

SCRUTINY – 30 JANUARY 2012

REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)

RE: MEDIUM TERM FINANCIAL STRATEGY 2011/12 TO 2014/15

1. PURPOSE OF REPORT

To consider and approve the Medium Term Financial Strategy 2011/12 to 2014/15.

2. RECOMMENDATION

Scrutiny Members are asked to note the Strategy.

3. BACKGROUND TO THE REPORT

The Medium Term Financial Strategy sets out clearly the Council's financial position for the four years from 2011/12 to 2014/15. The financial strategy underpins the Council's Corporate Plan and ensures that resources are allocated and used effectively to achieve the targets set out in the Corporate Plan whilst at the same time not placing an unreasonable burden on local tax payers.

The Strategy sets out the financial planning framework for Hinckley and Bosworth Borough Council and shows how national, regional and local issues are taken into account in planning the resources available for service delivery.

Section 7 of the Strategy sets out the main financial pressures affecting the Council and Section 8 sets out the financial objectives of the Council. Section 11 sets out the Capital Programme of the Council and emphasises that the programme contains a number of major schemes (including the relocation of the Council offices to the Hinckley Hub and depot relocation). Revenue implications of these developments have a major impact on the General Fund revenue budgets in the years 2011/12 to 2014/15 and beyond.

The Medium Term Financial Strategy is a rolling document and will require updating in six months time.

4. FINANCIAL IMPLICATIONS (SK)

These are contained within the report.

5. LEGAL IMPLICATIONS (LH)

Council has a statutory requirement to set a budget each year and approve the MTFS, including a three year capital programme.

6. CORPORATE PLAN IMPLICATIONS

A robust MTFS is required to ensure that resources are effectively allocated in order to ensure delivery of the aims, outcomes and targets included in the Council's Corporate Plan.

7. CONSULTATION

Members of the Strategic Leadership Board and Corporate Operations Board have been consulted during the preparation of this MTFS.

8. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision/project have been identified, assessed and that controls are in place to manage them effectively.

The Risk Management Strategy is the vehicle that manages the risks to the council and the Strategic Risk Register identifies the key risks to the organisation during the period of the Medium Term Financial Strategy.

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

The MTFs relates to all services provided by the Council and therefore impacts all areas and groups equally.

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety Implications
- Environmental Implications
- ICT Implications
- Asset Management Implications
- Human Resources Implications

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