

REPORT TO COUNCIL

18 FEBRUARY 2026

**REPORT OF CORPORATE
MANAGEMENT TEAM**

COUNCIL DECISION

Resources and Transport - Lead Cabinet Member – Councillor Paul Rowling

MEDIUM TERM FINANCIAL PLAN (MTFP) UPDATE AND STRATEGY

Summary

This is the final report in setting the Council's 2026/27 Budget and Council Tax and outlining the Medium Term Financial Plan (MTFP) position to 2029. The report also includes an update on the financial performance for 2025/26.

The report outlines the budget for 2026/27 and indicative MTFP for future years. The provisional finance settlement was announced on 17 December 2025, and this indicated the funding for 2026/27 along with indicative allocations for 2027/28 and 2028/29. The final local government finance settlement was announced on 9th February 2026.

The MTFP provides an indicative financial envelope to support sustainable decision making and prioritisation over the planning period. It will be reviewed and refreshed annually to reflect updated demand, inflation, funding assumptions and delivery progress.

Like many councils across the country, the Council continues to see greater demand for council services and rising costs which has resulted in overspending against its budget. The areas that we are experiencing the greatest budgetary challenges are Adults Social Care, Children's Social Care and Home to School Transport. As a result, the Council has needed to use reserves to dampen the impact; we need to ensure we have healthy reserves to mitigate for future unpredicted pressures and therefore these need to be replenished. This report includes a Reserves Policy outlining the plan of how this will be achieved.

Across the MTFP the Council is predicting the continued rising demand and cost pressures we have seen in recent years will continue, which will exceed the increase in funding available. This has resulted in a budget gap of £6.7m in 2026/27, with a predicted budget gap of £13.8m in 2027/28 and £18.4m in 2028/29.

In response to bridging this gap, a renewed Phase 2 of the Powering Our Future programme encompassing Outcome based reviews, Council wide initiatives and efficiency reviews has been identified. This programme builds on the positive progress made through the Powering our Futures Phase 1 transformation reviews already identifying £9.9m of savings by 2028/29. Residents feedback through the Let's Talk Money budget consultation has been used to help identify the areas for review.

The scale and pace of savings required, particularly in the later years of the plan, represents a significant delivery challenge. While the Council has a strong track record through Phase 1 of Powering Our Futures, Phase 2 will require early validation of assumptions, rigorous governance through the established gateway process, and regular reporting to Members. Given the current low level of reserves, timely corrective action will be required where delivery risk emerges, including adjusting sequencing, scope or mitigations as necessary.

Reasons for Recommendation(s)/Decision(s)

The report outlines recommendations to Cabinet in respect of Cabinet and Council decisions in relation to:

- 2026/27 budget, MTFP and Capital Programme
- Council Tax
- Reserves Policy
- Fees and Charges Policy
- Capital Strategy, Treasury Management Strategy and Investment Strategy, Organisational and HR, Members Allowances

Recommendations

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) set out that reserves and provisions are adequate for their purpose.

General Fund Budget

2. Approve a 2026/27 Council Tax requirement for Stockton-on-Tees Borough Council of £134,206,810
3. Approve a 2026/27 Council Tax requirement for Stockton-on-Tees Borough Council inclusive of Parish Precepts £135,318,668.
4. Approve the 2026/27 budget and indicative 2027/29 MTFP as outlined in paragraphs 54-129, the level of General Fund Balances and the release of reserves to balance the 2025/26 in year financial position as set out in paragraphs 13-43.

5. Note the outcome of the Let's Talk Money Budget Consultation as set out in paragraphs 44-46 and in **Appendix A** to the report
6. Approve the reserves policy at **Appendix B**
7. Approve £1.428m of capital receipts to be applied to the capital programme, as set out in paragraphs 39-41, for the following interventions:
 - Therapeutic Children's Home
 - Xentrall ICT Network
 - Accommodation
 - Replacement Vehicle Ramps
 - Parks Improvements Programme
 - Foster Carer adaptations
8. This will allow £1.428m of Council resources previously earmarked for the above schemes to be transferred into the Transformation Reserve.
9. Approve prudential borrowing of £6.5m to fund vehicle replacement purchases over the next three years, with members noting the borrowing repayments will be variable each year reflective of annual spending requirements, described in paragraphs 61-69 and call on the MTFP outlined at paragraph 99.
10. Approve prudential borrowing of £1m to fund the resurfacing of Wellington Square Car Park with annual borrowing repayments of £80,000 per annum, provided for within the MTFP, and modify the pre-existing borrowing approvals accordingly.

Taxation

SBC

11. Approve the Council Tax for Stockton-on-Tees Borough Council prior to Parish, Fire and Police Precepts be increased by 4.95%, which includes the Government Levy of 2% in respect of Social Care, i.e. to £2,139.91 at Band D (£1,426.61 at Band A).

Fire, Police & Parish

12. The Council note the Police & Crime Commissioner is proposing a precept of £20,867,528 which equates to a Council Tax of £332.73 at Band D (£221.82 at Band A).
13. The Council note the Fire Authority is proposing a precept of £6,237,743 which equates to a Council Tax of £99.46 at Band D (£66.31 at Band A).
14. The Council note the Parish precepts as set out in paragraph 143 of the budget report

Capital

15. Approve the Capital Programme attached at **Appendix G & H**.

Council Tax - Statutory Requirements

16. Members approve the statutory requirements for Council Tax as shown in **Appendix I - to follow for Council**

17. The Council must set its Local Council Tax Reduction (CTR) 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 2026/27 incorporating the updates for the prescribed requirements in regulations and to reflect updated income figures in the table at Schedule 1. The scheme is available here www.stockton.gov.uk/CTR.
18. That the Chief Finance Officer be given delegated authority, in consultation with the Cabinet Member for Resources and Transport, 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 18 February, to ensure that Government's intentions for additional support is maintained.

Capital Strategy

19. Approve the Capital Strategy as set out at **Appendix J** to the report, including the Flexible Use of Capital Receipts Strategy and the Minimum Revenue Provision Strategy.

Treasury Management/Prudential Code

20. Approve the Treasury Management Strategy as set out in **Appendix K** to the report.

Investment Strategy

21. Approve the Investment Strategy as set out at **Appendix L** to the report.

Organisational and HR

22. Council approves the Pay Policy Statement including the pay and grading structure at **Appendix M**.

Members Allowances

23. Approve that Members allowances are frozen for 2026/27. This will mean that these allowances have been frozen since 2013/14.

Fees and Charges Policy

24. Council note the Fees and Charges Policy and associated estimates of income generation attached at **Appendix C** to the report

Detail

1. The MTFP report for 2026/27 to 2028/29 is attached.
2. The report also provides an update on the financial position for 2025/26. There is a slight improvement in the forecast position reducing the overspend by (£190,000). The anticipated overspend position will require funding from reserves.
3. The Report outlines the Council Tax proposals and Budget for 2026/27 and the indicative MTFP for the following two years.

