

Report to Budget & Corporate Scrutiny Management Board

21 January 2025

Subject:	Medium Term Financial Strategy
Director:	Alex Thompson, Executive Director of Finance and Transformation
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1 Recommendations

- 1.1 That the Budget and Corporate Scrutiny Management Board considers and comments on the draft Medium Term Financial Strategy as at 16th October 2024 and identifies any recommendations that it wishes to make to Cabinet.

2 Reasons for Recommendations

- 2.1 At its meeting on 16th October 2024, the Cabinet considered and endorsed the draft Medium Term Financial Strategy, and authorisation was given to commence a period of appropriate consultation on the proposals within the draft Strategy.
- 2.2 As part of this consultation process, the Budget and Corporate Scrutiny Management Board is invited to consider and comment upon the draft Strategy and identify any recommendations it wishes to make. Any such recommendations will be reported to the Cabinet.
- 2.3 Effective scrutiny of the Council's financial position and strategy is integral to the Council's ability to achieve a sustainable budget that is aligned to its strategic priorities.

3 How does this deliver objectives of the Council Plan?

Growing Up in Sandwell	The financial position of the authority determines the affordability of all the authority's activities. This underpins the resources available to achieve the objectives of the Council Plan. The proposals within the report to Cabinet support the objectives of the Council Plan by ensuring that the Council aligns available resources most efficiently to meet its strategic policy and performance commitments. This ensures the Council's best value obligations are met. Consultation and stakeholder engagement proposals within the report to Cabinet will ensure any subsequent decisions are fully informed and reasoned.
Living in Sandwell	
Thriving Economy in Sandwell	
Healthy in Sandwell	
One Council, One Team	

3 Context and Key Issues

- 4.1 In February 2024, the Council approved its Medium Term Financial Strategy (MTFS) which included a balanced budget for 2024/25 but which identified an estimated budget shortfall for the 2025/26 financial year. Indicative efficiency proposals and financial estimates for 2025/26 were included in the report but there was still an underlying deficit.
- 4.2 Since February, the MTFS has been regularly reviewed and the deficit figure has changed during the current financial year. This reflects ongoing refinement and testing of initial planning assumptions.
- 4.3 As at Autumn 2024, there remained a forecast deficit position for 2025/26, and therefore a suite of additional efficiency proposals were developed in order to address the forecast budget shortfall. Those efficiency proposals have now been subject to public consultation.
- 4.4 In accordance with the MTFS timetable, the efficiency proposals, and all other budget proposals, will be presented to the Budget and Corporate Scrutiny Management Board for consideration and comment.
- 4.5 A revised MTFS will be presented to Cabinet and Full Council in February 2025, following receipt of feedback from the budget consultation exercise, feedback from the Budget and Corporate Scrutiny Management Board, and following the receipt of the Local Government Finance Settlement.

5 Implications

Resources:	Further details on all implications of the Medium Term Financial Strategy are set out in the attached report to Cabinet.
Legal and Governance:	
Risk:	
Equality:	
Health and Wellbeing:	
Social Value	
Climate Change	
Corporate Parenting	

6. Appendices

Medium Term Financial Strategy – Autumn 2024 Update – Report to Cabinet

Appendix A - Draft Medium Term Financial Strategy

7. Background Papers

[General Fund and Housing Revenue Account \(HRA\) Budget and Capital Programme & Council Tax Resolution 2024/25](#)

[Minutes of the meeting of the Cabinet held on 16 October 2024](#)