

## Rother District Council

<b>Report to:</b>	Cabinet
<b>Date:</b>	5 October 2020
<b>Title:</b>	Medium Term Financial Plan – 2021/22 to 2025/26
<b>Report of:</b>	Antony Baden – Finance Manager
<b>Cabinet Member:</b>	Councillor Dixon
<b>Ward(s):</b>	All
<b>Purpose of Report:</b>	To advise Members of the deferral of the Medium Term Financial Plan report
<b>Decision Type:</b>	Non-Key
<b>Officer</b>	
<b>Recommendation(s):</b>	It be <b>RESOLVED:</b> That the report be noted.
<b>Reasons for Recommendations:</b>	To improve the robustness of the Medium Term Financial Plan.

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### Introduction

1. The Medium-Term Financial Plan (MTFP) for the period 2021/22 to 2025/26 will be the latest projection of the Council's financial position over the next five-year period ahead of confirmation of Government funding and other factors that will affect its finances.
2. The MTFP will be informed by the 2020/21 budget and forecast out turn so it is crucial that forecast data is as up to date and robust as possible.
3. A report was originally scheduled to be presented to Cabinet at this meeting however, the Assistant Director Resources has requested that it be deferred until the Cabinet meeting on 2 November 2020 for the reasons outlined in paragraphs 4 to 8 below.

### Background Information

4. The 2020/21 revenue budget was approved by Cabinet on the 10 February 2020 but since March the Council has had to respond to the Coronavirus pandemic and national lockdown.
5. The financial impact of the Council's response to the pandemic was reported to Cabinet on the 7 September 2020 as part of the Quarter 1 monitoring report, which detailed the current forecast as at the 30 June 2020.

6. The report also highlighted to Members that the nature of the pandemic meant future forecasts would carry a far higher level of uncertainty than would normally be the case and would probably require significant revisions as the financial year progressed.
7. By mid-October officers will have a much clearer picture of the costs involved and will be in a better position to assess the impact of the pandemic not just on the current financial year but also on the MTFP. This will also provide an opportunity to produce a more robust MTFP for Members to consider and debate.
8. Another advantage of deferring the report is that we will have a better view of how the pandemic has affected our council tax income levels and tax base, which we already know is falling due to the increased numbers of council tax reduction claims. This is crucial because, whilst we do not know whether the Council will have any greater flexibility in respect of Council Tax referendum limits, the likelihood is that the same principles from 2020/21 will apply.

## Conclusion

9. The deferral of the MTFP report to the 2 November 2020 Cabinet meeting will allow officers to present to Members a much more informed position of the Council's five-year financial position and better place them to make informed budget decisions.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Environmental	No	Access to Information	No
Sustainability	No	Exempt from publication	No
Risk Management	No		

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Appendices:	None
Relevant Previous Minutes:	None
Background Papers:	None
Reference Documents:	None