

**COUNCIL  
6 SEPTEMBER 2018**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: ITEM REFERRED FROM CABINET: 31 JULY 2018 – MEDIUM TERM FINANCIAL STRATEGY 2019 - 2024**

*The extract from the Minutes of the Cabinet meeting held on 31 July 2018*

**26. MEDIUM TERM FINANCIAL STRATEGY 2019 TO 2024**

The Executive Member for Finance and IT presented the report of the Service Director – Resources in respect of the Medium Term Financial Strategy 2019 to 2024.

The Executive Member for Finance and IT advised that the Medium Term Financial Strategy was an integral part of the budget cycle.

The future was more uncertain than it had been in the past and there were significant concerns regarding the nature of funding in the future and it was extremely unlikely that this Council would be a net beneficiary of funding decisions.

The Fair Funding Review and Business Rate retention would likely not benefit NHDC and the potential changes to the New Homes Bonus would add to the financial difficulties.

This meant that the Council would be reliant on commercialisation projects, Council Tax and any Business Rates that could be retained.

Large parts of the budget were allocated to business as usual.

Paragraph 2.12 set out the working assumptions for the next four years.

Primarily due to the savings from the waste contract, the position was significantly different from that presented last year, but it was still the case that revenue reserves needed to be retained at reasonably high levels in order to protect the Council.

It was assumed that the Council would make savings of £700,000 over the next four years and it was hoped that a substantial amount of this would come from commercialisation projects. It would be difficult for the Council to identify savings, unless the way in which services were delivered was changed therefore officers should be challenged to identify efficiencies.

Annex 1 of the report set out the budget assumptions and policies and it was the general view that this was the right way forward.

Following the vote it was:

**RECOMMENDED TO COUNCIL:** That the Medium Term Financial Strategy 2019-24 as attached at Appendix A be adopted.

**REASON FOR DECISION:** 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 2019/2020 to 2023/2024, culminating in the setting of the Council Tax precept for 2019/20 in February 2019.