4. It provides an update on the position from that reported to Cabinet and Council in February 2025 and reflects implications arising from the provisional Local Government Finance Settlement for 2026/27.
5. On 17 December 2025 MHCLG announced the Provisional Local Government Finance Settlement for 2026/27 and the provisional settlements for 2027/28 and 2028/29. This will be the first multi-year settlement in over a decade. This confirmed the outcome of the Fair Funding Review 2.0 and presented information at a local authority level. The Final Local Government Finance Settlement was announced on 9th February 2026.
6. The report includes an update on the Powering our Futures transformation Phase 1 reviews and the identified savings totalling £9.9m by 2028/29. The report also identifies a Phase 2 for Powering our Futures, focused on delivering improvements and savings at a faster pace due to the size and profile of the budget gap. This will include several Outcome Based Reviews, Council wide initiatives and efficiency reviews.
7. As a result of the growing cost to maintain Council services and limited funding, the Council's reserves have reduced over several years. The reserves are now at a level where they need to be replenished to ensure the Council's ongoing financial resilience. Delivering savings at this scale and pace, particularly with limited reserves, carries inherent risk. Ongoing commitment from both Officers and Members will be essential to ensure the required outcomes are delivered.
8. The Council has a long history of providing value for money and delivering strong financial management. This has again been reinforced by the External Auditor in the Independent Auditors Annual Report on the 2023/24 accounts, which was issued in February 2025. In the report the auditors, Forvis Mazars state *"We did not identify any significant weakness in the Councils arrangements to ensure economy, efficiency and effectiveness in its use of resources"*.
9. Section 25 of the Local Government Finance Act 2003 requires that when a local authority is 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 is required to have due regard to this report when making decisions on the budget. The report is attached at **Appendix F**.

Community Impact and Equality and Poverty Impact Assessment (EPIA)

10. As part of the process of making changes to policy or delivery of services, we consider the impact on our communities. The impact on communities will be considered and EPIA completed, in line with any saving proposals once these are developed.

Corporate Parenting Implications

11. None.

Financial Implications

12. To update the MTFP position for 2026/27 – 2028/29 and recommend the budget for 2026/27.

Legal Implications

13. None.

Risk Assessment

14. The MTFP update report is categorised as high risk. The MTFP is included within the Council's Strategic Risk Register. The report identifies a large budget gap across the period of the Medium Term Financial Plan and a level of reserves that require increasing to ensure financial resilience. The report identifies a robust plan to correct these issues. Constant and frequent monitoring will be ongoing to measure delivery of the plan and the risk level revised in line with this. Further detail on the risks can be found at paragraph 128 of the report.

Wards Affected and Consultation with Ward/ Councillors (refer to Concordat for Communication and Consultation with Members)

15. N/A.

Background Papers

16. Financial Update and MTFP (2025-26 Quarter 2) - Report to Cabinet – 11 December 2025.

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MEDIUM TERM FINANCIAL PLAN

AND BUDGET

2026/27

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SECTION 1 – NATIONAL CHANGES

Funding Position

1. The Government announced the Local Government Finance Policy Statement on 20 November 2025. This statement included the Government response to the Fair Funding Review 2.0 consultation, and other measures which will be delivered through the 2026/27 Local Government Finance Settlement. Alongside this they have also published a policy statement on resetting the business rates retention system from 2026 to 2027.
2. On 17 December 2025 MHCLG announced the Provisional Local Government Finance Settlement for 2026/27, together with indicative funding allocations for 2027/28 and 2028/29. This represents the first multi-year settlement in over a decade. While indicative allocations have been provided for future years, these remain subject to change and will be influenced by future Spending Review decisions. The Provisional Settlement confirmed the outcome of the Fair Funding Review 2.0 and, for the first time, presented information at a local authority level. The Final Local Government Finance Settlement was announced on 9th February 2026. There were no significant changes to the allocations within the provisional settlement and included an announcement regarding the Dedicated Schools Grant Deficits, with further information anticipated to follow as part of the Schools White Paper. Further information will be brought through to members in future MTFP updates.
3. The Provisional settlement provided grant funding allocations, Council Tax referendum Principles and Business rates retention arrangements. It is important to note that the Government's Settlement Funding Assessment (SFA) is calculated on the assumption that councils will raise council tax to the maximum permitted.
4. The provisional settlement confirms several key aspects of the Fair Funding Review 2.0, including:
 - The introduction of a new Fair Funding Assessment to distribute resources based on updated measures of need and resources reflected in Relative Needs Formula.
 - A full reset of the Business Rates Retention system from 2026–27. The reset of the Business Rates Retention system will remove the Council's locally retained growth since the last reset, rebasing funding in line with need and resource assessments.
 - Continuation of the Recovery Grant, which was introduced for the first time in 2025/26 with the aim of providing funding to areas with greater need and demand for services, for the next three years.
 - The continued ringfencing of the Local Authority Better Care Grant through the Better Care Fund.
 - Transitional arrangements will see damping applied to cushion the impact of funding changes to individual local authorities because of the new formulas. This is funded

from within the overall national total of funding available to fund local authorities and is applied across the three-year settlement period.

5. Significant funding simplification of local government funding, with the consolidation of over 30 separate funding streams worth over £56 billion over the three years (2026/27 to 2028/29) of the multi-year settlement. This includes the rolling in of 18 funding streams into the 2026-27 Revenue Support Grant, worth nearly £35 billion over the three years. As well as bringing all prior business rates under indexation compensation funding, worth £9.7 billion over three years into the 2026-27 Revenue Support Grant.
6. Four new consolidated grants have been created from 2026-27, worth £21.5 billion over the three years of the multi-year Settlement.
7. The Homelessness, Rough Sleeping and Domestic Abuse Grant will bring together the following funding streams into a single consolidated grant, and will be worth a total of over £2.4 billion over the three years of the multi-year settlement:
 - The Prevention, Relief and Staffing element of the Homelessness Prevention Grant (HPG), worth almost £1.1 billion,
 - Rough Sleeping Prevention and Recovery Grant (RSPARG) and Rough Sleeping Accommodation Programme (RSAP) funding, worth £879 million, and
 - The Domestic Abuse Safe Accommodation Grant, worth £499 million.
8. The Children, Families and Youth Grant will bring together the following five funding streams into a single consolidated grant, and will be worth £3.1 billion over the three years of the multi-year Settlement:
 - Funding for the Families First Partnership programme worth over £2.4 billion. Consisting of: The Children's Social Care Prevention Grant, worth £809 million; Families First Partnership programme funding (previously Supporting Families) within the Children and Families Grant, worth £760 million; and new funding worth £866 million. This includes £319 million from the Transformation Fund announced at the Spending Review and £547 million confirmed in the Policy Statement.
 - The Holiday, Activities and Food Grant (HAF), worth over £623 million. This includes funding worth £12.9 million for the 2026-27 financial year to support local authority capacity on school-age childcare during school term-time and holidays.
 - The Pupil Premium Plus Post-16 Grant, worth £41.5 million.
9. From April 2026, funding from the following will be consolidated into the Public Health Grant (PH Grant), and will be worth £13.45 billion over the three years of the multi-year Settlement:
 - Drug and Alcohol Treatment and Recovery Improvement Grant (DATRIG), worth £1 billion. This includes the Rough Sleeping Drug and Alcohol Treatment grant.
 - Individual Placement and Support Grant (IPSG), worth £67.3 million.

