

<b>Item No</b>	<b>Referred from:</b>	<b>Cabinet</b>
<b>6B</b>	<b>Date:</b>	<b>19 November 2025</b>
	<b>Title of item:</b>	<b>Medium-Term Financial Strategy 2025-2030</b>
<b><i>To be considered alongside agenda item:</i></b>		<b>Agenda Item 7</b>

The report considered by Cabinet at the meeting held on 19 November 2025 can be viewed here: [Agenda for Cabinet on Wednesday, 19th November, 2025, 7.30 pm | North Herts Council](#)

**RECOMMENDED TO COUNCIL:** That it:

(1) Approves the Medium-Term Financial Strategy as attached at Appendix A amended.

**REASON FOR RECOMMENDATION:** Adoption of a Medium-Term Financial Strategy (MTFS) and communication of its contents will assist in the process of forward planning the use of Council resources and in budget setting for 2026/2027 onwards, culminating in the setting of the Council Tax precept for 2026/27 in February 2026. Alongside the Council Plan, this will support the Council in setting a budget that is affordable and aligned to Council priorities.

*Audio recording 33 minutes 17 seconds*

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

- Focusing on looking ahead and the uncertainty associated with dealing with the next five years.
- The variances in the future for the Council finances which would influence funding going forward, as detailed in the agenda supplement.
- The forecast budget gap for 2029/30 and the different levels of potential funding.
- The uncertainty around the impact of costs which would be incurred with the Local Government Reorganisation and Churchgate projects.
- It was welcomed that the Council Tax Reduction Scheme was considering a reduction in charges for those with debilitating illnesses.

In response to a question from Councillor Daniel Allen, the Director – Resources advised that Fair Funding 2.0 and the setting of the new three-year funding formula were intertwined and the Council was still waiting for more information on this.

In response to a question from Councillor Amy Allen, Councillor Nolan advised that the criteria for ‘debilitating illnesses’ had been defined by the Marie Curie Chairty as people with terminal illnesses.

Councillor Ian Albert, Executive Member for Finance and IT, presented the report entitled 'Medium Term Financial Strategy 2025-2030' and advised that:

- The Council was expecting to receive details of the three-year settlement before Christmas.
- This Medium-Term Financial Strategy followed the same format as previous strategies and was set out in Appendix A.
- Details of possible scenarios which resulted in a difference of £2.6 million forecast funding were set out in Table 1 of Appendix A.
- The Council was in a good position with strong General Fund reserves and the budget workshops looked at key priorities going forward.
- The comments from the Finance, Audit and Risk Committee regarding additional resources that would be required for the LGR and Churchgate projects would be taken on board.
- The Council needed to have a deliverable budget in line with the Council Delivery Plan.
- The staff pension scheme was in a healthy condition.
- The Council effectively had £19.6 million of reserves which demonstrated well managed Council funds with prudent use of these funds for residents.
- An addendum had been published as a supplementary document to the report.

The following Members asked questions:

- Councillor Daniel Allen
- Councillor Donna Wright

In response to questions, Councillor Albert advised that:

- Budget workshops were a useful tool to look at key priorities and feedback from the residents budget survey was also considered.
- The Medium-Term Financial Strategy was looking at the General Fund Reserves of the Council.

Councillor Ian Albert proposed and Councillor Donna Wright seconded and, following a vote, it was:

**RECOMMENDED TO COUNCIL:** That it:

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