

# Council

A meeting of Council was held on Wednesday, 22nd February, 2023.

**Present:** The Worshipful the Mayor (Cllr Ross Patterson); Cllr Helen Atkinson, Cllr Louise Baldock, Cllr Chris Barlow, Cllr Jim Beall, Cllr Pauline Beall, Cllr Jacky Bright, Cllr Carol Clark, Cllr Robert Cook, Cllr Nigel Cooke, Cllr Evaline Cunningham, Cllr Ian Dalgarno, Cllr Ken Dixon, Cllr Dan Fagan, Cllr Kevin Faulks, Cllr Luke Frost, Cllr Clare Gamble, Cllr John Gardner, Cllr Lynn Hall, Cllr Stefan Houghton, Cllr Barbara Inman, Cllr Niall Innes, Cllr Mohammed Javed, Cllr Eileen Johnson, Cllr Paul Kirton, Cllr Steve Matthews JP, Cllr Mrs Ann McCoy, Cllr David Minchella, Cllr Steve Nelson, Cllr Mrs Jean O'Donnell, Cllr Maurice Perry, Cllr Stephen Richardson, Cllr Tony Riordan, Cllr Andrew Sherris, Cllr Michael Smith, Cllr Lee Spence, Cllr Norma Stephenson O.B.E, Cllr Mick Stoker, Cllr Hugo Stratton, Cllr Ted Strike, Cllr Marilyn Surtees, Cllr Laura Tunney, Cllr Hilary Vickers, Cllr Steve Walmsley, Cllr Mrs Sylvia Walmsley, Cllr Alan Watson, Cllr Sally Ann Watson, Cllr Paul Weston, Cllr Bill Woodhead MBE and Cllr Barry Woodhouse.

**Officers:** Mike Greene (CE), Ged Morton, Julie Butcher, Peter Bell, John Devine, Michael Henderson (CS), Garry Cummings, Clare Harper (F,D&R&DCE), Martin Gray (ChS), Reuben Kench (CS,E&C), Ann Workman (A&H).

**Also in attendance:** Members of the public.

**Apologies:** Cllr Lisa Evans, Cllr Ray Godwin, Cllr Tina Large, Cllr Mick Moore, Cllr Lauriane Povey, Cllr Julia Whitehill.

## **C Welcome**

**71/22**

The Worshipful the Mayor welcomed everyone to the meeting and outlined the arrangements for the meeting.

## **C Declarations of Interest**

**72/22**

The meeting was advised that all Members had been granted a dispensation in respect of all decisions relating to the setting of the Council Tax and precepts and Members Allowances and did not need to individually declare those interests.

For transparency purposes Councillor Steve Nelson outlined that with regard to agenda item 4 – MTFP and Strategy he was a Director of Tees Active Leisure.

For transparency purposes Councillor Norma Stephenson outlined that with regard to agenda item 4 – MTFP and Strategy she was on the Board of Catalyst and Board of Hardwick in Partnership.

For transparency purposes Councillor Jim Beall outlined that with regard to agenda item 4 – MTFP and Strategy he was a Trustee of Tees Active Leisure and also the Chair of Eastern Ravens Trust.

For transparency purposes Councillor Nigel Cooke outlined that with regard to agenda item 4 – MTFP and Strategy he was a non-remunerated Director of Hardwick in Partnership and was also a non-remunerated Director of Tees Music Alliance.

For transparency purposes Councillor Ann McCoy outlined that with regard to agenda item 4 – MTFP and Strategy she was a member of Billingham Town Council and Chair of SDAIS.

For transparency purposes Councillor Kevin Faulks outlined that with regard to

agenda item 4 – MTFP and Strategy his daughter worked for Spark of Genius.

For transparency purposes Councillor Evaline Cunningham outlined that with regard to agenda item 4 – MTFP and Strategy she was a member of Eastern Ravens Trust.

For transparency purposes Councillor Eileen Johnson outlined that with regard to agenda item 4 – MTFP and Strategy she was a non-remunerated member of Teesside Airport Board.