- Local Stop Smoking Services and Support Grant (LSSSSG), worth £210 million.
 - Swap to Stop scheme, worth £50 million.
10. The Crisis and Resilience Fund (CRF) will bring together the Household Support Fund and Discretionary Housing Payments funding into a single consolidated grant and will total £2.5 billion over the three years of the multi-year Settlement.

SECTION 2 - FINANCIAL POSITION TO 31 DECEMBER 2025

11. Members will be aware that the report to Cabinet in December detailed growing demand for Council services and the increased cost of delivery is putting pressure on several budget headings. The most recent report forecast a potential pressure of £4.127m by the end of the financial year.
12. The following table details the projected budget outturn position for each Directorate in 2025/26, based on information to 30 December 2025:

Directorate	Annual Budget £'000	Projected Outturn £'000	Projected Variance Q3 Over/ (Under) £'000	Projected Variance Q2 Over/ (Under) £'000	Movement from Q2 £'000
Adults, Health & Wellbeing	107,025	107,741	716	1,022	(306)
Children's Services	63,735	66,876	3,141	2,677	464
Community Services, Environment & Culture	58,246	59,139	893	826	67
Finance, Transformation & Performance	14,576	13,695	(881)	(373)	(508)
Regeneration & Inclusive Growth	3,301	3,241	(60)	36	(96)
Corporate Services	12,203	11,947	(256)	(311)	55
Corporate Items	6,650	5,734	(916)	(1,050)	134
Total	265,736	268,373	2,637	2,827	(190)
Pay Offer	0	600	600	600	0
Transformation Savings Shortfall	0	700	700	700	0
Revised Total	265,736	269,673	3,937	4,127	(190)

Reasons for movements since Quarter 2 over £100,000

Adults, Health and Wellbeing

13. Demand and fee pressures for residential services for people with Learning Disabilities has increased in the quarter, generating a further increased projected overspend of £543,000. Demand for residential services for people with mental health conditions, has also increased since Quarter 2, with a further projected overspend of £162,000.
14. There has been a reduction in estimated expenditure on residential services for Older People (£100,000). Costs associated with direct payments are expected to be lower along with additional contributions from clients who are receiving Care at Home, generating an additional saving of (£341,000).
15. Discussions are ongoing with the North East and North Cumbria Integrated Care Board to agree the most appropriate use of the Better Care Fund pooled budget to mitigate pressures across Adult Social Care. Further funding of £300,000 to contribute towards this has been included with the updated figures for Quarter 3.

16. There are further anticipated savings within the Housing Service, mostly due to staffing vacancies of (£133,000).

Children's Services

17. There has been an increase in children in fostering placements, leading to an anticipated further overspend of £135,000 against the fostering budget line. However, if these children had been unable to be placed in foster care, and we had to use residential placements, this would have been a significantly greater cost.
18. Placement costs for children in supported accommodation arrangements are projected to be more expensive and leading to a pressure of £240,000 by the end of the financial year.
19. Recruitment of Education Psychologists continues to be a challenge and is a recognised national issue for Local Authorities. Due to the on-going need to use external professionals to deliver assessments, the budget is projected to be overspent by a further £160,000.
20. There are still several vacancies across the service leading to a further projected underspend (£320,000). This is offset by several smaller pressures on expenditure budgets (£234,000).

Community Services, Environment and Culture

21. There has been an increase in costs associated with waste collection and disposal of £237,000. These stem from an increase in tonnages and the use of agency staff.
22. The income within the crematorium is lower than forecast. This is generating a cost pressure of £119,000.
23. Like many Council's across the country, we continue to see an increase in numbers of young people eligible for Home to School Transport. This is resulting in a further pressure of £205,000 against the budget.
24. As members will be aware, the December 2025 Car Parking report approved the re-introduction of the first hour of car parking being free in Yarm and Stockton until the end of the financial year. This has resulted in the loss of income in SBC car parks of £170,000. The service has undertaken a thorough review of grants covering both capital and revenue and optimising these, which will mitigate this pressure and overall has resulted in an additional income of (£460,000).
25. Due to a range of factors, there is expected to be a saving of (£300,000) on utilities. This is because of, the closure of several buildings, alongside a reduction in energy prices – this is usually a lagged effect due to the fact it is purchased in advance on behalf of the region by NEPO.

Finance, Transformation and Performance

26. There are further additional salary savings expected across the directorate (£311,000), along with additional income related to debt recovery (£117,000) and maximisation of

grants (£111,000) which are anticipated to improve the position by £500,000 at the year end.

Regeneration and Inclusive Growth

27. There have been no significant movements in the projected position for the Regeneration and Inclusive Growth directorate.

Corporate Services

28. There have been no significant movements in the projected position for the Corporate Services directorate.

Corporate Items

29. There have been no significant movements in the projected position for the Corporate Items directorate.

Dedicated Schools Grant

30. The Dedicated Schools Grant (DSG) is a ringfenced grant the Council receives to deliver defined education services including Schools, Early Years and Special Educational Needs (High Needs). The grant is awarded by the Department for Education on an annual basis, and the amount is determined by a national formula. Members will recall from the December report that we are experiencing growing demand in services and costs for pupils with Special Educational Needs (SEND). This is also true of many Councils across the Country.
31. The Dedicated Schools Grant is accounted for in a separate ring-fenced account and guidance states that any deficit should not be funded from the Council's General Fund. This deficit is therefore not included within the Council's overall budget gap. The deficit was at £6.72m at 31 March 2025. The position as reported for Quarter 2 in the December report was a projected deficit of £11.37m. This forecast has been updated and now anticipated to be £13.62m by 31 March 2026. The main reasons for the estimated growth in budget deficit is increased demand in the number of children with SEND and increased complexity of need generating higher top-up payments per child.
32. The £2.25m increase between Quarter 2 and Quarter 3 monitoring position relates to an increase in top-ups, additional and exceptional funding allocated to schools (mainstream and special) plus an increase in independent school placements. Also, further tutoring costs incurred under Section 19 provision (Education Act 1996) where pupils are unable to attend school.
33. The DSG position is being closely monitored, and mitigating actions have been developed as part of the Delivering Better Value Programme (DBV). Regular reports are presented to the Schools Forum and financial updates included as part of the MTFP.
34. The Ministry of Housing, Communities and Local Government (MHCLG) amended the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 to introduce a statutory override where a DSG deficit at the end of a financial year must

not be charged to a revenue account and instead must be charged to an account established solely for the purpose of recognising deficits in the schools budget. This accounting practice has the effect of separating schools budget deficits from the local authority General Fund and means that these deficits are not charged to the General Fund. The statutory override is due to expire at the end of the 2027/28 financial year.

35. The government announced as part of the Provisional Local Government Finance Settlement that future funding implications will be managed within the overall government Departmental Expenditure Limits envelope, such that the government would not expect local authorities to need to fund future special educational needs costs from general funds. The government has also confirmed that it will bring forward a full Schools White Paper early in the new year. This will set out substantial plans for reform of special educational needs (SEND) provision to deliver a sustainable system which – first and foremost – supports children and families effectively, and which is also financially sustainable. The government will set out further details on its plans to support local authorities with historic and accruing deficits and conditions for accessing support.

