

REPORT OF THE
Cabinet
PART I

1. Medium Term Financial Strategy Update

- 1.1. At its meeting of 14 July 2020 (following publication of this report), Cabinet will consider an update to the Medium Term Financial Strategy (MTFS).
- 1.2. The update is in the context of uncertainty presented by the Covid-19 crisis, the absence of any settlement figures beyond the current financial year and a further delay in the Comprehensive Spending Review (CSR). It outlines what is considered to be as realistic a medium term financial scenario as possible and assess the County Council's ability to agree a strategy to at least ensure continued financial sustainability until the end of 2022/23.
- 1.3. The report to be considered by Cabinet is attached in full as an Annex to this Council report.
- 1.4. In addition to proposed recommendations to Council, set out below, it is recommended that Cabinet:
 - Note the current level of unfunded costs and losses of approaching £103m, as detailed in paragraph 14.
 - Note that the County Council will continue to lobby the Government to underwrite all of the financial consequences of the crisis and that as part of this lobbying, the Leader of the County Council will write to the Government requesting that they honour their commitment to fully fund the financial consequences of Covid-19.
 - Note the urgent decisions taken to date in respect of a number of key issues relating to the County Council's response to the Covid-19 pandemic, as set out in Appendix 1.
 - Approve additional ongoing funding of up to £1.7m to be met from general contingencies to enable the Special Educational Needs service to meet the rising demands they are facing and help them meet their statutory duties.
 - Approve an additional £3.783m for additional social workers in the current year to be met from Covid-19 grant funding and up to £6.7m in 2021/22 subject to a review of demand and caseloads at the end of this financial year.
 - Approve further payments to social care providers of £5.910m to be met from Covid-19 grant funding and delegates authority to the Deputy Chief Executive and Director of Corporate Resources in consultation with the Director of Adults' Health and Care to agree a further month's payments at a cost of £2.418m.
- 1.5. When introducing this Part I report, the Leader will confirm to the County Council the resolutions made by Cabinet on 14 July.

The full report to Cabinet can be found at the following link:

- [Cabinet - 14 July 2020](#)

RECOMMENDATIONS

With reference to the report annexed to this Council report, Council is recommended to approve:

- a. A capital underwriting of up to £5m to be met from capital receipts to enable existing schemes to continue where there may be increased costs and to delegate authority to the Deputy Chief Executive and Director of Corporate Resources to allocate this funding as appropriate.
- b. The timetabling options for a successor savings programme as set out in paragraph 163.
- c. The Departmental savings targets as set out in paragraph 165.