## **C 73/22**      **Medium Term Financial Plan Update and Strategy**

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 2023/24 Budget and Council Tax and outlining the Medium Term Financial Plan (MTFP) position to 2026. The report also included an update on the financial performance for 2022/23.

The proposals in the Report would mean that the Council would have a balanced budget in 2023/24. The financial position over the medium term continued to be extremely uncertain in the context of a one-year financial settlement for local government and inflation. Projections indicated a budget gap in 2025, although given the uncertainties this position could become even more challenging.

In order to prepare for the future, address the budget gap and build further financial resilience, the Council would embark on a transformation programme to review services to deliver savings whilst aiming to maintain or improve service delivery.

The MTFP report for 2023/24 to 2025/26 was attached to the covering report.

The report also provided an update on the financial position for 2022/23. As reported previously, inflationary pressures were having a significant impact upon the financial position in 2022/23. The Council would continue to see increased costs in maintaining vital services.

The Report outlined the Council Tax proposals and Budget for 2023/24 and the indicative MTFP for the next two years.

It provided an update on the position from that reported to Cabinet and Council in February 2022 and in particular reflected implications arising from the Autumn Statement 2022 and the Local Government Finance Settlement for 2023/24.

The Provisional Financial Settlement had provided funding allocations for 2023/24 only. The Autumn Statement and policy statement provided national funding totals for some of the funding streams for 2024/25, but it was not known how this translated into individual local authority level funding settlements for this year, leaving 2024/25 uncertain. The period for 25/26 and beyond was even more unknown, with no information announced on this period, it therefore needed to be treated with some caution.

The Council had a long history of providing value for money and delivering strong financial management. This had again been reinforced by the External Auditor in the Audit Completion Report which was considered by the Audit and Governance Committee on 28 November 2022. The external auditor would produce the Annual Auditors Report for 2022/23 following the resolution of two issues external to the Council. These were a national issue regarding infrastructure assets and a delay to the audit of Teesside Pension Fund. Once these two issues were resolved, the Annual Auditors Report would be considered by the Audit and Governance Committee, then subsequently presented to Cabinet. As part of this approach, there was a strong track record of delivering savings and efficiencies and the Council remained well prepared for the challenges ahead.

Section 25 of the Local Government Finance Act 2003 required that when a local authority was agreeing its annual budget and setting its Council Tax, the Chief Finance Officer (Section 151 Officer) must report to it on the following matters:

- The robustness of the estimates made for the purposes of the Council Tax requirement calculations
- The adequacy of the proposed financial reserves

The Council was required to have due regard to this report when making decisions on the budget.

Moved by Cllr Bob Cook, seconded by Cllr Nigel Cooke:-

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 2023/24 Council Tax requirement for Stockton-on-Tees Borough Council of £108,606,509 be approved.
3. A 2023/24 Council Tax requirement for Stockton-on-Tees Borough Council inclusive of Parish Precepts (£965,245) of £109,571,754 be approved.
4. The 2023/24 budget and indicative 2023/26 MTFP as outlined in paragraphs 27 - 54, the level of General Fund Balances and the release of reserves to balance the 2022/23 in year financial position as set out in paragraphs 21-26 be approved.

Taxation

SBC

5. The Council Tax for Stockton-on-Tees Borough Council prior to Parish, Fire and Police Precepts be increased by 4.9%, which includes the Government Levy of 2% in respect of Social Care i.e. to £1,851.18 at Band D (£1,234.12 at Band A) be approved.

#### Fire, Police & Parish

6. The Council note the Police & Crime Commissioner is proposing a precept of £17,056,780 which equates to a Council Tax of £290.73 at Band D (£193.82 at Band A).

7. The Council note the Fire Authority is proposing a precept of £5,095,972 which equates to a Council Tax of £86.86 at Band D (£57.91 at Band A).

