

Cabinet Meeting Resolution

**Executive
Forward Plan
Reference**

E3564

2025/26 Medium Term Financial Strategy

Date of Meeting	12-Sep-24
The Issue	The Medium Term Financial Strategy (MTFS) sets out the strategic direction and priorities for the Council as well as outlining the financial context and challenges the Council faces over the next five years and the strategy that will be used to inform its annual budget process.
The decision	To approve the Medium Term Financial Strategy attached as Appendix 1 to the report.
Rationale for decision	<p>The Medium Term Financial Strategy (MTFS) provides the framework for strategic planning, articulating the organisation’s key aims and ambitions and guiding our activities with medium term budget setting and planning. This sets out the current financial challenge, strategic direction and financial priorities for the Council, as well as the financing mechanisms available to the Council to achieve this.</p> <p>The MTFS models future years funding requirement for the Council’s revenue budget and identifies where there are income shortfalls that require new savings plans. The strategy sets out the approach to address funding gaps prior to budget setting and the associated risks. Due to the financial challenges the Council faces, the MTFS sets out the strategic management options based on the high-level planning assumptions used in the MTFS budget forecast.</p> <p>The focus is on the delivery of the second year of a two-year balanced budget, as presented to Council in February 2024, whilst recognising new and emerging risks that may require further action and development of new savings and income plans. At this stage uncertainty remains for next year following a change in government with Council financial settlements currently under review. The MTFS assumes that despite significant cuts in previous years funding, constraints will continue and will therefore be guided by the priority areas of service delivery as set out in the Corporate Strategy.</p>
Other options considered	The supporting paper outlines options for balancing future budgets.

The Decision is subject to Call-In within 5 working days of publication of the decision