

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting19th January 2017

1. Title of Item/Report

Medium Term Financial Plan

2. Record of the Decision

Consideration was given to a report that focussed on the financial performance and position at the end of the second quarter of the 2016/17 financial year and updated the Medium Term Financial Plan accordingly.

A table within the report detailed the projected budget outturn position for each directorate in 2016/17, based on information to 30th September 2016. The reasons for any significant variances (In excess of £100,000) were set out for each directorate. Officers would continue to manage budgets carefully and explore opportunities to reduce the projected pressure. This pressure would require to be funded from revenue balances.

As part of the Council's managed approach to delivery savings, a range of savings and reviews were agreed by Cabinet and Council in September 2015. Excellent progress was being made against the reviews and updates would be provided within the MTFP report.

As part of the programme, there were a number of reviews where it was agreed that further reports would be provided to Cabinet. A number of updates had been provided in respect of reviews completed and ongoing including:

- Care for Your Area
- Housing
- VCSE Support
- Community Transport
- Libraries
- Youth Services
- Children's Centres

A review was also underway within Community Safety Services. This would re-organise the service to target resources on areas of the Borough in most need and deliver savings and resolve the budget

pressure outlined within the report.

Additional savings were expected from re-commissioning a range of services and reviewing how a number of time limited schemes are funded. This saving would be included in the budget report.

The Capital Programme was attached to the report and summarised within the report.

The main revisions to the programme (those exceeding £100,000) were:-

1. A Section 106 footpath/cycleway Ingleby Barwick Manor Free School has been added to the capital programme.
2. Works to install a new synthetic bowling green in John Whitehead Park is being managed by the Council (£122,000), with external funding secured by the Bowling Club.

With regard to the New Homes Bonus, DCLG had announced their long awaited response to the consultation on the New Homes Bonus, together with 2017/18 allocations. The number of years that the scheme would be based upon (currently 6 years' in 2016/17) would reduce to 5 years in 2017/18 and 4 years from 2018/19 onwards. Crucially, the scheme would now also only reward growth in homes above 0.4% per annum. The impact on Stockton was a significant reduction in NHB income across the MTFP. The government was also considering options to further reduce NHB for homes built after appeal and where a council was deemed not to have a robust local plan.

RESOLVED that:-

1. The Medium Term Financial Plan (MTFP) and the current level of General Fund balances be noted.
2. The key issues from the Provisional Local Government Finance Settlement and the emerging issues for the MTFP be noted.
3. The revised Capital Programme attached at Appendix A be noted.

3. Reasons for the Decision

To update Members on the Medium Term Financial Plan.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

Councillor Steve Nelson declared a personal non prejudicial interest in respect of agenda item 12 – MTFP Update as he was a member of Tristar Board.

6. Details of any Dispensations

N/A

7. Date and Time by which Call In must be executed

Midnight, 27 January 2017

Proper Officer
23 January 2017