General Fund Balances and Earmarked Reserves

36. Local authorities are required to retain a prudent level of funds, to support financial stability in the event of emergency or unforeseen events. These are called General Fund balances. The Council aims to retain General Fund Balances at a prudent level, currently at £8,000,000. This figure has remained unchanged since 2022/23. The Council also holds a number of earmarked reserves which are all committed for specific purposes.
37. Should the projected position for the current financial year 2025/2026, summarised in the paragraphs above materialise, the Council will need to utilise £3.937m of resources to fund this.
38. Due to rising demand and costs of services which has exceeded income, the Council has used reserves to dampen the impact of financial pressures in this way over recent years. As a result reserves have reduced and in order to be at a sustainable level to mitigate future potential unforeseen financial pressures, we need to replenish reserves. In preparation for setting the 2026/2027 budget a review has been undertaken to assess the appropriate level of General Fund balances and earmarked reserves considering the Council's MTFP.
39. The Capital Scheme Reserves include funding set aside from revenue budgets to partially or wholly fund capital schemes. From the sale of assets prior to 31 December 2025, the Council have received a number of capital receipts totalling £1.428m. These receipts can be used as an alternative to fund these schemes. This will release £1.428m from the Capital Reserve which can be moved to the Transformation Reserve.
40. The £1.428m capital receipts will be applied to partially fund the following schemes:
 - Therapeutic Children's Home
 - Xentrall ICT Network
 - Accommodation

- Replacement Vehicle Ramps
 - Parks Improvements Programme
 - Foster Carer adaptations
41. The anticipated profile of spend against these projects is across the current financial year and future financial years. In applying the capital receipts, it reduces the drawdown against reserves in the current and future years. There is a planned use of reserves across the MTFP period included within the reserves policy.
42. As the Council progresses through its Strategic Asset Management Plan (SAMP) it is anticipated further capital receipts will be received in the short to medium term. Consideration will be given as to the most appropriate use for these, with a primary focus on supporting the financial sustainability of the Council. This could include the utilisation towards Flexible Use of Capital Receipts. Any intended use will be brought back to Cabinet/Council for any subsequent approval.
43. The table below reflects the anticipated balances of reserves (excluding school reserves) as at the end of the financial year, after funding the projected overspend in 2025/2026 and reallocating Revenue Reserves:

Earmarked Reserves	Adjusted Opening Balance	Forecast Movement 25/26	Forecast Opening Bal 26/27
	£'000	£'000	£'000
Capital Scheme Reserves	(6,693)	4,196	(2,497)
Insurance Fund	(5,193)	500	(4,693)
Service Development & Improvement	(3,457)	2,286	(1,171)
Partnership / Statutory Reserves	(2,474)	798	(1,676)
Transformation & Implementation	(2,207)	(135)	(2,342)
MTFP Support Reserve	(2,213)	2,213	0
Pooled Funds and Interest Rate Risk	(1,962)	962	(1,000)
PFI Scheme Liability	(1,547)	15	(1,532)
Public Health Reserve	(1,175)	888	(287)
Total	(26,921)	11,723	(15,198)

SECTION 3 – MEDIUM TERM FINANCIAL PLAN 2026-2029

Let's Talk Money – Budget Consultation

44. The Council ran a budget consultation exercise, 'Let's Talk Money', for 5 weeks from 15 December 2025 to 18 January 2026. The consultation was accessible through the Council's website and was promoted through local media channels and various social media platforms. In-person support sessions were also held across 4 locations throughout the borough with hard copies also made available at key locations including family hubs and libraries. A total of 774 responses were received.
45. Headlines from the consultation are:
- 56% of respondents supported an increase to general Council Tax and/or the Adult Social Care Levy (29% Adult Social Care Levy only, 20% both, 7% general Council Tax only), 39% of respondents did not support an increase to general Council Tax or the Adult Social Care levy and 5% were unsure.
 - 57% of respondents agreed that the council should maximise its income through fees and charges for discretionary services; 28% did not and 15% were unsure.
 - Residents were asked which areas they would be least comfortable with a reduction in spending. The following areas received the most support:
 - Neighbourhood Protection and Maintenance
 - Highways and Transport Services
 - Social Care
 - Residents were asked which areas they would be most comfortable with a reduction in spending. The following areas received the most support:
 - Business Functions and Democratic Support
 - Planning and Economic Development
 - Education, Transport to School and School Support
 - Museums, Libraries, Events, Leisure and Open Spaces
46. Further information is included at **Appendix A** of this report.

Reserves

47. Local authorities are required to have due regard to the level of balances and reserves needed for meeting estimates of future expenditure when calculating the Council Tax requirement.
48. Balances and reserves are held for three primary purposes:
- A working balance to help cushion the impact of cash flows
 - A contingency to cushion the impact of unexpected events and emergencies
 - Earmarked reserves to meet known and predicted liabilities
49. The Council holds General Fund Balances which is a working balance to help cushion the impact of cash flows and unexpected events and emergencies. The Council also holds several earmarked reserves for specific purposes to meet known and predicted liabilities.

50. Like many councils across the Country over recent years the Council has experienced unprecedented demand and cost pressures upon services and budgets. This has resulted in a number of overspends, which have been funded by earmarked reserves. This is also the case in the current financial year. As a result, the level of earmarked reserves has reduced considerably, and we must ensure we have a prudent level of reserves to mitigate the risks of future pressures. The budget and MTFP must ensure the Council's financial resilience and sustainability, and having an appropriate level of reserves to smooth the impact of financial uncertainty is critical.
51. Reserves have been reviewed and options considered to identify ways to replenish these. The Reserves Policy attached at **Appendix B** sets out details of this review and recommendations to increase reserves. This MTFP includes an allocation to increase general fund balances and earmarked reserves. This will be reviewed annually as part of the budget setting process each year, reflecting on the updated levels of reserves, as well as the impact of known and future projected risks.
52. If additional sources of funding are identified throughout the year, replenishing reserves will be the first priority on those funds. The journey to replenish reserves to an adequate level is likely to extend beyond the period of the current Medium Term Financial Plan, and will feature as a regular commitment to allocate funding to reserves as a proportion of it's growing net revenue budget each year.
53. The Section 25 statement includes an assessment of the robustness of the budget assumptions and adequacy of reserves which is attached at **Appendix F**.

Current Approved MTFP

54. The current approved position in February 2025 was as follows:

	2026/27	2027/28	2028/29
	£'000	£'000	£'000
Opening Budget Gap	2,937	3,892	4,411

55. The table above includes rolling forward the MTFP for an additional year into 2028/29, this is based on the same assumptions as the report to Council in February 2025.

Powering our Futures – Progress

56. As reported to Cabinet in December, the Powering Our Futures programme, and in particular the transformation mission has identified significant savings towards the original target by 2026/27.
57. As part of the Fees and Charges review, a new policy has been developed and schedule of fees which are included at **Appendix C**. The policy sets out the approach to setting fees and annual uplifts to meet increased costs of delivering these services.
58. The approval of this policy is covered at recommendation 22 within this report.
59. The Fees and Charges review also considered the Council's approach to generating income through sponsorship. The Sponsorship policy provides a clear framework for

how the Council will manage, assess, and implement sponsorship and advertising opportunities to generate income, support service delivery, and build strategic partnerships.

