

**Bolsover District Council**

**Meeting of the Executive on 31st July 2023**

**Medium Term Financial Strategy**

**Report of the Portfolio Holder for Resources**

<b>Classification</b>	This report is public
<b>Report By</b>	Theresa Fletcher Director of Finance and Section 151 Officer
<b>Contact Officer</b>	As above

**PURPOSE/SUMMARY OF REPORT**

For Executive to consider and feedback on the updated Medium Term Financial Strategy (MTFS) attached at Appendix 1, prior to Council approval of the strategy.

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**REPORT DETAILS**

**1. Background**

- 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 2024/25 – 2027/28 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 remains 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 few years, mean

predicting the likely outcome of the Spending Review for 2024/25 is exceedingly 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 few years.
- 2.5 The only prediction being made by external advisors with any certainty around the 2024/25 Spending Review, is that it will be another 1-year settlement. A possible general election in Spring 2024, means there are unlikely to be any changes made this year. Any changes made as a result of an election, could not be implemented by Government until 2026/27 at the earliest.
- 2.6 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 2024.

### **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, 31<sup>st</sup> March 2024.

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## **RECOMMENDATION(S)**

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 (and related grants such as Services Grant) 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.

Approved by Councillor Clive Moesby, Portfolio Holder for Resources

**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

**Environment:**            Yes             No

Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment.

**Details:**

Not applicable to this report.

**Staffing:**            Yes             No

**Details:**

There are no human resource issues arising directly out of this report.

On behalf of the Head of Paid Service

**DECISION INFORMATION**

<b>Is the decision a Key Decision?</b> 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:  <b>Revenue - £75,000</b> <input type="checkbox"/> <b>Capital - £150,000</b> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
<b>Is the decision subject to Call-In?</b> <i>(Only Key Decisions are subject to Call-In)</i>	No

<b>District Wards Significantly Affected</b>	None
<b>Consultation:</b> <b>Leader / Deputy Leader</b> <input type="checkbox"/> <b>Executive</b> <input type="checkbox"/> <b>SLT</b> <input type="checkbox"/> <b>Relevant Service Manager</b> <input type="checkbox"/> <b>Members</b> <input type="checkbox"/> <b>Public</b> <input type="checkbox"/> <b>Other</b> <input type="checkbox"/>	<b>Details:</b>  Portfolio Holder for Finance

**Links to Council Ambition: Customers, Economy, and Environment.**

**DOCUMENT INFORMATION**

<b>Appendix No</b>	<b>Title</b>
1	Medium-Term Financial Strategy 2024/25 – 2027/28

**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 Executive, you must provide copies of the background papers).*

None