

Bath & North East Somerset Council

MEETING:	Corporate Policy Development & Scrutiny Panel
MEETING:	14th November 2023
TITLE:	2024/25 Medium Term Financial Strategy
WARD:	All
AN OPEN PUBLIC ITEM	
List of attachments to this report: Appendix 1: Medium Term Financial Strategy 2024/25 - 2028/29 Cabinet Report	

1 THE ISSUE

1.1 The Medium Term Financial Strategy was considered by the Cabinet at their 9th November 2023 meeting. It presents the future years Medium Term Financial Strategy that sets how the Council will need to respond to the budgetary impacts of rising inflationary costs over the next 5 years.

2 RECOMMENDATION

The Panel is asked to;

2.1 Note and discuss the Medium Term Financial Strategy.

3 THE REPORT

3.1 The Medium Term Financial Strategy 2024/25 – 2028/29 Cabinet report and supporting detailed appendix is included as the appendices to the paper and for Panel consideration.

3.2 The report sets out the Councils current financial position including the ongoing impact of Covid and rising inflationary cost of living pressures on the financial plan and future years budget. The key sections of the report for Corporate Policy Development and Scrutiny to review and discuss are:

- Section 5 – The Current financial position 2023/24
- Section 6 – The Drivers of Demand
- Section 8 – Council tax
- Section 9 & 10 – The Financial outlook and managing the strategy
- Section 11 – Corporate Strategy and Council priorities

3.3 The final detail of the budget will need to be informed by the Chancellors 22nd November budget statement and the 2024/25 provisional settlement from Government to Councils. Whilst we are expecting the full detail in December the Council is developing new savings proposals to address the £16.62m 2024/25 funding gap identified in the MTFS.

There are assumptions built into our current projections that will require engagement and consultation these include:

- We will need to make reductions in cost to enable us to live within our means, whilst continuing to deliver frontline services that support residents such as Adult and Childrens Social Care.
- We will need to increase Council tax to enable the Council to fund inflationary pressures, increases in service demand and ensure a fixed income stream into the Council.
- We will need to think and invest in services differently ensuring capital investment addresses Council priorities.

3.4 We will be making more information available on our budget plans following the budget announcement and provisional settlement this will also be subject to scrutiny by the Corporate Policy Development and Scrutiny Panel.

Subject to the timing of central Government funding announcements we hope to engage on more detailed budget proposals in December / January including reporting to Policy Development and Scrutiny.

4 STATUTORY CONSIDERATIONS

4.1 The annual Medium Term Financial Strategy and planning process allocates resources across services with alignment of these resources towards the Council's corporate priorities.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 These are contained throughout the attached report and appendices.

6 RISK MANAGEMENT

6.1 A risk assessment related to the issue and recommendations will be undertaken, in compliance with the Council's decision making risk management guidance.

7 CLIMATE CHANGE

7.1 This is an information only report about the Council's Medium Term Financial Strategy, it therefore does not include any decisions that have a direct impact on Climate Change.

8 OTHER OPTIONS CONSIDERED

8.1 None

9 CONSULTATION

9.1 The Cabinet Member for Resources and Deputy Leader has been consulted on the drafting of this report as well as the Chief Executive and Monitoring Officer.

Contact person	Andy Rothery, Chief Financial Officer (S151 Officer) (01225 477103)
Background papers	2023/24 Revenue and Capital Budget Setting reports, 2022/23 Revenue and Capital Outturn Report, 2023/24 Quarter 2 Revenue and Capital Budget Monitoring.
Please contact the report author if you need to access this report in an alternative format	