

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

Report to the Finance & Performance Committee

5th December 2023

TITLE:	Updated Draft Medium Term Financial Plan 2024/25 to 2027/28
EXECUTIVE COUNCILLOR:	Cllr Christopher Wood – Finance Portfolio
CONTACT OFFICERS:	Keith Pointon – Head of Finance
WARDS INVOLVED:	Non-Specific

Appendices Attached

- **Appendix A (Draft Medium Term Financial Plan 2024/25 to 2027/28)**

1. Reason for the Report

- 1.1 This report presents the Council's updated draft Medium Term Financial Plan (MTFP). The MTFP presents the Council's priorities in the context of the likely resources available, providing a financial context to future decision-making. It is reflective of the current financial position of the Council part way through the 2023-24 year and contains a large number of assumptions that will be refined and quantified to inform a final version of the MTFP for approval in February 2024. To this extent, this report and its contents should be considered draft and indicative.

2. Recommendations

- 2.1 That members of the Committee endorse the updated draft Medium Term Financial Plan (Appendix A) with the recommendation that it should proceed to Cabinet for approval prior to being refined in advance of full approval in February 2024.

3. Executive Summary

- 3.1 The medium-term financial planning process provides the Council with the opportunity to plan its delivery of public services in accordance with local priorities and against the backdrop of unprecedented public sector financial constraint.

- 3.2 The Medium-Term Financial Plan (MTFP) is updated in accordance with the budget cycle. This draft version of the MTFP presents the Council's finances over a four-year period, namely 2024/25 to 2027/28. It sets the context for the preparation of the 2024/25 budget which will need to be approved by the Council in February 2024.
- 3.3 The draft Plan provides:
- Details of current budgetary provision and Strategic Priorities
 - A focus on the transformation programme and the consequential financial implications, including the capital programme and efficiency & rationalisation plan
 - Updated inflation and interest assumptions using the latest forecasts and the impact of changes in budgetary demand and funding
 - An update on any national issues and risks that will impact on the Council's financial position
- 3.4 As is typical at this stage of its production, the draft MTFP remains unbalanced and awaits the development and refinement of a large number of current assumptions and, significantly, the outcome of the Local Government Financial Settlement which is not expected until late December 2023.
- 3.5 This draft version of the MTFP sets the context for the development of the 2024/25 Budget. Members will receive a further update of the MTFP to consider the final budget proposals in February 2024. The following actions will be completed to ensure that these proposals are robust:
- Continued development of a new efficiency programme reflecting the need to address the financial pressures being experienced
 - Revision of the Council's Capital Strategy and further update of the Asset Management Strategy building on the outcome of the Condition Surveys
 - Development of detailed budget plans for 2024/25
 - Determination of the level of Council Tax over the life of the Plan reflecting Government capping/ referendum levels
 - Development of detailed proposals for fees and charges increases
 - Complete review of reserves and balances
 - Continue to monitor the ongoing issues arising from the high levels of inflation, utility market volatility and Government spending pressures on funding levels
- 3.16 Alongside the Budget and MTFP presented in February 2024, a Capital Strategy will also be presented for approval together with an updated Procurement Forward Plan.

4. How this Report Links to Corporate Priorities

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

5. Options and Analysis

- 5.1 There are no options to consider at this stage. Options are being developed and will to be refined to close the financial deficits highlighted in this updated plan.

6. Implications

6.1 Community Safety - (Crime and Disorder Act 1998)

None.

6.2 Workforce

Impacts of pay inflation and the pension fund revaluation incorporated into the assumptions made in the Plan.

6.3 Equality and Diversity/Equality Impact Assessment

This report has been prepared in accordance with the Council's Equality and Diversity policies.

An Equalities Impact Assessment (EIA) has been undertaken on the Corporate Plan, which feeds into budget plans.

6.4 Financial Considerations

There are substantial financial considerations contained throughout the report.

6.5 Legal

None.

6.6 Sustainability

Considerations included throughout the MTFP, Capital Programme and Asset Management Plan

6.7 External Consultation

The Council's budget plans are the subject of an annual public consultation exercise.

6.8 Risk Assessment

A full risk analysis has been undertaken which is contained within the plan

MARTIN OWEN
Executive Director Finance & Customer Services

Background Papers

Location

Contact details

Various background working papers

Moorlands House

Keith Pointon
Head of Finance
01538 395400 Ext. 4193

Emily Bennetts
Principal Finance Officer
(Financial Planning)
01538 395400 Ext. 4186