60. The fleet review rationalised the length of time vehicles are held, to strike a balance between maintenance costs and new vehicles costs. Alongside this a new process was introduced to approve and monitor the use of hire vehicles.
61. The Council's current approach has been to manage the fleet through a Fleet Renewal Fund (FRF) whereby an annual allocation from revenue budgets is set aside to fund replacement vehicles. These resources are then deployed to either hire vehicles or purchase them outright depending on certain factors. For example, critical vehicles such as refuse vehicles, specialist sweepers and winter maintenance are hired as should there be a breakdown, or specialist repair requirement, the obligation to replace the vehicle falls on the hire company and as such this model takes the risk of failure to deliver, away from the Council. The funding options were reviewed to ensure the most appropriate means is used whilst balancing operational requirements, risk of maintaining service and value for money. The key outcomes were a financially sustainable fleet that is fully resourced within the Council's MTFP and a process that allows a degree of flexibility to enable the Fleet Management Service to respond with agility to changing demands and price fluctuations.
62. Work was undertaken that identified the following provided the optimal approach to meet the required outcomes and objectives:
 - Winter Maintenance - Contract Hire on a 5-year term
 - Refuse Collection Vehicles - Contract Hire on a 5-year term
 - Compact Sweepers - Contract Hire on a 4-year term
 - All Other Vehicles - Purchased and replaced on a 7-year cycle
63. Lease costs and vehicle maintenance costs have increased significantly in previous years as result of high levels of inflation, this has been managed through the fleet revenue budget and the fleet renewal fund. This is not sustainable and resources in the existing budgets are no longer sufficient to keep pace with the rising costs associated with the Council's fleet.
64. The options considered to meet the rising costs were whether to purchase vehicles through increased upfront allocations in the MTFP or through a borrowing approval that will spread the costs over the useful life of the assets but will cost more in totality as the cost of borrowing will need to be factored in. The profile of spend across the MTFP period would see a significant cost in one year, which would increase the projected budget gap significantly. Reserves cannot be used to fund these purchases because they need to be maintained to ensure we hold a prudent level of reserves.
65. The Council is projecting to have £1.3m in the fleet renewal fund at 31st March 2026. The anticipated purchase costs in 2026/27 are approximately £3.2m which exceeds the

amount in the reserve. The recommendation to fund the purchases through borrowing would remove the requirement to include the immediate pressure within the revenue MTFP. Funding the fleet through borrowing would allow the costs to be spread over a longer repayment term, assisting the Council's cashflow, and is therefore the recommended option. The borrowing would be spread over the useful life of the asset (7 years).

66. It should be noted that the Council now operate several fully electric vehicles that demonstrates a commitment to sustainability and carbon reduction. The decision not to expand to a larger electric fleet at this stage reflects a pragmatic response to the significant infrastructure requirements, demand pressures, and financial challenges currently faced by local authorities. It recognises the need to balance ambition with affordability, organisational capacity, and competing demands across the wider system.
67. A forecast of purchases covering the next 3 years and the associated borrowing costs are outlined below. It is recommended that a £6.5m prudential borrowing approval is agreed to cover forecast purchases over the 3 year period, with borrowing repayments over 7 years. It is acknowledged that the profile of these acquisitions will vary over time linked to the wear and tear and maintenance requirements. It is proposed that an update on the drawdown of the £6.5m borrowing is presented to Cabinet on an annual basis. Any subsequent requirement to acquire vehicles beyond the £6.5m would be subject to a future report to Cabinet/Council.
68. There is existing budget to deliver the hire and purchase of vehicles. The requirement of this budget varies over time due to the configuration of vehicles between hire and purchase alongside any maintenance requirements. Based on the current forecast of hire and purchasing requirements, financial modelling shows that additional resource will be needed. This is shown in the table below:

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
Forecast purchases/ borrowing	£3.213m	£1.368m	£1.874m	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC
Cumulative forecast purchases/ borrowing	£3.213m	£4.581m	£6.455m								
Annual cost of borrowing	£142k	£584k	£829k	£1.05m	£1.05m	£1.05m	£1.05m	£1.05m	£531k	£300k	£0
MTFP requirement	£0	£150k	£300k	£800k							

69. Further savings from 2026/27 have now been identified as part of the programme:

- Optimisation of the Council's Fleet is expected to generate £50,000 from 2026/27.

- Admin & Welfare; The POF Transformation Review of Administration and Business Services has identified savings due to the introduction of more efficient processes that are digital by design. Also, a new approach to supporting the financially vulnerable has been developed and has identified savings through maximising self-serve options, focussing on prevention and removing duplication.
- Supporting People to Live at Home Independently; Specifically, improving access and digitalise the “Front Door” for Adult Social Care, increasing the use of technology to improve assessments and reduce on-going care packages. This is anticipated to save £200,000 in 2026/27 rising to £500,000 from 2027/28 onwards.
- The Fees and Charges review is expected to generate an additional £323,000 in 2026/27 rising in future years of the MTFP.
- The savings associated with the Fostering Review, reported to Cabinet in July 2025, have now been incorporated into the plan.

70. The table below presents updated savings in relation to Powering Our Futures:

	2026/27 £'000	2027/28 £'000	2028/29 £'000
Powering Our Futures Phase 1			
Previously Report 2024/25:			
Waste Collection (MT01)	(2,834)	(2,834)	(2,834)
Supporting people to Live at Home Independently (MT03)	(500)	(500)	(500)
Administration and Business Services (MT04)	(60)	(60)	(60)
Fees and Charges (MT12)	(1,450)	(1,450)	(1,450)
Children in our Care (MT13)	(1,000)	(1,000)	(1,000)
Savings Identified 2025/26:			
Supporting People to Live at Home Independently (MT03)	(500)	(500)	(500)
Administration and Business Services (MT04)	(170)	(170)	(170)
Community Safety and Regulatory Services (MT06)	(59)	(59)	(59)
Savings Identified 2026/27:			
Fleet Management (MT02)	(50)	(50)	(50)
Administration and Business Services (MT04)	(450)	(450)	(450)
Supporting People to Live at Home Independently (MT03)	(200)	(500)	(500)
Fees and Charges (MT12)	(323)	(471)	(651)
Children in our Care (MT13)	(545)	(1,167)	(1,718)
Powering Our Futures Phase 1 Savings	(8,141)	(9,211)	(9,942)

71. Significant savings have been identified because of the programme and will exceed the savings target by 2027/28. The overall position is presented below, and the updated savings will be incorporated into the updated MTFP.

