

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting13th December 2018

1. Title of Item/Report

Financial Update & Medium Term Financial Plan

2. Record of the Decision

Consideration was given to a report that presented the financial performance and position at the end of the second quarter of the 2018/19 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 2018/19, based on information to 30 September 2018. The reasons for any significant movement in variances from the last reported position (in excess of £100,000) were set out for each directorate.

The Council aimed to retain General Fund balances at a recommended level, currently £7,400,000. As reported to Cabinet previously the level of balances, and unutilised managed surpluses, exceeded the recommended level by £515,000. This sum of £515,000 was therefore available to support the MTFP, including to offset the projected pressures summarised in paragraph 1 of the report should these materialise at year end. The position would be kept under review throughout the remainder of the financial year and would be considered again as part of the next report in February.

The approved MTFP position in March 2018 was detailed within the report.

There were some areas of additional income which could be brought into the plan:-

- Business Rates
- New Homes Bonus
- Adult and Children's Social Care Grant

The Capital Programme was set out at Appendix A of the report and summarised in the table within the report.

£583,567 had been added to the capital programme to support the full demolition of Elm House, fully funded by Thirteen.

An additional £186,517 grant contribution for Phase 4 of the England Coastal Path had been added to the capital programme.

With regard to additional funding a £333,872 contribution from TVCA development funding had been added into the capital programme to fund feasibility works A689 Wynyard scheme, including a £117,549 repayment to LTP towards previous years costs.

The Plan had been updated to include the funding for highways maintenance (including potholes) and detailed plans were being developed.

The Department for Transport had confirmed £3,307,000 LTP Grant for 2019/20.

Members were provided with a note on the Provisional Local Government Finance Settlement 2019/20.

RESOLVED that:-

1. The Medium Term Financial Plan (MTFP) and the current level of General Fund balances be noted.
2. The recently announced Winter Pressures Funding for 2018/19 be used to support investments in Adult Social Care to support the management and prevention of pressures associated with winter.
3. The prudential borrowing required to fund additional costs associated with The Globe be supported in principle, with this being formally recommended for approval in the February report.
4. The position on the High Needs Block of the Dedicated Schools Grant be noted.
5. The emerging issues for the MTFP be noted.
6. The revised Capital Programme attached at Appendix B of the report 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 Nigel Cooke declared a personal prejudicial non pecuniary interest in respect of agenda item 7 - Financial Update & Medium Term Financial Plan as he was a member of Tees Music Alliance. Councillor Nigel Cooke withdrew from the meeting and left the room during consideration of the item.

Councillor Steve Nelson declared a personal non prejudicial interest in respect of agenda item 7 - Financial Update & Medium Term Financial Plan as he was a Director of Thirteen.

6. Details of any Dispensations

N/A

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

Midnight, 21 December 2018.

Proper Officer
17 December 2018