

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting8th December 2022

1. Title of Item/Report

Financial Update and Medium Term Financial Plan

2. Record of the Decision

Consideration was given to a report that reviewed the financial position in the current year (2022/23) and presented outline plans for the 2023/24 Budget and the Medium Term Financial Plan (MTFP). The recent Autumn Statement set out headline funding announcements for years 2023/24 and 2024/25. However the position from 2025/26 onwards was exceptionally uncertain and therefore figures were treated with some caution.

Members noted that the despite significant efforts around savings, inflationary pressures had continued and the projected position for 2022/23 was a gap of around £4m. Efforts would continue and if this gap materialised it would need to be funded from Reserves.

The report also outlined the indicative MTFP for future years. There were funding announcements as part of the Autumn statement and the level of funding that the Council would receive had been estimated. This would only be confirmed upon receipt of the Provisional Local Government Finance Settlement which was expected week commencing 19th December. The pressures around inflation, Children's Services and pay awards experienced in the current year had been projected forward based on estimates and the overall position was an estimated Budget Gap of around £7m.

As part of the Autumn Statement, the referendum limit had been increased to allow Council Tax and the Adult Social Care levy to be increased by an additional 1% for each, in 2023/2024 and with indications that this would continue beyond that. The Budget Report in February would consider the Council Tax levels and the approach to identifying the savings required.

The updated Capital Programme was set out at as appendix to the report and summarised within a table within the report. The Capital Programme would be updated in the report to Cabinet and Council in February 2023.

RESOLVED that:-

1. The updated financial position for 2022/23 be noted.
2. The revised Capital Programme at Appendix A of the report be noted.
3. The emerging issues for the MTFP be noted.
3. Reasons for the Decision

To update Members on financial performance in 2022/23 and to outline proposals for the 2023/24 Budget and MTFP based on latest available information.
4. Alternative Options Considered and Rejected

None.
5. Declared (Cabinet Member) Conflicts of Interest

None.
6. Details of any Dispensations

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

Midnight Friday 16 December 2022

Proper Officer
12 December 2022