	2026/27 £'000	2027/28 £'000	2028/29 £'000
Powering Our Futures Phase 1			
MTFP Budget Setting 2024/25	8,100	8,100	8,100
Previously Report 2024/25:	(5,844)	(5,844)	(5,844)
Remaining Target	2,256	2,256	2,256
Savings Identified 2025/26:	(729)	(729)	(729)
Savings Identified 2026/27:	(1,568)	(2,638)	(3,369)
Total	(41)	(1,111)	(1,842)

Changes to current expenditure plans

72. Since the report to Cabinet in February 2025, there are several changes which will require the MTFP to be updated.
73. Detailed working papers for each significant MTFP budget area have been reviewed, and underlying assumptions updated as part of the budget setting process. The review considered:
- Historic trends, demand and activity levels
 - External provider fee uplifts, including National Living Wage projections
 - Anticipated inflation projections, utilising CPI and other inflation indices
 - Consideration of agreed savings plans and mitigating actions
74. Adult's Social Care - The existing MTFP includes an annual uplift of £2.5m per year in respect of the impact of National Living Wage and inflation increases on Adult Care Fees. The recent announcement setting the National Living Wage level for 2026/27 at £12.71, has now been reflected in the assumptions for the budget requirement for fee uplifts. In the current year we continue to see growth in the number of placements incurring care costs. The additional budget requirement is therefore a further increase of £5.755m in 26/27, £7.255m in 27/28 and £8.755m in 28/29.
75. Children's Social Care - Members will be aware from MTFP update reports over recent years the scale of the financial challenges Councils across the country are facing in relation to Children's Social Care costs. Since 2021/22 the average cost of an external residential placement has increased by almost 70%. Members will recall that significant investment has been made across Children's Social Care and in preventative services to try to keep pace with costs and demand, however we are still experiencing growth that outstrips this investment.
76. These trends and demands within Children's Social Care are common across the country, with many local authorities facing the same issues. There are many external factors that are forcing prices up, creating a really devastating impact on council budgets. Work is ongoing within the transformation programme to try to mitigate the

impact of some of these influences, however despite this it is estimated that further investment is required across the MTFP; £5m in 26/27, £9m in 27/28 and £13m in 28/29.

77. Pay award - The financial impact of the agreed pay award for 2025/26 will continue into following years. Based on more up to date information we have reviewed the pay award level required for future years. The agreed MTFP assumes 2% pay award across all years. The assumption for all years across the MTFP has been updated to 3% per year. This is in line with latest intelligence.
78. Community Transport – the level of demand for the home to school transport service continues to increase and is causing a budget pressure far greater than the additional resources allowed for within previous MTFPs. Since 2023-24 we have seen an increase in the cost of providing this service by 44%. We are therefore anticipating a further rise in costs across the Medium Term totalling £1.675m in 26/27, rising by £1m per year after ongoing. This is a pressure that is faced by many councils across the country and the financial challenges are well documented. There is a link between the growth in numbers of children with Special Educational Needs and the growth in numbers of children receiving transport to school.
79. Dedicated Schools Grant Deficit – as described in paragraphs 30-35 above, like most councils across the country, we are experiencing sharp rises in the number of children with Special Educational Needs, as a result the deficit on the Dedicated Schools Grant is projected to grow in 2025/26. The deficit is currently subject to an override and not a cost that is met by the Council's general fund budget. However, servicing the financing of the deficit is a cost to the Council's general fund and cannot be passed to the Dedicated Schools Grant. The current cost of this is estimated at £500,000 pa. If the deficit were to increase or decrease, these financing costs would also change.
80. Building and Utilities - the Council has previously allocated additional funding to Tees Active Limited to meet a particularly high rise in inflation and utilities costs. As noted in the Quarter 1 MTFP update report to Cabinet in September 2025, this is no longer required and will result in an ongoing saving of £500,000 per year.
81. The maintenance costs for Council owned buildings has been supported by reserves for several years, however this is no longer sustainable and the additional amount required each year, £500,000, is added into the MTFP.
82. The utilities costs for SBC buildings is anticipated to increase next year by £374,000 due to an expected increase in price of electricity as notified via NEPO.
83. The Strategy for Stockton-on-Tees Borough Council Outdoor Play Provision 2025 taken to Cabinet in July 2025 and October 2025 outlined that, in order to enable 23 Council-owned play areas to be prioritised for retention, development or redevelopment, ensuring high maintenance standards and delivering good play value, a further £150,000 per annum of resources would be required. This has been incorporated into the updated plan.
84. Local Plan - The Council is currently working through the Local Plan cycle. There have been significant recent changes in the revised National Planning Policy Framework and

in order to ensure a robust and compliant plan is formulated, additional resources are required over the duration of the MTFP, £50,000 in 2026-27, rising to £300,000 in 2028-29.

85. Local Election (May 2027) – The next local elections are due in May 2027 and the cost is estimated to be £440,000.
86. General Fund Balances – as described in paragraphs 47-53 above, the Council is required to maintain an appropriate level of general fund balances. The current level is £8m which has been unchanged since 2022/23. An allowance is included below to increase the general fund balances to reflect the Council's growing budget year on year.
87. MTFP Resilience/Demand – a review of the Council's reserves has been undertaken. Within last year's budget report the MTFP Support Reserve was created to reflect the difficult financial challenge. Considering the ongoing challenges, it is proposed to include within the MTFP an allowance to increase this reserve and also earmark funds to explore invest to save opportunities.
88. Members will recall the report to Cabinet in December 2025 relating to Car Parking charges. The report approved the reintroduction the first hour free parking in Stockton and Yarm until the end of the financial year and this decision has now been incorporated into the MTFP at a cost of £550,000 per annum on an ongoing basis.
89. The original borrowing approval linked to all Phase 1 of Powering Our Futures was taken as part of the November 2024 Council decision in the Powering Our Futures – Prudential Borrowing Requirements report. The decision to borrow for the resurfacing of Wellington Square car park was intrinsically linked to the additional £800,000 of car parking income that would have been generated.
90. Given the decision taken in December 2025, outlined above, consideration was given to postponing this work. However, recent surveys have shown that the top deck has reached the end of its useful life and is starting to see water ingress. If the damaged areas are not addressed, there is a significant risk of further harm to both the surface materials and the underlying structure. It is recommended that the decision to borrow the £1m is retaken with consideration given for the £80,000 per annum borrowing costs factored into the MTFP. This is referenced in recommendation 8 in this report.
91. Waterfront Park Event – Members will recall in the MTFP Report in February 2025, £300,000 was approved for events to mark the opening of the urban park in Stockton Town Centre. Following consideration of feedback provided in the Let's Talk Money – Budget Consultation, this has now been removed from the MTFP and the saving reflected below.
92. As described in paragraphs 60-68 the revenue implications of vehicle borrowing costs are now reflected in the updated MTFP.
93. Wellington Square – An additional budget allocation, reducing across the MTFP, has been included within the updated plan. This is to reflect the challenging retail conditions nationally with retailers currently able to negotiate favourable terms, alongside the fact

there are a couple of larger vacant units where work is ongoing in order to find a solution that aligns with the strategic objectives of the Council. The profile represents the position of the centre following the introduction of several new retailers into previously vacant units. It recognises that the lease profile for those tenants increases over time and subsequent reduction in pressure on the Council's budget over the same period.

