

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting21st February 2019

1. Title of Item/Report

Medium Term Financial Plan Update and Strategy

2. Record of the Decision

Consideration was given to a report on the Medium Term Financial Plan Update and Strategy.

This was the final report in setting the Council's 2019/20 Budget and Council Tax. The report also outlined the Medium Term Financial Plan (MTFP) position to 2023.

The MTFP report for 2019/20 to 2022/23 was attached and contained the following detail:

- Background and Context
- National Changes
- Financial Position at 31 December 2018
- 2019/20 Council Tax levels
- Medium Term Financial Plan 2019-23
- Capital Programme
- Business Rate Relief Scheme
- Pay Policy and Members Allowances
- Precept Levels
- Capital Strategy
- Treasury Management Strategy
- Investment Strategy

Attached to the report as appendices were the following:

- Capital Programme December 2018
- Capital Programme 2012-2020
- Pay Policy Statement
- Council Tax Statutory Requirements
- Capital Strategy
- Treasury Management Strategy
- Investment Strategy

The report outlined the Council Tax proposals and budget for 2019/20 and the indicative MTFP for the next three years.

The report updated the position from that reported to Cabinet and Council in February and March 2018 and in particular reflected the implications arising from the Autumn Budget 2018 and the Local Government Finance Settlement for 2019/20.

The Provisional and Final Financial Settlements had provided funding allocations for 2019/20 only, this being the final year of the four year settlement agreed with MHCLG. They confirmed further funding reductions which would make the difficult financial position faced by the Council even more challenging. The report also provided an update on future changes to Local Government Finance. These included the move to retention of a greater proportion of business rates by Local Authorities and the introduction of changes to the funding formulae. These were potentially major changes which were likely to have an impact on future council funding. This meant that the position for 2020/21 onwards, outlined in the report, needed to be treated with some caution.

The Council had a strong track record of prudent financial management and delivering savings early. This had enabled the use of reserves to support a planned and managed approach to addressing the financial challenges and this would continue.

RECOMMENDED to Council:-

COUNCIL DECISIONS

1. That in accordance with the Local Government Act 2003, Members note that the Section 151 Officer confirms that the following recommendations:
 - a. represent a robust budget which has been prepared in line with best practice;
 - b. provide adequate working balances;
 - c. that the controlled reserves and provisions are adequate for their purpose.

General Fund Budget

2. A 2019/20 Council Tax requirement for Stockton-on-Tees Borough Council of £89,143,441 be approved.
3. A 2019/20 Council Tax requirement for Stockton-on-Tees Borough Council inclusive of Parish Precepts (£870,287) of £90,013,728 be

approved.

4. The 2019/20 budget and indicative 2019/23 MTFP as outlined in paragraphs 37-39 be approved.

5. Prudential Borrowing of £2.5m to fund the additional costs associated with the Globe Theatre, which has previously been agreed in principle by Cabinet, be approved.

Business Rate Relief System

6. The changes introduced in the Spring and Autumn Budgets of 2017 and 2018 be noted.

Taxation

SBC

7. The Council Tax for Stockton-on-Tees Borough Council prior to Parish, Fire and Police Precepts be increased by 2.9% i.e. to £1,588.65 at Band D (£1,059.10 at Band A) be approved.

Fire, Police & Parish

8. The Police precept of £14,058,476 which equates to a Council Tax of £250.54 at Band D (£167.03 at Band A) be noted.

9. The Fire precept of £4,340,878 which equates to a Council Tax of £77.36 at Band D (£51.57 at Band A) be noted.

10. The Parish precepts as set out in paragraph 63 of the budget report be noted.

Capital

11. The Capital Programme attached at Appendix A & B be approved.

Organisational and HR

12. The Pay Policy Statement attached at Appendix C to the report be

approved.

Members Allowances

13. Members allowances be frozen for 2019/20. This will mean that these allowances have been frozen since 2013/14.

Council Tax - Statutory Requirements

14. The statutory requirements for Council Tax as shown in Appendix D be approved.

15. The current Local Council Tax Support Scheme be retained for the financial year 2019/20 (see paragraph 66 of the report)

Capital Strategy

16. The Capital Strategy as set out at Appendix E to the report be approved.

Treasury Management/Prudential Code

17. The Treasury Management Strategy as set out in Appendix F to the report be approved.

Investment Strategy

18. The Investment Strategy as set out at Appendix G to the report be approved.

CABINET DECISIONS

RESOLVED that:-

19. The Officer Appointments to outside bodies and governing bodies at Appendix C(2) be approved and noted.

3. Reasons for the Decision

To update Members on the Council's financial position.

4. Alternative Options Considered and Rejected

None.

5. Declared (Cabinet Member) Conflicts of Interest

Each of the Cabinet Members present declared a non-prejudicial interest in respect of agenda item 5 - Medium Term Financial Plan Update and Strategy and had a dispensation regarding any disclosable pecuniary interests they might have as Council Tax payers.

Councillor Nigel Cooke declared a personal non prejudicial interest in respect of agenda item 5 - Medium Term Financial Plan Update and Strategy as he was a member of Tees Music Alliance.

6. Details of any Dispensations

The Council's Monitoring Officer had granted a dispensation to all members of the Cabinet allowing them to participate in discussions and voting relating to the setting of the Council's Council Tax/Budget.

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

Midnight, Friday, 1 March 2018 for recommendation 19 only.

Proper Officer
25 February 2019