

Bolsover District Council

Council

3 November 2021

MEDIUM TERM FINANCIAL STRATEGY
2022/23 – 2025/26

Report of the Portfolio Holder for Finance

Classification: This report is public

Report By: Assistant Director of Finance and Resources

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PURPOSE / SUMMARY

To provide a Medium Term Financial Strategy to Members to allow them to set the four year strategic financial intention for the General Fund of the Council, for the 2022/23 – 2025/26, MTFP process.

REPORT DETAILS

1 Background *(reasons for bringing the report)*

- 1.1 The Medium Term Financial Strategy (MTFS) sets out the Council's strategic approach to the management of its finances and outlines the various factors and influences that may impact on us over the next few years.
- 1.2 This MTFS relates purely to the General Fund at present as the Housing Revenue Account (HRA) assumptions are based on the 30-year Business Plan. The decisions for Members around the HRA dwelling rents and service charges will be provided to Council in the MTFP in February.

2. Details of Proposal or Information

- 2.1 The Medium Term Financial Strategy 2022/23 – 2025/26 for the General Fund is attached at **Appendix 1**.
- 2.2 The MTFS is the starting point for developing a meaningful four year strategy that sets out the strategic intention for all of the different strands of funding available to the Council. The Council will then rely on this to inform future decisions. The Medium Term Financial Plan (MTFP) will be prepared using the approved MTFS assumptions.

- 2.3 The MTFS has been produced in a period where there is a great deal of uncertainty regarding future funding of Local Government. Delays to Government Reviews and a series of roll-over Spending Reviews for the last couple of years, mean predicting the likely outcome of the Spending Review due on 27th October, is very difficult.
- 2.4 The outcome of the Spending Review is critically important to the financial health and viability of local authorities across the country. Councils are looking to the review to give real-terms growth in funding that will underpin our finances over the next four years.
- 2.5 Once the details of the Spending Review are known the implications for Bolsover will be included in our updated MTFP which will be presented to Members in February 2022.

3 Reasons for Recommendation

- 3.1 To inform the MTFP process by providing strategic financial intention.

4 Alternative Options and Reasons for Rejection

- 4.1 Members could decide not to approve the MTFS. The MTFP would then be prepared on assumptions not agreed by Members and there could be a risk it would need to be amended in February if the assumptions used were not agreeable. By law, the MTFP must be approved prior to the beginning of the financial year to which the budget relates, 31st March 2022.

RECOMMENDATIONS

1. That Members approve the Medium Term Financial Strategy at Appendix 1.
2. The Council continues to fund the General Fund revenue base budget from the full amount of New Homes Bonus allocated by Government.
3. To set the strategic intention to continue to be a member of the Derbyshire Business Rates Pool while ever it is financially advantageous for the Council to do so.
4. To set the strategic intention to raise Council Tax by the maximum allowed in any given year, without triggering a Council Tax referendum, to endeavour to continue to deliver services. (The actual Council Tax for any given year will be decided by Council in the preceding March).
5. That the Council maintains a policy of a minimum level of Balances for the General Fund of £2m.
6. That the Section 151 Officer continues with the LGI Financial Resilience Service subscription to Benchmark Bolsover District Council and thus

demonstrate that requirements of the CIPFA Financial Management Code are being met.

Approved by the Portfolio Holder - Cllr Clive Moesby, Executive Member for Finance

IMPLICATIONS

Finance and Risk: Yes No

Details:

Financial implications are covered throughout this report and appendix 1. The risk of not approving the MTFP before the statutory deadline might be greater without an approved MTFS.

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

There are no legal or data protection issues arising directly from this report.

On Behalf of the Solicitor to the Council

Staffing: Yes No

Details:

There are no human resource issues arising directly from this report.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Significantly Affected	None
Consultation: Leader / Deputy Leader <input checked="" type="checkbox"/> Cabinet / Executive <input type="checkbox"/> SAMT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input checked="" type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes Details: Portfolio Holder

Links to Council Ambition (BDC)/Council Plan (NED) priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications.

DOCUMENT INFORMATION

Appendix No	Title
1	Medium Term Financial Strategy 2022/23 – 2025/26
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
None	