MEDIUM TERM FINANCIAL STRATEGY 2017/18 – 2021/22

Jane Robinson, Chief Executive
Mike Barker, Strategic Director, Corporate Services and Governance

EXECUTIVE SUMMARY

1.   The purpose of this report is to seek approval of the Medium Term Financial Strategy 2017/18 to 2021/22.

2.   The Council's current Medium Term Financial Strategy for the period 2016/17 to 2020/21 was approved by Council in July 2015 and was refreshed in January 2016 following the provisional Local Government Finance settlement.

3.   The proposed Medium Term Financial Strategy now covers a five year period and will be reviewed at least annually. This presents a very challenging financial position over the medium term as a result of assumptions concerning future government funding. The indicative budget forecasts within the Medium Term Financial Strategy show an estimated funding gap of around £92.3m for the period 2017/18 to 2021/22 with an estimated gap of £57.9m for the first two years. This position assumes that all 2016/17 in year savings are fully achieved within the financial year.

4.   The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATIONS

5.   It is recommended that Council:

   i)   Approve the Medium Term Financial Strategy for 20174/18 to 2021/22

   ii)   Notes the review of both general fund and strategic earmarked Council reserves

   iii)   Notes that the Strategic Director, Corporate Resources, following consultation with the Chief Executive, will continue to produce and monitor on an annual basis, a rolling programme of five-year budget forecasts taking account of the key issues facing the Council

   iv) Notes that the Strategic Director, Corporate Resources, following consultation with the Chief Executive will continue to keep under review and update the Medium Term Financial Strategy as appropriate to respond to Government policy and funding announcements