proposed and Councillor Elizabeth Dennis-Harburg seconded and, following a vote, it was:

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[The reports and papers associated with this item can be viewed here.](#)