94. Legal Capacity - The additional MTFP allocation will provide targeted investment in Legal Services to address sustained increases in demand across high risk statutory and corporate areas, including Children's Services, Adults and Safeguarding, and complex regeneration and property work.
95. Senior Management Review Savings – Several changes have been implemented within the Council's senior management structure in 2025/26 within the Director/Assistant Director tier of the organisation. This has generated a saving of £255,000 per year.
96. An increase in Civic Enforcement Officer posts has been included in the plan. This will strengthen the visibility of officers around Stockton Town Centre. Opportunities to secure grant funding for these posts will be explored, and if successful the budget updated accordingly.
97. Mitigating Actions / Savings Plans from 2025/2026 carried forward – as described in the update at December, action has been undertaken to manage the financial position and identify ongoing budgetary savings. Several of the actions identified span across the MTFP and the savings are brought into the table below.
98. Emissions Trading Scheme – This is expected to come into effect for waste incineration and energy from waste facilities in 2028/29, which is anticipated to be a pressure on the Council's budget from then. The Government have published an interim response to the consultation. It is anticipated that the full response will provide details for full inclusion of waste in the scheme in due course, including on how costs for local authorities will be managed. There is currently limited information available to allow an accurate estimate to be included within the MTFP. This is an emerging risk that will be kept under review and brought back to Cabinet/Council as more detail becomes available and enables a robust figure to be calculated.
99. The changes to current expenditure plans are included in the table below:

	2026/27 £'000	2027/28 £'000	2028/29 £'000
Changes to Expenditure Plans			
Adults Social Care	5,755	7,255	8,755
Childrens Social Care	5,000	9,000	13,000
Pay Award 3% (from 2%)	1,632	3,186	4,786
Community Transport	1,675	2,675	3,675
Dedicated Schools Grant Deficit	500	500	500
Building & Utilities	374	374	374
Outdoor Play Provision	150	150	150
Local Plan	50	200	300

Local Election May 2027	0	440	0
General Fund Balances	1,000	1,000	1,000
MTFP Resilience / Demand	3,000	3,000	3,000
Car Parking	550	550	550
Borrowing Costs - Wellington Square Car Park	80	80	80
Removal of Waterfront Park Events budget	(300)	0	0
Borrowing Costs – Vehicles	0	150	300
Wellington Square	300	150	50
Legal Capacity	159	159	159
Senior Management Review	(255)	(255)	(255)
Civic Enforcement Officers	85	85	85
Mitigating Actions Identified in 2025/26	(1,161)	(1,297)	(1,297)
Total	18,594	27,402	35,212

Income and Resources

100. The Provisional Local Government Finance Settlement announced funding allocations for 2026/27 and indicative amounts for 2027/28 and 2028/29. The Provisional Settlement included the impact of the Fair Funding Review 2.0, significant funding simplification, consolidating funding streams into the Revenue Support Grant and the reset of the Business Rates system. The impact of which is shown below.
101. Confirmation that the Extended Producer Responsibility (EPR) Grant will continue in 2026/27 was received early November and this has been included within the updated plan. The allocation for 2026/27 is just over £3m. It is anticipated that producers will be incentivised by the tariff to reduce the amount of packaging they produce, therefore reducing the national total collected by the tariff, in turn reducing allocations to local authorities. We are therefore estimating a reduction in the tariff across the MTFP.
102. Council Tax figures have been reviewed, and additional income has been included to reflect growth in the tax base.
103. The growth in taxbase has also led to an in year surplus forecast and will be carried forward into the Council's 2026/27 financial position.
104. It is confirmed that the Employers Pensions Contribution rate will reduce from 14.6% to 13.1%, which will lead to a savings against current staffing costs.
105. A review of all grants and charges will be undertaken to ensure maximisation of resources reflecting the true cost of delivering projects and grant funded services. This is anticipated to generate on-going savings of £1.3m per annum.
106. As described in paragraph 71, Powering our Future (Phase 1) is anticipated to deliver savings more than the target included within the MTFP. These additional savings have now been included within the updated MTFP.
107. These changes to resources and income are summarised in the table below:

	2026/27	2027/28	2028/29
	£'000	£'000	£'000

Additional Income and Resources			
Fair Funding inc NNDR, Funding Simplification	(2,124)	(5,632)	(9,083)
Extended Producer Responsibility Grant	(3,414)	(2,914)	(2,414)
Council Tax Base Growth	(2,346)	(2,266)	(2,180)
Collection Fund Surplus (Council Tax)	(1,450)		
Employers Pensions Contribution	(1,450)	(1,494)	(1,538)
Maximisation of Grants and Fees	(1,385)	(1,385)	(1,385)
POF Phase 1 Savings	(41)	(1,111)	(1,842)
Total	(12,210)	(14,802)	(18,442)

Overall Budget Position

108. A summary of the resulting position is outlined below

	2026/27 £'000	2027/28 £'000	2028/29 £'000
Opening Budget Gap	2,937	3,892	4,411
Expenditure Pressures	18,594	27,402	35,212
Additional Income and Resources	(12,210)	(14,802)	(18,442)
Budget Gap	9,321	16,492	21,181

109. The above table summarises the overall position and highlights the pressures in future years, which shows a pressure of £9.321million in 2026/27 rising to £21.181million in 2028/29.

2026/27 Council Tax and Social Care Precept

110. Members will be aware in previous years, the decisions taken around Council Tax increases considered the long-term impact of decisions and reflected the commitment to a planned and managed approach of the Council's financial position.

111. As highlighted at paragraph 1, the Government announced in the Provisional Local Government Finance Settlement that the Core Council Tax Referendum Thresholds will remain unchanged from 2025/26:

- 3% for Core Council Tax
- 2% for Adult Social Care Precept

This level of increase has been assumed in the Government's spending power calculation.

112. The current MTFP assumes a Council Tax increase of 2.95%. The potential additional resources available from a further 2% increase would equate to an additional £2.6m to £2.8m each year across the MTFP.

113. The Adult Social Care precept allows councils to raise additional taxes within the council tax bill to fund social care costs.

114. In recognition of the significant level of budget pressures, and to mitigate the financial position, it is recommended that the Council increase core Council Tax by 2.95% for 2026/27 and implement the full Adult Social Care levy of 2%. The impact of the increase of 4.95% in 2026/27 would be £1.29 per week (Band A) and £1.94 per week (Band D).
115. An updated position is outlined below:

	26-27	27-28	28-29
	£'000	£'000	£'000
Council Tax			
Budget Gap	9,321	16,492	21,181
Additional Council Tax Income	(2,621)	(2,717)	(2,816)
Budget Gap After Council Tax	6,700	13,775	18,365

