

**COUNCIL**  
**6<sup>TH</sup> DECEMBER 2017**  
**CABINET RECOMMENDATIONS**

Details of recommendations to Council made at the Cabinet Meeting held on 23<sup>rd</sup> November 2017 are set out below.

**EX/55     MEDIUM TERM FINANCIAL STRATEGY 2018/19 TO 2021/22**

The Cabinet Member for Finance and Assets reported that a review of the Financial Strategy, as part of the budget setting process, enabled a balanced budget target to be established with a focus on an affordable level of Council Tax, delivery of the corporate priorities and policies of the Council and the continued enhancement of value for money and satisfaction with services for the residents of the District.

The budget for 2017/18 had been approved in February 2017 and a balanced budget projected for 2017/18 through to 2019/20, with a projected deficit in 2020/21. Since then, further work had been undertaken on income generation, continuing the business transformation journey to the next stage and other efficiency measures to mitigate cost pressures that continued to rise. The submitted report set out the proposed strategy for the period 2018/19 to 2021/22, to establish the context for the Council's budget and medium term financial planning scenarios and assumptions.

The report referred to the strategic political, economic and regulatory outlook; budget assumptions based on the implementation of current income and efficiency actions; inflation cost pressures and interest rates; Council Tax; the localisation of Business Rates; New Homes Bonus; the capital programme; reserves and reserve strategy; Future Horsham initiatives; and potential actions to further mitigate the deficit in 2021/22 and beyond.

The Finance and Assets Policy Development Advisory Group had considered and supported the proposed Medium Term Financial Strategy.

**RECOMMENDED TO COUNCIL**

- (i) That the Medium Term Financial Strategy 2018/19 to 2021/22 be approved.
- (ii) That New Homes Bonus be used to finance more infrastructure and investment property already in the capital programme as detailed in paragraph 3.29 of the report.
- (iii) That the projected balanced budgets and budget gap as detailed in report be noted.

**REASON**

To enable a balanced budget target to be established.