

STOCKPORT COUNCIL

REPORT TO CABINET MEETING – SUMMARY SHEET

Subject: Medium Term Financial Plan - Financial Landscapes and Forecasts 2019/20 to 2022/23

Report to Cabinet Meeting

Date: 5 February 2019

Report of: (a) Borough Treasurer

Key Decision: (b) Y

Forward Plan ☒ General Exception ☐ Special Urgency ☐ (Mark with a Y if applicable)

Summary:

Following the announcement of the 2019/20 Provisional Local Government Finance Settlement in December 2018, this report updates the Council's 2019/20 to 2022/23 Medium Term Financial Plan (MTFP) forecasts and assumptions.

The report will inform the Cabinet of local and national changes impacting on the Council's MTFP and make recommendations for the setting of a balanced and sustainable budget for 2019/20 and a longer term forecast budget position up to 2022/23.

The report asks that the Cabinet consider a number of proposals in setting the Council's 2019/20 Budget and MTFP.

Comments/Views of the Cabinet Member: (c)

The financial challenge facing the Council continues to be difficult. The uncertainty around the Government's intentions for the future direction of Local Government funding beyond 2019/20 is making decision making and planning for the medium term increasingly difficult. Furthermore, the increasing costs pressures faced in both Children's and Adult social care services needs to be addressed through a sustainable funding model.

We await the outcome of the Government's 2019 Spending review and consultations on Fairer Funding and Business Rates Retention and detail of any impact this will have on funding levels. In the meantime our Council Plan, MTFP Strategy and Reserves Policy ensure the MTFP is set on a robust and resilient basis, and able to withstand any changes over the medium term period whilst permanent solutions are identified.

Recommendation(s) of Cabinet Member: (d)

The Cabinet is recommended to:

- Note the details of the 2019/20 Provisional Local Government Finance Settlement and its impact on the MTFP forecasts and assumptions presented in this report;
- Note, and comment upon as appropriate, the financial forecasts for 2019/20 to 2022/23, and the key issues to be addressed in formulating a response to the financial challenges facing the Council;

- Note and approve the indicative budget adjustments presented in this report resulting in available resources of £2.102m in 2019/20 and the revised MTFP;
- Consider and decide upon the options to be taken to allocate the £2.102m available resources to set a balanced budget for 2019/20;
- Approve the allocation of corporate contingency budgets as part of the 2019/20 budget setting process;
- Consider the use of the one-off available resources to support the Council's investment decisions, MTFP and Reserves Policy; and
- Approve the use of £0.500m of one-off available resources to support the funding of continuing expenditure pressures of Stockport Together new models of care.

Relevant Scrutiny Committee (if decision called in): **(e)**
Corporate, Resource Management & Governance

Background Papers (if report for publication): **(f)**

Contact person for accessing
background papers and discussing the report

Officer: Jonathan Davies
Tel: 0161 218 1025

'Urgent Business': **(g)**

No (Please circle)

Certification (if applicable)

This report should be considered as 'urgent business' and the decision exempted from 'call-in' for the following reason(s):

The written consent of Councillor _____ and the Chief Executive/Monitoring Officer/ Borough Treasurer for the decision to be treated as 'urgent business' was obtained on /will be obtained before the decision is implemented.