8. The Council note the Parish precepts as set out in paragraph 79 of the budget report.

#### Capital

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

#### Organisational and HR

10. The Pay Policy Statement including the pay and grading structure at Appendix C and C(1) be approved.

#### Members Allowances

11. Members allowances be frozen for 2023/24. This will mean that these allowances have been frozen since 2013/14.

#### Attendance at Court

12. The updated job titles for posts who may lay complaint, appear at court, prosecute and defend in all matters relating to the collection and enforcement of Council Tax, Business Rates (NNDR) and the Business Improvement District levy be approved and noted.

#### Council Tax - Statutory Requirements

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

14. The Council must set its Local Council Tax Reduction scheme annually by 11 March of the preceding financial year. Cabinet therefore recommends to Council that the current Local Council Tax Reduction Scheme is retained for the financial year 2023/24 incorporating the updates for the prescribed requirements in regulations and with an updated income table at Schedule 1 to reflect increased income levels as a result of updated benefit figures.

15. That the Director of Finance, Development and Regeneration and Deputy Chief Executive be given delegated authority, in consultation with the Leader, to

make further adjustments to the income table and/or disregard additional funds should the government issue revised publications with regards to these matters after 22nd February to ensure that Government's intentions for additional support is maintained.

### Capital Strategy

16. The Capital Strategy as set out at Appendix E to the report, including the Flexible Use of Capital Receipts Policy and the MRP Strategy be approved.

### Treasury Management/Prudential Code

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

18. The Treasury Management Policy and Treasury Management Practices as set out in Appendix G to the report be approved.

### Investment Strategy

19. The Investment Strategy as set out at Appendix H to the report be approved.

A motion was moved by Councillor Ted Strike, seconded by Councillor Steve Matthews, that the substantive motion be amended as follows:-

### Revised Recommendations

2 Approve a 2023/24 Council Tax requirement for Stockton-on-Tees Borough Council of £108,089,050.

3 Approve a 2023/24 Council Tax requirement for Stockton-on-Tees Borough Council inclusive of Parish Precepts (£965,245) of £109,054,295.

5 Approve the Council Tax for Stockton-on-Tees Borough Council prior to Parish, Fire and Police Precepts be increased by 4.4%, which includes the Government Levy of 2% in respect of Social Care i.e. to £1,842.36 at Band D (£1,228.24 at Band A).

### Detail

1. Paragraph 40 of the report is revised to show an increase in core Council Tax of 2.4% for 2023/24 and implement the full Adult Social Care levy of 2% increase. The impact of a 4.4% increase in 2023/24 would be £1 per week (Band A) and £1.49 per week (Band D).

2. Include a further mitigating action in paragraph 35;

• Defer SIRF for one year and withdraw support for the Festival of Thrift. This will result in savings of

2023/24	2024/25	2025/26
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	£'000	£'000	£'000
SIRF (defer in 2023/24)	(420)		
Festival of Thrift (withdraw support)		(120)	(120) (120)
Total	(540)	(120)	(120)

This would mean that the revised MTFP position would be as follows

Approach to delivering Savings	2023/24	2024/25	2025/26
	£'000	£'000	£'000
Budget Gap per Paragraph 36	2,019	3,277	5,688
Saving	(540)	(120)	(120)
Budget Gap (+) / Surplus (-)	1,479	3,157	5,568

3 Table 44 would be revised as follows

	2023/24	2024/25	2025/26
	£'000	£'000	£'000
Budget Gap (+) / Surplus (-)	1,479	3,157	5,568
Core Council Tax Increase 2.4% 23/24 (1.9% 24/25 onwards)			(518) (538)
	(560)		
Social Care Precept Increase 2% 23/24 (1% 24/25 onwards)			(1,035)
	(1,076)	(1,118)	
Budget Gap (+) / Surplus (-)	(74)	1,543	3,890

4 This results in a balanced budget for 2023/24, with an increased projected gap across the MTFP of £1.5m in 2024/25 rising to £3.9m in 2025/26.

