

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting20th February 2020

1. Title of Item/Report

Medium Term Financial Plan Update and Strategy

2. Record of the Decision

Consideration was given to the final report in setting the Council's 2020/21 Budget and Council Tax and outlining the Medium Term Financial Plan (MTFP) position to 2024. The report also included an update on the financial performance for 2019/20.

The 2019/20 financial position showed an overall improvement from the previous reported position but still showed a projected overspend. The main pressure being in Children in our Care which was a national position and there was significant work ongoing in this area.

The report outlined proposals for setting the 2020/21 budget and the projected MTFP. There remained significant uncertainty around Government funding for 2021 onwards and assumptions and estimates had therefore had to be made. The Provisional and Final Financial Settlements had provided funding allocations for 2020/21 only. This meant that the position for 2021/22 onwards, outlined in the report, needed to be treated with some caution.

Future Government funding was likely to be affected by:

- Government Spending Review
- Fair Funding Review
- Review of Business Rates Retention

Based on the assumptions in the report and subject to decisions on Council Tax levels, it was expected that the Council would have a balanced Budget for 2020/21 and a sustainable Medium Term Financial Plan. Members noted that 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. Approve a 2020/21 Council Tax requirement for Stockton-on-Tees Borough Council of £94,210,546.
3. Approve a 2020/21 Council Tax requirement for Stockton-on-Tees Borough Council inclusive of Parish Precepts (£905,908) of £95,116,454.
4. Approve the 2020/21 budget and indicative 2020/24 MTFP as outlined in paragraphs 36-37 and the level of General Fund Balances set out in paragraphs 18-19.

Business Rate Relief System

5. Note the changes introduced in recent Government budgets and the Ministerial Statement of 27 January 2020.

Taxation

SBC

6. Approve the Council Tax for Stockton-on-Tees Borough Council prior to Parish, Fire and Police Precepts be increased by 3.9%, which includes the Government Levy of 2% in respect of Social Care i.e. to £1,650.61 at Band D (£1,100.41 at Band A).

Fire, Police & Parish

7. The Council note the Police precept of £14,870,633 which equates to a Council Tax of £260.54 at Band D (£173.69 at Band A).
8. The Council note the Fire precept of £4,499,317 which equates to a Council Tax of £78.83 at Band D (£52.55 at Band A).

9. The Council note the Parish precepts as set out in paragraph 65 of the budget report.

Capital

10. Approve the Capital Programme attached at Appendix A & B.

Organisational and HR

11. Council approve the Pay Policy Statement at Appendix C.

Members Allowances

12. Approve that Members allowances are frozen for 2020/21. This will mean that these allowances have been frozen since 2013/14.

Council Tax - Statutory Requirements

13. Members approve the statutory requirements for Council Tax as shown in Appendix D.

14. Cabinet recommend to Council that the current Local Council Tax Support Scheme is retained for the financial year 2020/21 (see paragraph 68 of the report).

Capital Strategy

15. Approve the Capital Strategy as set out at Appendix E to the report, including the Flexible Use of Capital Receipts Policy and the MRP Strategy.

Treasury Management/Prudential Code

16. Approve the Treasury Management Strategy as set out in Appendix F to the report.

Investment Strategy

17. Approve the Investment Strategy as set out at Appendix G to the report.

CABINET DECISIONS

18. Cabinet approve and note the Officer Appointments to outside bodies and governing bodies at Appendix C(1).

3. Reasons for the Decision

1.The report outlines recommendations to Council to:

- Approve the 2020/21 budget, MTFP and Capital Programme
- Approve Council Tax
- Agree the Pay Policy Statement, Capital Strategy, Treasury Management Strategy and Investment Strategy.

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 Nelson declared a pecuniary interest in respect of the same item as he was a Director of Thirteen Group. Councillor Nelson withdrew from the meeting and left the room during consideration of the item.

Councillor Smith declared a personal, non-prejudicial interest in respect of the same item as his employer was referred to within the report.

Councillor Cooke declared a personal, non-prejudicial interest as a non-remunerated 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, 28 February 2020 for recommendation 18 only.

Proper Officer
24 February 2020