



SCRUTINY COMMISSION – 8 SEPTEMBER 2025

MEDIUM TERM FINANCIAL STRATEGY – BUDGET MONITORING AND STRATEGY REFRESH

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

Purpose of the Report

1. The purpose of this report is to provide the members with an update on the County Council's short and medium term financial position in light of the current economic climate. The report will also detail the changes to the previously agreed 2025-29 capital programme following the latest review and will cover the specific revenue budget monitoring position as at the end of period 4 (the end of July).
2. A supplementary report setting out the details above is currently being finalised to ensure that it includes the most up to date information required, and this will be circulated to members and published on the County Council's website as soon as it is available.

Policy Framework and Previous Decisions

3. The Medium Term Financial Strategy (MTFS) for 2025/26 to 2028/29 was approved by the County Council on 19 February 2025. The MTFS forms part of the Budget and Policy Framework as set out in Part 4C of the Council's Constitution.

Timetable for Decisions

4. The Cabinet will consider a report on the MTFS position at its meeting on 12 September 2025, including the proposed changes to the previously agreed 2025-29 capital programme. The Cabinet will also be recommended to endorse additional investment in bank risk sharing products (capital release funds) in line with the Council's approved Treasury Management Strategy which permits up to a maximum investment of £20m at any one time.
5. The Cabinet will be asked to approve the draft MTFS 2026 to 2030 for consultation in December 2025. All Overview and Scrutiny Committees and the Scrutiny Commission will consider the draft MTFS in late January 2026 and the Cabinet will then make a final recommendation to the County Council in February 2026.

Recommendation

6. The Scrutiny Commission is asked to note the contents of the report.

Equality Implications

7. There are no equality implications arising from this report.

Human Rights

8. There are no human rights implications arising from this report

Circulation under the Local Issues Alert Procedure

9. None

Background Papers

Report to the County Council on 19 February 2025 - Medium Term Financial Strategy 2025/26 – 2028/29

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=134&MId=7391&Ver=4>

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