

Additional Information for Council consideration in relation to the MTFS

The attached letter was received by Cllr Nick Mannion on Thursday 20th February 2025 in respect of our ask for Exceptional Financial Support.

The Ministry of Housing, Communities and Local Government (MHCLG) confirmed in principle Exceptional Financial Support (EFS) up to £25.3m, to balance the budget shortfall for 2025/26. This matches the assumptions included in the report being considered by Council, as published, and includes the impact of the requested EFS.

The MHCLG announcement also confirms, in principle, that the council can use all of the previously approved EFS for years 2023/24 and 2024/25 – a total value of £17.6m – to cover the forecast funding shortfall in the 2024/25 financial year.

The ability to access EFS will help the council deal with immediate pressures and establish longer-term financial sustainability through investment in transformation and improvement. While this reduces the immediate pressures in the short-term, the support is not in the form of cash, it does bring additional costs to following years, as set out in the council's draft medium-term financial strategy 2025 to 2029.

This is only a short-term solution, and it will be important to continue to find additional funding, income and efficiency savings to reduce the need to use this support over the coming financial year. This aligns with messages in the Section 25 report of the Interim Executive Director of Finance.