

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

Report to Resources Overview & Scrutiny Panel

22nd September 2021

TITLE:	Medium Term Financial Plan Refresh
PORTFOLIO HOLDER	Cllr Sybil Ralphs – Council Leader
CONTACT OFFICERS:	John Betts – Interim Executive Director Keith Pointon – Head of Finance
WARDS INVOLVED:	Non-Specific

Appendices Attached

- **Appendix A – Detailed Medium Term Financial Plan Refresh**

1. Reason for the Report

- 1.1 The purpose of this report is to update members on the Medium Term Financial Plan (MTFP), in preparation for considering the budget (and associated council tax level) in February 2022.

2. Recommendations

- 2.1 It is recommended that the Committee:
 - Note the updates proposed to the MTFP set in February 2022, including further proposed actions and identifies any further areas they wish to see incorporated or considered.

3. Executive Summary

- 3.1 The Medium Term Financial Plan (MTFP) aims to ensure resources are directed effectively and efficiently towards delivery of the Corporate Plan. This refresh of the MTFP builds on the existing strategy and updates assumptions to reflect changes to income, costs and funding. It is not a complete recasting of a new plan, or a finalised, balanced longer term plan. Those products will be produced as part of the budget setting considerations in February 2022. The purpose of this refresh is threefold:

- To update the MTFP produced in February 2021, for known or likely changes
 - To highlight service and policy issues likely to impact on budget considerations later in the year
 - To provide contextual information so that other issues that may impact on short and longer term budgetary issues can be identified and discussed
- 3.2 The detailed refresh considers each constituent part of the MTFP as set in February 2021 and RAG (Red, Amber, Green) rates each aspect. The current capital programme, budget pressures identified in the 2021/22 budget, council tax, business rates and levels of reserves all remain substantively robust. Inflation assumptions will need to be revised and the delivery of savings plans and fees and charges proposals will need to be closely monitored. There is considerable uncertainty hanging over the Government's reviews of business rates and fair funding (including new homes bonus), but the likelihood is that these reviews will be postponed another year.
- 3.3 So, the overall conclusion is that the MTFP remains fundamentally robust and the following actions will need to be taken prior to it being agreed alongside the 2022/23 budget in February 2022:
- Forecasts are rolled forward to include 2025/26
 - Inflation provision is reviewed alongside economic data to establish whether structural inflation is higher than previously forecast
 - Any service budget demands are built in
 - The outcomes of any Government reviews (on council tax, business rates and new homes bonus) are considered
 - Any changes to the capital programme (including any identified capital / revenue implications of major projects) are reflected
 - Decisions on any outstanding savings proposal and fees and charges are also reflected

4. How this Report Links to Corporate Priorities

- 4.1 The successful delivery of all corporate priorities is dependent upon the effective targeting of scarce resources, which is the subject of this report.

5. Options and Analysis

- 5.1 Detailed Analysis is contained within the main body of the Report.

6. Implications

- 6.1 Community Safety - (Crime and Disorder Act 1998)
None.

- 6.2 Workforce
None.

- 6.3 Equality and Diversity/Equality Impact Assessment
This report has been prepared in accordance with the Council's Equality and Diversity policies.
- 6.4 Financial Considerations
There are substantial financial considerations contained throughout the report.
- 6.5 Legal
None.
- 6.6 Sustainability
None.
- 6.7 External Consultation
None.
- 6.8 Risk Assessment
There are a number of risks to the financial position presented, which are identified and explained in the detailed report (and are substantively mitigated by the level of reserves).

JOHN BETTS
Interim Executive Director Finance and Revenues & Benefits

**Web Links and
Background Papers**

Location

Contact details

Report appendix A

Moorlands House

Keith Pointon
01538 395400 Ext. 4193