

Medium Term Financial Strategy (MTFS)

Cabinet Member for Finance and Commissioning

Date: 11 July 2023

Agenda Item:

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Key Decision? YES

Local Ward All Wards

Members

Lichfield
district council

Council

1. Executive Summary

- 1.1 In addition to the main allocation from the United Kingdom Shared Prosperity Fund, the Council received an additional allocation of **£400,000** from the Rural England element

2. Recommendations

- 1.1. Council approves an update to the Capital Programme to include the Rural England Prosperity funding of **£400,000** as shown in the financial implications section.

3. Background

The Rural England Prosperity Fund

- 1.1. In addition to the main allocation from the United Kingdom Shared Prosperity Fund, the Council received an additional allocation of **£400,000** from the Rural England element. A submission was made to the Government on how this allocation is to be spent that is focused on capital grants for:

- Rural Business - small scale investment in micro and small enterprises - **£200,000**.
- Rural Business - development and promotion of the visitor economy - **£100,000**.
- Rural Communities – active travel enhancements in the local area - **£100,000**.

Alternative Options

The project allocations were submitted to Government and any proposed changes to allocations would need to be discussed in advance with Government.

Consultation

Leadership Team and Cabinet

Financial Implications

The Rural England Prosperity Fund Allocation and project allocations contained in the submission are shown below and must be spent by 31 March 2025:

	2023/24	2024/25	Total
Rural business allocation	75,000	225,000	300,000
Rural communities	25,000	75,000	100,000
Total	100,000	300,000	400,000

Approved by Section 151 Officer

Yes

Legal Implications

No specific legal implications.

The recommended Medium Term Financial Strategy, is part of the Budget Framework and will therefore require the approval of Full Council.

Approved by Monitoring Officer	Yes
Contribution to the Delivery of the Strategic Plan	The report directly links to overall performance and especially the delivery of the Strategic Plan.
Equality, Diversity and Human Rights Implications	These areas are addressed as part of the specific areas of activity prior to being included in the Strategic Plan.
Crime & Safety Issues	These areas are addressed as part of the specific areas of activity prior to being included in the Strategic Plan.
Environmental Impact (including Climate Change and Biodiversity).	These areas are addressed as part of the specific areas of activity prior to being included in the Strategic Plan.
GDPR/Privacy Impact Assessment	There are no specific implications related to the Medium Term Financial Strategy.

	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	Current Score (RYG)
Strategic Risk SR1 - Non achievement of the Council's key priorities contained in the Strategic Plan due to the availability of Finance				
A	Council Tax is not set by the Statutory Date of 11 March 2024	Likelihood: Green Impact: Red Severity of Risk: Yellow	Full Council set with reference to when major preceptors and Parishes have approved their Council Tax Requirements.	Likelihood: Green Impact: Red Severity of Risk: Yellow
B	Implementation of the Check, Challenge and Appeal Business Rates Appeals and more frequent revaluations	Likelihood: Yellow Impact: Red Severity of Risk: Red	To closely monitor the level of appeals. An allowance for appeals has been included in the Business Rate Estimates.	Likelihood: Green Impact: Green Severity of Risk: Green
C	The review of the New Homes Bonus regime	Likelihood: Red Impact: Red Severity of Risk: Red	The Council responded to the consultation. In the MTFs, no income is assumed beyond 2024/25.	Likelihood: Red Impact: Yellow Severity of Risk: Yellow
D	The increased Localisation of Business Rates, Business Rate Reset and the Review of Needs and Resources	Likelihood: Red Impact: Red Severity of Risk: Red	To assess the implications of proposed changes and respond to consultations to attempt to influence the policy direction in the Council's favour.	Likelihood: Red Impact: Red Severity of Risk: Red
E	The affordability and risk associated with the Capital Strategy	Likelihood: Yellow Impact: Red Severity of Risk: Red	A property team has been recruited via the Company to provide professional expertise and advice in relation to property and to continue to take a prudent approach to budgeting.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow
F	Sustained higher levels of inflation in the economy	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow	To maintain a watching brief on economic forecasts, ensure estimates reflect latest economic projections and where possible ensure income increases are maximised to mitigate any additional cost.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow
Strategic Risk SR3: Capacity and capability to deliver / strategic plan to the emerging landscape				
G	The Council cannot achieve its approved Delivery Plan	Likelihood: Yellow Impact: Red Severity of Risk: Red	There will need to be consideration of additional resourcing and/or reprioritisation.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow

APPENDIX C

H	The resources available in the medium to longer term to deliver the Strategic Plan are diminished	Likelihood: Yellow Impact: Red Severity of Risk: Red	The MTFS will be updated through the normal review and approval process.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow
I	Government and Regulatory Bodies introduce significant changes to the operating environment	Likelihood: Red Impact: Red Severity of Risk: Red	To review all proposed policy changes and respond to all consultations to influence outcomes in the Council's favour.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow

Background documents

- Medium Term Financial Strategy (Revenue and Capital) 2023-27 and the addendum – Cabinet 14 February 2023
- Insourcing Leisure Provision – Cabinet 14 February 2023
- New Leisure Facility at Stychbrook Park – Cabinet 14 February 2023
- Community Infrastructure Levy (CIL) Allocation – Cabinet 14 February 2023
- Medium Term Financial Strategy (Revenue and Capital) 2023-27 – Council 28 February 2023
- Money Matters: 2022/23 Review of Financial Performance against the Financial Strategy – Cabinet 27 June 2023

Relevant web links