

21 January 2022



**Medium Term Financial Plan (12)
2022/23 to 2025/26 and Revenue Budget
2022/23**

Report of Corporate Management Team

Paul Darby, Corporate Director of Resources

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 To provide members of the Corporate Overview and Scrutiny Management Board (COSMB) with two reports on the development of the MTFP (12). Firstly, a report (Appendix 2) which provides an overview of the Comprehensive Spending Review announcements on 27 October 2021 and the impact on the development of the 2022/23 budget and the MTFP (12) 2022/23 to 2025/26. The second report (Appendix 3) provides an update on the MTFP (12) 2022/23 to 2025/26 and on the development of the 2022/23 revenue budget in the light of the provisional local government settlement published on 16 December 2021.
- 2 COSMB have prioritised scrutiny of the MTFP and budget as part of their work programme.

Executive summary

- 3 The reports to Cabinet sets out the plan for the MTFP (12) covering the four year period from 2022/23 to 2025/26. The reports detail the MTFP financial forecasts which have been reviewed in the light of recent government announcements.
- 4 The reports highlight the period of significant financial uncertainty that local government is operating in brought about by a series of one year financial settlements, significant budget pressures in social care, special educational needs, disability services and other unfunded pressures arising from demographic and pay and price inflation. Forecasting the

continuing impact of COVID-19 on the council's expenditure, income and government funding adds further uncertainty and complexity.

- 5 The report to Cabinet on 19 January sets out that local government has received a provisional one year settlement. It updates financial forecasts including a range of new investments and additional budget pressures.

Recommendation(s)

- 6 Members are asked to:
 - (a) Consider and comment upon the December 2021 and January 2022 Cabinet reports on the MTFP (12) 2022/23 to 2025/26.

Background

- 7 The reports provide an overview on the Comprehensive Spending Review outcome and upon the Provisional Local Government Finance Settlement. The reports detail the impact of these announcements upon the councils 2022/23 budget and MTFP(12) forecasts.
- 8 The Cabinet reports includes information on
 - (a) 2021 Comprehensive Spending Review
 - (b) Base Budget Pressures
 - (c) Council Tax increases 2022/23 to 2025/26
 - (d) Provisional Local Government Finance Settlement
 - (e) Core Spending Power
 - (f) Review of MTFP Model
 - (g) Council Tax Strategy and MTFP (12) 2022/23 to 2025/26 update
 - (h) MTFP (12) – 2022/23 to 2025/26 update
- 9 COSMB has prioritised scrutiny of the MTFP and budget as part of the committee's work programme.

Background papers

- None

Contact: Andy Palmer

Tel: 03000 268551

Appendix 1: Implications

Legal Implications

None specific with the report.

Finance

Financial implications are identified within the Cabinet reports of 15 December 2021 and 19 January 2022.

Consultation

The report includes information on the consultation process.

Equality and Diversity / Public Sector Equality Duty

Equality considerations are built into the approach to developing MTFP (12) as a key element of the process.

Climate Change

The impact of final budget decisions will take into account climate change impacts

Human Rights

Any Human Rights issues will be considered for any detailed MTFP (12) proposals as they are developed and decisions made to take these forward.

Crime and Disorder

None specific with the report.

Staffing

The savings proposals in MTFP (12) will impact upon employees.

Accommodation

None specific within this report.

Risk

None specific within this report.

Procurement

None specific within this report.

Appendices 2 and 3:

Report to Cabinet 15 December- 2021 Medium Term Financial Plan (12), 2022/23 - 2025/26 and

Report to Cabinet 19 January 2022 – Medium Term Financial Plan 2022/23 to 2025/26 and Revenue Budget 2022/23

Attached as separate documents.