

COUNCIL MEETING - 9 MARCH 2020

MEDIUM TERM FINANCIAL PLAN - 2020/21 TO 2023/24

1.0 Purpose of Report

- 1.1 To approve the Council's Medium Term Financial Plan (MTFP) for the four financial years between 1 April 2020 and 31 March 2024 (2020/21 to 2023/24).

2.0 Background Information

- 2.1 The MTFP (Appendix A) aims to provide members and officers with a clear financial framework for delivering the Council's Community Plan objectives over the next four financial years.
- 2.2 Updating the council's MTFP is an essential pre-requisite to the annual budget setting process for future years.

3.0 Proposals

- 3.1 The MTFP shows that the Council is able to set a balanced budget for 2020/21, though will need to raise additional income to pay for service delivery in future years.
- 3.2 The table below sets out the current projected contributions to and from reserves for each year of the Council's MTFP. This assumes a £5.00 increase for 2020/21 in the average band D council tax excluding local precepts, and a 1.94% increase in each subsequent year of the council's MTFP.

	2020/21 (£m)	2021/22 (£m)	2022/23 (£m)	2023/24 (£m)
Total expenditure	13.523	13.734	13.851	14.567
Total income from Business Rates, Council Tax and other grants	(14.864)	(12.561)	(12.863)	(13.164)
Contribution (to) or from reserves	(1.341)	1.173	0.988	1.403
Use of 2020/21 contribution to reserves to offset contributions from reserves in future years	1.341	(1.173)	(0.168)	-
Contribution (to) or from reserves, after use of 2020/21 contribution to reserve	0.000	0.000	0.820	1.403

- 3.3 The Council will need to continually consider how best to manage demand for its services, as well as continually monitor and review how it best delivers each service.
- 3.4 Some activities currently proposed to mitigate the annual contributions from reserves projected for 2022/23 and 2023/24 are:
- dividends from Arkwood Developments Ltd;
 - savings from service reviews;

- c) savings/efficiencies from making business processes more efficient;
- d) and increased income from the council becoming more commercial.

4.0 Equalities Implications

4.1 Equalities implications will be identified within specific schemes and projects included in the revenue budget and Capital Programme.

5.0 Financial Implications (FIN19-20/6192)

5.1 The MTFP sets out a framework to support budget and policy decisions. The impact of individual schemes will be detailed in supporting business cases.

6.0 Community Plan – Alignment to Objectives

6.1 One of the main aims of the MTFP is to deliver the Council's Community Plan objectives. **Appendix A** provides more details on how the council's MTFP and Community Plan align.

7.0 RECOMMENDATION

That the Medium Term Financial Plan for 2020/21 to 2023/24 be approved.

Background Papers

Revenue Budget and Council Tax Setting for 2020/21
Capital Programme 2020/21 to 2023/24
Statement of Accounts 2018/19

For further information please contact Nick Wilson (Business Manager – Financial Services) on extension 5317 or Mohammed Sarodia (Assistant Business Manager – Financial Services) on extension 5537.

Sanjiv Kohli
Deputy Chief Executive / Director - Resources and S151 Officer