

EAST HERTS COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE – 5 FEBRUARY 2019

REPORT BY EXECUTIVE MEMBER FOR FINANCE AND SUPPORT
SERVICES

FINANCIAL SUSTAINABILITY STRATEGY 2019/2025

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

This report proposes a Financial Sustainability Strategy to be adopted for the use of both staff and members in the delivery of East Herts Medium Term Financial Plan for 2020 onwards. The proposed strategy has been “work in progress” for the last year for the Financial Sustainability Group and draws on all the discussions and proposals considered within that group.

**RECOMMENDATION(S) FOR OVERVIEW AND SCRUTINY
COMMITTEE: to recommend to the Executive that:**

(A)	The Financial Sustainability Strategy is adopted and used as the key methodology for delivering the Medium Term Financial Plan 2020 onwards.
(B)	The Financial Sustainability Group is embedded as a Financial Sustainability Board and holds delegated powers to invest in projects that meet the Financial Sustainability Strategy criteria.
(C)	A Capital sum is made available to the Financial Sustainability Board of £3m to invest in commercial income generating activity that achieves the Financial Sustainability Strategy key requirements.

1.0 Background

- 1.1 Financial Sustainability is regarded as the necessary direction of travel for local authorities across the country.
- 1.2 East Herts member and officer group has been meeting for over a year and has enabled the delivery of a number of cost saving schemes including the launch of the new Community Lottery.
- 1.3 Future years budget plans (post 2020) are not embedded across the council and therefore it is important that a strategy provides all stakeholders with the opportunity to start considering sustainable investment opportunities.
- 1.4 With the provision of a Financial Sustainability Board and a Financial Sustainability Strategy, the organisation will start to be able to react and respond to market opportunities.

2.0 Implications/Consultations

- 2.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

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