

Item 5

Executive

21 October 2014

Draft Extract

EXE 34 Medium Term Financial Plan (MTFP) to 2018 – Update Report (Agenda Item 14)

The Head of Financial Management presented the report. He drew attention to the progress made since February 2014 in closing the budget gap through to 2018 whilst highlighting the remaining budget shortfall of £2 million for 2015/16. With reference to the decision making timetable he confirmed the proposal again this year was to present the budget report and approved MTFP to scrutiny members by means of directorate themed briefing sessions.

In discussing the report members noted the scale of the ongoing financial challenge facing the Council and thanked officers and members for the work being undertaken to address this. Particular reference was made to: the significant pressures on services and the difficult balance between cutting services and increasing Council Tax; the importance of achieving the necessary savings with as little disruption as possible; the need for further outsourcing and joint working arrangements in order to achieve the saving levels required.

Councillor Lake drew members' attention to the equality implications and encouraged members to get involved in reviewing the Equality Impact Assessments (EIAs) of the individual services.

Resolved:

- (1) that the current financial challenge the Council is expected to face during this updated MTFP period with regard to both capital and revenue budgets be noted. It is noted that despite significant progress since the last MTFP report in February 2014 which contained a budget gap of £22.112m, there exists a current shortfall of £6.995m through to 2018, including a current budget gap of £2.017m for 2015/16 in respect of the revenue budget;
- (2) that the report, together with the previously approved Medium Term Financial Plan, be referred to all Policy and Scrutiny Panels for consideration and comment and additional contributions to support the ongoing financial challenge; and

(3) that the report be referred to key local partner organisations via the North Somerset Partnership (NSP) for consideration and comment.

Reasons for decision:

As set out in the report and discussed above.

Alternative options considered and rejected:

As set out in the report and discussed above.