

Bath & North East Somerset Council

| | | |
|--|---------------------------------------|--------------------------------------|
| MEETING/ DECISION MAKER: | Cabinet | |
| MEETING/ DECISION DATE: | 11th October 2017 | EXECUTIVE FORWARD PLAN REFERENCE: |
| | | E 3003 |
| TITLE: | Medium Term Financial Strategy | |
| WARD: | All | |
| AN OPEN PUBLIC ITEM | | |
| List of attachments to this report: Medium Term Financial Strategy Appendix A – Efficiency Strategy | | |

1 THE ISSUE

- 1.1 The Medium Term Financial Strategy outlines the financial context and challenges for the Council over the next five years and sets out a strategy that will be used to inform its annual budget process.

2 RECOMMENDATION

The Cabinet is asked to;

- 2.1 Approve the attached Medium Term Financial Strategy and the recommendations outlined in that strategy;
- 2.2 Recommend approval of the Efficiency Strategy to Council.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 The resource implications are outlined within the Medium Term Financial Strategy attached to this report.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 The strategy as outlined is part of the preparation for budget and Council Tax setting for 2018/19 that will be considered by this Council in February 2018.

Equality analysis will be carried out on specific budget proposals as part of that process.

5 THE REPORT

5.1 The Medium Term Financial Strategy outlines estimates of the future financial position of the Council. The Strategy as attached outlines a five year projection split between the next two years, where funding is more certain, plus a further three years to assist with longer term financial planning.

5.2 This Council, along with all local authorities, has received unprecedented reductions in funding and is facing difficult decisions about which services it can provide, as well as to what standard it can continue to provide them. Over the last few years it has been very successful in achieving efficiency savings and increasing commercial income but a 'step change' is now required given the scale of net savings it needs to find.

5.3 The new Strategy outlines the key areas of focus to balance the budget over the next five years including a review of its priorities to ensure a sustainable financial future.

6 RATIONALE

6.1 The rationale for the recommendations is contained in the supporting paper to this report.

7 OTHER OPTIONS CONSIDERED

7.1 The supporting paper outlines other options for balancing future budgets.

8 CONSULTATION

8.1 A consultation plan is being prepared to ensure stakeholder engagement for the strategy, followed by consultation on individual budget proposals with a wide range of stakeholders before the budget is considered for approval in February 2018. The consultation will include the November Community Forums and, in advance of those meetings, a special meeting of PDS Resources to which all elected members of the Council will be invited.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

| | |
|--------------------------|---|
| Contact person | <i>Donna Parham, Divisional Director – Business Support (01225) 477468</i> |
| Background papers | <i>Budget and Council Tax 2017/18 and Financial Outlook 2017/18 to 2019/20 – Council agenda February 2017</i> <i>Financial Settlement papers – Gov. website.</i> |

Please contact the report author if you need to access this report in an alternative format