



Title: **Medium Term Resource Plan**

Wards Affected: **All Wards in Torbay**

To: **Priorities and Resources Panel** On: **30 November 2012**

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1. What we are trying to achieve and the impact on our customers

- 1.1 The Medium Term Resource Plan (MTRP) is a key financial planning document and support the Council in ensuring it uses its resources in the best way possible to meet the needs of communities in the Bay and to plan effectively for the use of those resources in the medium term.
- 1.2 The Council's budget planning is an integral feature of its overall corporate planning, ensuring that resources are planned, aligned and managed effectively to achieve its aims and objectives. The Medium Term Resource Plan is a supporting document to the Corporate Plan.
- 1.3 The MTRP Plan and future financial projections are updated on a rolling basis in order to ensure the impact of new statutory requirements, funding changes and changing demands are captured and the council is able to take these into account within its medium term planning.
- 1.4 Members will be aware of the significant challenges the Council faces due to the ongoing uncertainties about the national economic position as well as the impact upon the local economy. The government's deficit reduction programme is the policy used to resolve the country's national debt and is having a direct impact upon Torbay with significant reductions in government grant over the 4 years of the Comprehensive Spending Review period.
- 1.5 Members of the Priorities and Resources Panel are asked to consider this report and make any recommendations to the Mayor and Council when considering options for the council's medium term financial planning.

2. Issues for Consideration by Members.

- 2.1 That Members review and consider the assumptions made within the Medium Term Resource Plan and how this will impact upon the Council's future financial planning.
- 2.2 That Members make any recommendations to the Mayor and Council to assist with the medium financial planning.

3. Background

- 3.1 The Council produces an annual review of its MTRP and publishes this as an aid to assist long term financial planning. Arising from the plan though is the need to develop an associated strategy against which the Council can plan its future budgets with a degree of certainty.
- 3.2 The government announced a two funding Settlement in December 2010 as part of the CSR period. The funding Settlement which will inform the 2013/14 budget is not expected until late December. Once again this will be an extremely challenging Settlement not helped by the lateness of the announcement. The key issues are contained within the MTRP.

For more detailed information on this proposal please refer to the supporting information attached.

**Paul Looby
Executive Head - Finance**

A1. Introduction and history

Medium Term Resource Plan

- A1.1 The Council considers annually the Medium Term Resource Plan as part of its budget processes.
- A1.2 The Council has modelled the potential impact of future Settlements. However all Council's were only been informed of their 2012/13 grant allocation, so it is not possible to accurately project future grant allocations from 2013/14 and beyond.
- A1.3 The Council needs to develop a strategy which will focus on providing value for money services and identifying efficiencies through ongoing development of the Commissioning model. With further reductions to funding for public sector and in particular local government, part of this strategy will need to consider continued decommissioning of existing aspects of service delivery, as well as innovative partnership solutions to improve outcomes for the Bay Family.
- A1.4 Set out as an attachment to this report is a Medium Term Resource Plan which sets out some of the headline assumptions Torbay is making for planning purposes. Further reports and briefing papers will be presented to Members setting out the impact of any changes to future local government funding and in particular the outcome of the Provisional Local Government Finance Settlement which is expected to be announced at the during December.

A2. Risk assessment of preferred option

A2.1 Outline of significant key risks

Medium Term Resource Plan

- A2.1.1 It is essential the key risks within the report are considered and any future spending decisions are taken having considered all risks.
- A2.1.2 It is not possible to provide accurate figures about Torbay's grant income from 2013/14 and beyond until the Coalition Government publishes details of the Provisional Local Government Finance Settlement. Until the detailed figures are available the Council can only make its best estimate as to what the potential impact will be upon Torbay.

A2.2 Remaining risks

- A2.2.1 None.

A3. Other Options

- A3.1 None.

A4. Summary of resource implications

- A4.1 To be considered as part of the budget setting process.

A5. What impact will there be on equalities, environmental sustainability and crime and disorder?

A5.1 To be considered as part of the budget setting process.

A6. Consultation and Customer Focus

A6.1 Members of the Priorities and Resources Panel have been asked to comment upon the Medium Term Resource Plan.

A7. Are there any implications for other Business Units?

A7.1 There will be implications for all Business Units and they will be required to contribute to the budget setting process.

Appendix

Appendix 1 Medium Term Resource Plan