

COUNCIL 30th November 2022

Cabinet 10th October 2022

50 MEDIUM TERM FINANCIAL STRATEGY 2023/24 TO 2025/26

Councillor Dacre, Cabinet Member with responsibility for Resources, presented a written report of the Head of Finance that provided a review and update of the Medium Term Financial Strategy (MTFS) considering the latest information and taking account of the implications of inflationary and other major risks. The report provided information of issues identified relevant to the update of the MTFS, highlighted the key risks and challenges and presented the proposed approach to the budget process and forecast savings targets for 2023/24.

The Council had developed the MTFS as the cornerstone of the budget process and it had been instrumental in guiding it. The MTFS was a key element within the Council's overall strategic planning framework and a key component of forecasting the resources which might be available to deliver the Calderdale Vision for 2024. The MTFS took a three-year perspective and set a framework to allow Members to make budget decisions within the best estimates of available capital and revenue resources.

The level of uncertainty around the Council's medium-term financial planning had been exacerbated this year by the effects of the cost-of-living crisis and the lack of longer-term Government funding allocations. This uncertainty made it even more important that the Council implemented its existing financial recovery plan, developed the Future Council approach, and started its budget process to create a sustainable financial position over the next three years. The MTFS was a key element of the framework required to allow this to happen.

The report outlined background information, options considered, consultation, and financial, environmental, health, economic, equality and diversity implications.

During discussions, Members commented that they would do their level best to protect services and the wellbeing of Council staff and try to make resources stretch. Members commented that residents would be more in need this winter than ever before and hoped that there were people in central government standing up against the financial strategy to cut funding for local government.

Councillor Leigh MBE attended the meeting and addressed Cabinet. He asked for a formalised 3rd quarter review. In response, Councillor Scullion advised that the MTFS was a snapshot of this moment in time, and updates would be shared across groups.

Councillor Thompson attended the meeting and addressed Cabinet. He advised that rising energy costs and the cost-of-living crisis impacted massively on local businesses. He asked about the potential to review business rates to get businesses through the crisis. In response, Councillor Dacre advised that assistance needed to come from central government, as it had during Covid-19, otherwise the businesses which were helped then would fail now. She advised that businesses in difficulties should speak to the Council to see what help could be given.

***RESOLVED that:**

(a) it be recommended to Council that the Medium Term Financial Strategy be approved;

(b) the draft budget proposals be brought forward by Cabinet for consultation, in accordance with the approach outlined in the report; and

(c) the risks contained within the forecast, as highlighted in the Medium Term Financial Strategy and covering report, be noted by Members when finalising their budget plans.

(Part 50 (a) only)