



AGENDA ITEM: 10

SUMMARY

Report for:	Cabinet
Date of meeting:	24 July 2012
PART:	1
If Part II, reason:	

Title of report:	Medium Term Financial Strategy
Contact:	Cllr Nick Tiley Portfolio Holder for Finance Resources Sally Marshall Corporate Director (Finance & Governance)
Purpose of report:	To present to Cabinet the revised Medium Term Financial Strategy for approval for consultation.
Recommendations	It is recommended that Cabinet: <ul style="list-style-type: none"> • recommend to Council the approval of the revised Medium Term Financial Strategy for the period 2011/12 to 2015/16 • receive further updates as required following the receipt of further information and confirmation of the Local Government Financial Settlement 2013/14.
Corporate objectives:	The Medium Term Financial Strategy supports the delivery of all five of the corporate objectives.
Implications: 'Value For Money Implications'	Contained in the body of the report
Risk Implications	The updated strategy will reduce the risk that forward projections do not remain relevant in the current economic climate
Equalities Implications	An Equalities Impact Assessment will be undertaken during the consultation on the annual budgets
Health And Safety Implications	None directly relating to this report
Monitoring Officer/S.151	Monitoring Officer:

Officer Comments	No further comments to add to this report. S.151 Officer This is a S151 Officer report
Consultees:	Corporate Management Team
Background papers:	Budget Report to Cabinet, 29 February 2012-07-23 Provisional Financial Outturn and Closure of Accounts Report to Cabinet, 29 May 2012

BACKGROUND

- 1 The Medium Term Financial Strategy (MTFS) was approved by Council in September 2011 in the light of the Comprehensive Spending Review (CSR) announced in October 2010.
- 2 The Budget report to Cabinet and Council in February 2012 provided updated information on the Council's financial position and the economic situation overall.

Review of the Medium Term Financial Strategy

- 3 In the current economic climate and in light of proposed changes to Local Government Finance it is essential that the MTFS is regularly reviewed to enable forward projections to remain as relevant as possible.
- 4 The Strategy has now been reviewed to take into account the pre-audit closure of accounts position for 2011/12.
- 5 In addition, it has been updated to take account of the latest information in respect of Government's Comprehensive Spending Review and following key developments in 2012:
 - Self Financing for Council Housing
 - Local Resource Review consultations and proposals (due for implementation from April 2013).
- 6 It is recommended that Cabinet receive the revised MTFS for recommendation to Council. The Strategy will provide the framework for the development of annual budgets for 2013/14 together with the development of the five year capital programme for consideration and approval by Council in February 2012.