Following a debate a recorded vote then took place on the amendment to the substantive motion.

For the amendment:-

Cllr Steve Matthews and Cllr Ted Strike.

Against the amendment:-

Cllr Helen Atkinson, Cllr Louise Baldock, Cllr Chris Barlow, Cllr Jim Beall, Cllr Pauline Beall, Cllr Jacky Bright, Cllr Carol Clark, Cllr Robert Cook, Cllr Nigel Cooke, Cllr Evaline Cunningham, Cllr Ian Dalgarno, Cllr Ken Dixon, Cllr Dan Fagan, Cllr Kevin Faulks, Cllr Luke Frost, Cllr Clare Gamble, Cllr John Gardner, Cllr Lynn Hall, Cllr Stefan Houghton, Cllr Barbara Inman, Cllr Niall Innes, Cllr Mohammed Javed, Cllr Eileen Johnson, Cllr Paul Kirton, Cllr Mrs Ann McCoy, Cllr David Minchella, Cllr Steve Nelson, Cllr Mrs Jean O'Donnell, Cllr Maurice Perry, Cllr Stephen Richardson, Cllr Tony Riordan, Cllr Andrew Sherris, Cllr Michael Smith, Cllr Lee Spence, Cllr Norma Stephenson O.B.E, Cllr Mick Stoker, Cllr Hugo Stratton, Cllr Marilyn Surtees, Cllr Laura Tunney, Cllr Hilary Vickers, Cllr Steve Walmsley, Cllr Mrs Sylvia Walmsley, Cllr Alan Watson, Cllr Sally Ann Watson, Cllr Paul Weston, Cllr Bill Woodhead MBE and Cllr Barry Woodhouse.

Abstention:-

Cllr Ross Patterson.

The amendment was not carried.

Following a debate a recorded vote then took place on the substantive motion.

For the substantive motion:-

Cllr Helen Atkinson, Cllr Louise Baldock, Cllr Chris Barlow, Cllr Jim Beall, Cllr Pauline Beall, Cllr Carol Clark, Cllr Robert Cook, Cllr Nigel Cooke, Cllr Evaline Cunningham, Cllr Ian Dalgarno, Cllr Kevin Faulks, Cllr Clare Gamble, Cllr Barbara Inman, Cllr Mohammed Javed, Cllr Eileen Johnson, Cllr Paul Kirton, Cllr Mrs Ann McCoy, Cllr Steve Nelson, Cllr Mrs Jean O'Donnell, Cllr Michael Smith, Cllr Norma Stephenson O.B.E, Cllr Mick Stoker, Cllr Marilyn Surtees, Cllr Steve Walmsley, Cllr Mrs Sylvia Walmsley, Cllr Paul Weston and Cllr Barry Woodhouse.

Against the substantive motion:-

Cllr Jacky Bright, Cllr Dan Fagan, Cllr Luke Frost, Cllr John Gardner, Cllr Lynn Hall, Cllr Stefan Houghton, Cllr Niall Innes, Cllr Steve Matthews JP, Cllr David Minchella, Cllr Stephen Richardson, Cllr Tony Riordan, Cllr Andrew Sherris, Cllr Lee Spence, Cllr Hugo Stratton, Cllr Ted Strike, Cllr Laura Tunney, Cllr Hilary Vickers, Cllr Alan Watson and Cllr Sally Ann Watson.

Abstentions to the substantive motion:-

Cllr Ken Dixon, Cllr Ross Patterson, Cllr Maurice Perry and Cllr Bill Woodhead.

The substantive motion was carried.

RESOLVED that:-

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;
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18. The Treasury Management Policy and Treasury Management Practices as set out in Appendix G to the report be approved.

#### Investment Strategy

19. The Investment Strategy as set out at Appendix H to the report be approved.

At its meeting held on 13 February 2023 Cabinet RESOLVED that:-

20. The Officer Appointments to outside bodies and governing bodies at Appendix C(1) be approved and noted.