

# BROMSGROVE DISTRICT COUNCIL

CABINET

19<sup>th</sup> February 2025

## UPDATED MEDIUM TERM FINANCIAL PLAN 2025/6 TO 2027/8 – Tranche 2

Relevant Portfolio Holder	Cllr. Steve Colella, Finance Portfolio Holder
Portfolio Holder Consulted	Yes
Relevant Head of Service	Debra Goodall
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Wards Affected	N/A
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	All
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

### 1. SUMMARY OF PROPOSALS

- 1.1 The Council's Medium Term Financial Plan (MTFP) was presented to Cabinet on the 12<sup>th</sup> February 2025. This report updates that report for changes that were highlighted by Overview and Scrutiny Committee on the 11<sup>th</sup> February and Cabinet itself on the 12<sup>th</sup> February. These changes slightly alter the figures, all recommendations remain the same.

### 2. RECOMMENDATIONS

#### **Cabinet are asked to Recommend to Council that:**

- 1 The updated MTFP following discussions at Overview and Scrutiny Committee on the 11<sup>th</sup> February and amendments agreed at Cabinet on the 12<sup>th</sup> February, as detailed in the Cabinet minute 69/24, is approved.
- 2 Subject to incorporating the changes detailed in recommendation 1 above, the MTFP Recommendations made in the report to Cabinet on the 12<sup>th</sup> February are approved.

#### **Cabinet note that:**

3. Members understand and accept the implications set out in the Section 151 Officer's Robustness (Section 25) Statement of this 2025/26 to 2027/28 Medium Term Financial Plan in moving the Council to financial sustainability.
4. The need for accelerated business cases to be worked up to enable upgrades of infrastructure to the District for consideration in line with work set out in paragraph 3.19 of the Appendix for completion prior to vesting day.

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## **3. Background**

### **Introduction**

- 3.1 The final budget proposals were submitted to Cabinet for approval to Council at its meeting on the 12<sup>th</sup> February 2025.
- 3.2 Cabinet at this meeting discussed in detail the debate that had taken place the previous evening in respect of the Parking Report that had been scrutinised at the Overview and Scrutiny Committee.
- 3.3 Cabinet agreed for the following changes to be incorporated into the MTFP:
- a) An additional £85,000 be added to parking budgets, which is broken down as:
    - i) Additional funding of £70,000 for increased numbers of Civil Enforcement Officers (CEOs)
    - ii) £15,000 for maintenance of an Automatic Number Plate Recognition (ANPR) system
  - b) £100,000 added to the Capital Budget in 2025/26 for ANPR systems to Recreation Road South, St Johns and Windsor Street car parks
- 3.4 In addition to this, paragraph 3.19 of the MTFP report was discussed in detail and the wording amended to ensure
- Schemes are prioritised
  - That General Fund balances do not reduced below the £5m mark (which is still two times the recommended minimum level of General Fund Reserves suggested by the Government).
- 3.5 Following correspondence from Birmingham City Council on access to GBSLEP funding during the 2025/26 financial year, this risk has been added to the Risk Section.
- 3.6 These changes are recognised in the updated MTFP Tranche 2 Papers set out in Appendix A.
- 3.7 For transparency, the changes impact the following sections of the report:
- 3.15 Including the limit reducing the General Fund Balance to £5m, the word prioritisation added, and including the works for Rubery
  - 3.27 Addition of the parking schemes and the implications on balances
  - 3.28 Changes to balances from the changes.

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- 3.33 Changes to balances from the changes.
  - 3.34 Changes to balances from the changes.
  - 3.40 Changes in capital table.
  - 3.42 Addition to the Capital Programme of £100k for ANPR machines
  - 3.46 Added the additional risk of access to GBSLEP funds from Birmingham City Council
  - 3.56 Changes to balances from the changes.
  - 3.61 Changes to balances from the changes
  - 3.62 Changes to balances from the changes.
  - Appendix D Reserves Position – updated for changes
  - Appendix E Capital Programme – updated for changes
- 3.8 Appendix A of the MTFP has now been added to show the draft departmental budgets.
- 3.9 The Changes are
- 25/6 Revenue bottom line changing from a £167k deficit to a £252k deficit.
  - 26/7 Revenue bottom line changing from a £1,030k deficit to a £1,115k deficit.
  - 27/8 Revenue bottom line changing from a £399k deficit to a £484k deficit.
  - Support from Reserves rising from £1,596k to £1,851k
  - General fund balances reducing from £12,781m to £12.526m
  - Capital spending in 2025/26 increasing from £8.017m to £8.117m
- 3.10 Following the significant consultation carried out in Tranche 1 of the budget there have been no comments on Tranche 2.

## **4. IMPLICATIONS**

### **Financial Implications**

- 4.1 Financial implications are set out in Section 3.

### **Legal Implications**

- 4.2 A number of statutes governing the provision of services covered by this report contain express powers or duties to charge for services. Where an express power to charge does not exist the Council has the power under Section 111 of the Local Government Act 1972 to charge where the activity is incidental or conducive to or calculated to facilitate the Council's statutory function.

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## **Service / Operational Implications**

- 4.3 Monitoring will be undertaken to ensure that income targets are achieved through the Quarterly Finance and Performance Reports to Cabinet and the Quarterly Savings Reports to Audit Standards and Governance Committee.

## **Customer / Equalities and Diversity Implications**

- 4.4 The implementation of the revised fees and charges will be notified in advance to the customer to ensure that all users are aware of the new charges and any concessions available to them.
- 4.5 Initial Equalities Impact Assessments must be taken where required. None have been required with this budget.

## **5. RISK MANAGEMENT**

- 5.1 It is crucial that the Councils sets a balanced budget in order for it to deliver sustainable services to its Stakeholders. There are significant risks in any budget and these are set out in sections 3.44 to 3.47 of Appendix A.
- 5.2 There is a risk that if fees and charges are not increased that income levels will not be achieved, and the cost of services will increase. This is mitigated by managers reviewing their fees and charges annually.

## **6. APPENDICES**

Appendix A – Updated Tranche 2 MTFP following February O&S and Cabinet