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| **REPORT TO:** | **FINANCE AND MANAGEMENT COMMITTEE** | **AGENDA ITEM:** 8 |
| **DATE OF MEETING:** | **13th OCTOBER 2005** | **CATEGORY: RECOMMENDED** |
| **REPORT FROM:** | **DIRECTOR OF CORPORATE SERVICES** | **OPEN** |
| **MEMBERS' CONTACT POINT:** | **KEVIN STACKHOUSE (595811)** | **DOC:** u/ks/financial strategy SDDC/covering report |
| **SUBJECT:** | **FINANCIAL STRATEGY 2006 to 2009** | **REF:** |
| **WARD(S) AFFECTED:** | **ALL** | **TERMS OF REFERENCE: FM 14** |

## 1.0 Recommendations

1.1 That the Council's Financial Strategy for 2006 to 2009 is adopted.

1.2 That the strategy is reviewed and updated as necessary and at least on a yearly basis.

## 2.0 Purpose of Report

2.1 The detailed budget round for 2006/07 is now commencing. This report updates the Council's financial strategy, which sets out the framework and fundamental principles on which the Council plans and manages its financial resources.

## 3.0 Executive Summary

3.1 Overall, the strategy is designed to ensure that:

- Finance contributes to the vision and key aims of the Council, whilst ensuring that:

- The Council's financial position is sustainable, and
- Probity and stewardship exist in the use of financial resources.

3.2 The key areas of the Strategy are:

- Moving resources to meet priorities and new spending pressures
- Setting a minimum level of reserve balances
- Maintaining a sound and sustainable financial position
- Maintaining other earmarked reserves
- Generating/maximising external funding
- Local taxes
- Ensuring probity and stewardship
- Maintaining and developing sound financial management
- Raising awareness of finance

3.3 The framework has been in place and developing at the Council for several years and this latest strategy builds on that.

**Time Frame**

3.4 The strategy has a medium-term time frame to fit in with the Council's corporate and service planning framework. However, in principle it will exist for longer as it provides the overall direction and parameters for financial management at the Council.

3.5 Clearly, the strategy will evolve and develop in response to new financial opportunities/risks and new policy directions. Therefore, it is proposed to review the strategy on a regular basis and at least annually.

## 4.0 Detail

4.1 The detailed strategy is appended to this covering report.

## 5.0 Financial Implications

5.1 No direct implications with formulating and updating the strategy.

## 6.0 Corporate Implications

6.1 The way in which the Council plans and manages its finances can have a direct bearing on another of the Council's main resources, i.e. its staff. The Council's People Strategy recognises this through its framework for workforce planning, training and development, etc.

## 7.0 Community Implications

7.1 A key theme of this strategy is contributing to the vision and key aims of the Council, which are largely formulated after consultation with the local community and other stakeholders.