
REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 8
DATE OF MEETING:	23rd OCTOBER 2008	CATEGORY: RECOMMENDED
REPORT FROM:	DIRECTOR OF CORPORATE SERVICES	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (595811)	DOC: u/ks/financial strategy/ covering report 08
SUBJECT:	A REVIEW OF THE COUNCIL'S FINANCIAL STRATEGY	REF:
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendation

1.1 That the Council's Financial Strategy is considered and approved.

2.0 Purpose of Report

2.1 To demonstrate a good use of its resources, it is considered best practice that the Council reviews its financial strategy on a regular basis and at least once a year. The Council aims to do this prior to the annual budget round, which for 2009/10 is now commencing.

3.0 Executive Summary

3.1 The financial strategy sets out the framework and principles on which the Council plans and manages its finances. Overall, the strategy is designed to ensure that finance contributes to the priorities 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 and other income streams
- Local taxes (Council Tax and Housing Rents)
- Ensuring probity and stewardship
- Maintaining and developing sound financial management
- Raising awareness of finance

Timescale

- 3.3 The strategy is set against a medium-term time frame to fit in with the Council's corporate planning framework. However, in principle it will exist for longer as it provides the overall direction and parameters for financial management at the Council.
- 3.4 Clearly, the strategy may develop in response to new financial opportunities/risks and new policy directions. Therefore, it is proposed to continue to review the strategy on a regular basis and at least annually. It is updated where necessary.

4.0 Detail

- 4.1 The detailed strategy is appended to this covering report.

5.0 Financial Implications

- 5.1 None.

6.0 Corporate Implications

- 6.1 The way in which the Council plans and manages its finances can have a direct bearing on the Council's main resource, 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 priorities of the Council, which are largely formulated after consultation with the local community and other stakeholders.
- 7.2 These then form the Council's Corporate Plan and are represented in other major strategies such as Housing, Crime and Disorder, Sport and Leisure, Environmental and Development, etc.

8.0 Community Implications

- 8.1 None