

SUBJECT: DRAFT MEDIUM TERM FINANCIAL STRATEGY 2024-29

DIRECTORATE: CHIEF EXECUTIVE & TOWN CLERK

REPORT AUTHOR: JACLYN GIBSON, CHIEF FINANCE OFFICER

1. Purpose of Report

- 1.1 To present the draft Medium Term Financial Strategy 2024-2029, and provisional 2024/25 budget and Council Tax proposals for consideration; and to seek the Budget Review Group's comments and recommendations to the Executive prior to referral of the final budget proposals to the Council on 27 February 2024.

2. Executive Summary

- 2.1 The Council's Medium Term Financial Strategy (MTFS) sets out the overall framework on which the Council plans and manages its financial resources to ensure that they fit with, and support, the direction of the Council's vision and strategic priorities.
- 2.2 The Council's scrutiny function should have an important role to play in providing a challenge during the development of the MTFS questioning the assumptions behind the budget and examining the principles and planning process that underlie its development.

3. Background

- 3.1 The timetable for budget scrutiny process is as follows:

Executive – Approve draft budget proposals for 2024/25 and Medium Term Financial Strategy	15 January 2024
All Member Briefing <ul style="list-style-type: none">• Current financial climate• Latest developments in local government finance• Impact on the Council and the Council's strategy for responding	22 January 2024
Budget Review Group – presentation of the MTFS 2024-2029 and the proposed budget and Council Tax for 2024/25.	29 January 2024
Performance Scrutiny Committee – Consider response from Budget	15 February 2024

Review Group and refer to the Executive	
Executive – Consider response from the Performance Scrutiny Committee and approve for referral to Council the final budget proposals for 2024/25 and Medium Term Financial Strategy	19 February 2024
Council – Approval of budget proposals and Council Tax for 2024/25 and Medium Term Financial Strategy	27 February 2024

3.2 As its meeting on the 16 November 2023 the Performance Scrutiny Committee agreed that the main objective of the Budget Review Group will be to examine the principles and planning process that underlie the proposed budget and Council Tax to be recommended by the Executive for the 2024/25 financial year. In general the Group's aim will be to establish that at each stage the budget;

- is clear, focused, achievable, realistic and based on sound financial practices;
- has clear linkages with corporate and other plans that form the Policy Framework to establish that they are identifiable and designed to improve services in the Council's strategic priority areas

3.3 The projected outcomes of the budget scrutiny process are:

- To have scrutinised the Executive's Budget proposal;
- To have examined the proposed budget as a whole;
- To have held the appropriate Executive Members and Senior Managers to account over their budget proposals; and
- To formulate evidence based reasoned recommendations to the Executive on the effectiveness of their Budget proposal

4. Budget Review

4.1 In advance of the Review Group Session, the following information is appended to this report;

- Executive Report 15 January 2024 – Appendix 1 with appended draft MTFS and Capital Strategy (Appendix A and B)
- Copies of the presentations from the all Member briefing sessions on the 22 January 2024 – Appendix 2 (to be sent to follow after the session).

- 4.2 In order to ensure that the Budget Review Group session is used to best effect, questions from Members in advance of the session have also been sought. The relevant information and responses will be provided at this meeting on the 29 January.

5. Strategic Priorities

- 5.1 The budget process sets the resources in support of the Council's Strategic Priorities and determines the Service Plans for the year ahead. Effective scrutiny of the budget process should support the Executive in reaching the right decisions with regard to finances.

6. Organisational Impacts

- 6.1 Finance (including whole life costs where applicable)

There are no direct financial implications arising as a result of this report.

- 6.2 Legal Implications including Procurement Rules

There are no direct legal or procurement implications arising as a result of this report.

- 6.3 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities.

Due to the nature of the report, no specific Equality Impact Analysis is required.

7. Risk Implications

- 7.1 There are no specific risks associated with this report.

8. Recommendation

- 8.1 The Budget Review Group is asked to consider the Draft MTFS 2024-29 and 2024/25 budget and Council Tax proposals and provide any comments and recommendations to the Executive prior to referral of the final budget proposals to the Council on 27 February 2024.

Is this a key decision?

No

Do the exempt information categories apply?

No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?

No

How many appendices does the report contain?

Two -
Executive Report including, Draft MTFS 2024-24 and
Draft Capital Strategy 2024-29
Member workshop presentation

List of Background Papers:

None

Lead Officer:

Jaclyn Gibson, Chief Finance Officer
Email: Jaclyn.gibson@lincoln.gov.uk

.