

RESPONDING TO OUR MEDIUM-TERM FINANCIAL PLAN

Report of the Leader of the Council and Cabinet Member for Finance & Recources

1 INTRODUCTION AND PURPOSE

- 1.1 Within this report and appendix we outline our strategic approach in responding to the medium-term financial plan. This report should be read in conjunction with the MTFP update reports (both parts A and B) presented to Cabinet meeting on the 18th September 2024¹
- 1.2 Across the country councils are facing significant and urgent funding gaps with an alarming increase in the number of councils warning of financial distress and bankruptcy due to insufficient funding. Whilst we continue to develop opportunities to enhance the lives of our residents, the rising need to support residents and cost of delivering services is increasing significantly. Key factors include; the cost of living crisis, homelessness, workforce challenges, inflation pressures and increasing need for support in children's and adult social care services,
- 1.3 Our collective focus is on delivering outcomes-focused transformational change for communities and businesses across Stockport. A resilient and robust budget is key to this.
- 1.4 The appendices to this report outlines the budget proposals being considered by the Cabinet to address financial and demand challenges, enable longer term transformation, and ensure the delivery of shared strategic partnership ambitions.

2 CHANGE PROPOSALS

- 2.1 The challenging financial circumstances outlined within the MTFP review (Part A) report require careful and bold decisions to ensure we can deliver a resilient budget. Within this scrutiny report we have included outline draft change proposals which will contribute towards a balanced budget position. The proposals appended to this report contribute to a suite of change proposals totalling £8.937m.

¹ MTFP update to September Cabinet

Part A – Medium Term Financial Plan update

<https://democracy.stockport.gov.uk/documents/s238425/202409%20-%20PART%20A%20-%20MTFP%20Update.pdf>

Part B – Cabinet Response: Responding to Our Medium-Term Financial Plan

<https://democracy.stockport.gov.uk/documents/s238430/Part%20B%20Report%20-%20responding%20to%20our%20MTFP.pdf>

- 2.2 We welcome early comment and feedback from Scrutiny Committees on the outline draft proposals that are appended to this report. Ongoing work to develop these proposals is underway and will be informed by feedback from partners, scrutiny, residents, trade unions and colleagues as appropriate.
- 2.3 Although in early stages, some of these proposals will mean changes to the way we deliver services. As proposals are developed we will continue to consider the impact that any change would have on residents, services users and our workforce as well as how this may impact our partners or suppliers.

3 NEXT STEPS AND RECOMMENDATIONS

- 3.1 The Cabinet are keen to seek views from Scrutiny on these plans.
- 3.2 Where proposals will mean a change in statutory services, we will be carrying out appropriate public consultation and engagement activity.
- 3.3 All feedback will be considered by Cabinet and updates brought back to Committee's in January 2025, ahead of Cabinet decision making in February.
- 3.4 The Committee is invited to comment on the report and the proposals presented within the report relevant to the remit of this committee.

BACKGROUND PAPERS

MTFP update – Cabinet Meeting, 18/09/24
Part.A - MTFP Review
Part.B - Cabinet Response

Anyone wishing to discuss the report should contact Gill Lawton,
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