Managing the Budget Position

116. As a result of the changes above, the budget gap following the proposed council tax rise of £6.7m in 26/27, with an estimated gap of £13.8m in 2027/28 and £18.4m in 2028/29. This is a big increase in the level of savings required and the pace at which savings are required.
117. To close the Budget gap, we will take a planned approach to transformation and change using the Powering our Future Framework. Our Programme Management approach is now well established, evidenced by the identified overachievement of savings in Transformation Phase 1. A second phase of Transformation Reviews will focus on day-to-day efficiencies, alongside Service Reviews and cross-council transformation. We will evolve our project management approach to ensure it is fit for purpose to address the challenges we face, so that we continue to be a high-performing, sustainable council that does our best for communities.
118. Members will recall that a Council-wide investment fund of £20m was approved as part of last years budget report to allow invest to save opportunities to be explored. This fund can allow the Council to invest in up front capital expenditure to potentially modernise or deliver services in a different way, generating recurring revenue savings to close the budget gap. To date £650,000 has been allocated to the refurbishment of Billingham Forum creating a modernised gym and £734,000 to match fund a grant from the Department for Education to create two children's homes for children with complex needs. This leaves £18,616,000 within the existing approval for future investment.
119. Revenue resources are also likely to be required to enable the transformation of services at the pace necessary to achieve the savings profile. Earlier in the report, funding reprofiled within the capital programme has identified additional resources. The Capital Strategy (Section 7) introduces the Flexible Use of Capital Receipts Strategy. This identifies that future capital receipts will be earmarked for transformation costs that generate financial savings.
120. As described in paragraphs 56-71 above, significant progress has made to date regarding the transformation reviews that are in progress. Work is still ongoing and we

expect further savings to come through. Many of the areas that are in design or delivery phase and will deliver savings overlap with the most common areas that residents identified as part of our Let's Talk Money Budget Consultation for reductions in spending and broader feedback on balancing the budget. Examples include; Early Intervention and Prevention and Fees and Charges which are part of phase one transformation.

121. Phase 2 of Powering our Futures will cover three strands of work; efficiency reviews, council wide initiatives and outcome-based service reviews. The first strand of Efficiency Reviews will focus on options to deliver services in the most efficient and effective means to residents. This may involve exploring income generation options, maximisation of digital opportunities and updated delivery models to assess sustainability of services.
122. The second area of focus will be Council-wide initiatives aimed at identifying organisation-wide efficiencies. This will include a review of how the Council purchases goods and services, consideration of more modern and efficient ways of working, and an assessment of corporate expenditure grouped by type of spend. The work will encompass procurement activity, promote the appropriate use of the purchasing annual leave policy, and review working practices to minimise avoidable expenditure, including the rationalisation of costs such as travel. In addition, opportunities to achieve financial benefits through the re-profiling of funding or delivery timescales for capital projects will be explored.
123. Through our recent Let's Talk Money Budget Consultation, 'Business Functions and Democratic Support' was an area that received most resident support for a reduction in spending. These services will be predominantly captured through the first two aforementioned areas of work.
124. The third area of focus will be Outcome Based Service Reviews. Each of these reviews will follow the well-established governance of the Phase 1 Transformation projects already in progress, with a focus on meeting outcomes including reducing costs. The list of reviews are:

Strategic Commissioning (Public Health, Adults, Children's)	A review of current commissioning arrangements across health and care within the Council to ensure we are getting high quality, best value and sustainable services.
Reablement Phase 2	A review that builds on the success of the phase 1 development and ensures we continue to support people in their own homes; promote independence, keep people at home for longer and support adults to thrive in their communities.
Learning Disabilities Direct Care Provision	A review to develop our in house offer for adults with learning disabilities, continue to improve our Community Day Opportunities and make best use of the buildings and settings we have within the Borough, ensuring a sustainable model of delivery.
Opportunities for young people into employment	A review of support provided to young people, to maximise opportunities into employment.

Review of Children's Support Services to ensure readiness for the Families First reforms	A review of the support services across Children's Services to align with the national Families First Partnership reform and prevention agenda.
Libraries Service	A review of the Council's libraries service.
Environment & Leisure	A review of Environment and Leisure services.
Customer Services	A review of the way customers access our services, including exploration of digital means of communication with residents.
Asset Management Review	A review that will consider the Council's assets and asset management functions.
Reviewing the events service	A review of the events service, this will include the Fireworks Event restarting from 2026/27.
Communication Methods	A review of the use of designed and printed materials across the Council, focusing on purpose, cost, and proportionality, and how print is used alongside appropriate digital alternatives.

125. Each of these reviews will follow the gateway approach as established within the Powering our Futures programme. Updates will be brought back to members with progress, options available and potential savings on each of these outcome-based reviews.

126. The anticipated impact of the above is presented in the table below:

	26-27 £'000	27-28 £'000	28-29 £'000
Actions to Resolve the budget gap			
Budget Gap	6,700	13,775	18,365
Efficiency Reviews	(1,820)	(1,820)	(1,820)
Council Wide Initiatives	(3,060)	(4,790)	(5,490)
Outcome Based Service Reviews	(1,820)	(7,165)	(11,055)
Budget Gap after Actions	0	0	0

127. Delivery of the required savings through the powering our futures programme will be challenging due to the size of the budget gap and the speed of delivery required. As described above significant work has been undertaken to prioritise the identification, design and deliverability of the reviews. The predicted level of reserves at 31st March 2026 mean they cannot be used to set the budget in 2026/27. The achievement of savings and timescales will be monitored closely and the revisions made to the programme during the year if there is predicted to be a shortfall against the target. Updates will be brought through to Cabinet within the first half of the next financial year to ensure swift progress, effective monitoring and expedite delivery of the review outcomes.

128. The MTFP identifies a balanced budget within 2026/27 and across the next two years of the MTFP based on the assumptions within the report. Due to the variety of services the Council delivers and the multitude of external and variable factors that build up the MTFP, there are several risks that could impact upon the delivery of the budget as set

out above. **Appendix D** captures the key risks that are applicable to the budget, along with mitigations in place and an assessment of the likelihood of risks occurring.

129. The MTFP could be represented as follows:

	26-27 £'000	27-28 £'000	28-29 £'000
Income			
Revenue Support Grant	(48,627)	(51,555)	(54,738)
Better Care Fund Grant	(8,848)	(8,848)	(8,848)
Recovery Grant	(3,829)	(3,829)	(3,829)
Consolidated Grants:			
Children, Families & Youth Grant	(4,329)	(4,293)	(3,805)
Homelessness, Rough Sleeping & Domestic Abuse Grant	(1,860)	(2,080)	(2,267)
Crisis and Resilience Fund	(3,387)	(3,385)	(3,385)
Public Health Grant	(19,844)	(20,063)	(20,275)
Better Care Fund	(13,863)	(13,863)	(13,863)
Council Tax (incl any Deficit/Surplus)	(135,657)	(139,091)	(144,146)
Business Rates	(53,264)	(54,500)	(55,612)
Total Income	(293,508)	(301,507)	(310,768)
Expenditure			
Adults, Health & Wellbeing	119,625	124,064	128,463
Children's Services	72,833	76,965	80,926
Community Services, Environment & Culture	57,425	59,270	60,675
Finance, Revenue, Benefits & Welfare	10,290	9,990	9,990
Corporate Services	19,411	19,851	19,411
Regeneration & Inclusive Growth	4,104	4,178	4,178
Corporate Items incl Pay Award Provision	9,820	7,189	7,125
Total Expenditure	293,508	301,507	310,768
Final Budget Position	0	0	0

SECTION 4 - CURRENT CAPITAL PROGRAMME

130. The current Capital Programme is set out at **Appendix H** and summarised in the table below:

CAPITAL PROGRAMME Up to 2029	Current Approved Programme	Programme Revisions	New Approvals	Revised Programme
School Investment Programme & Childrens Services	20,068	46	1,240	21,354
Inclusive Growth	9,794	0	0	9,794
Regeneration	148,290	(1,424)	685	147,551
Transportation	25,714	328	0	26,042
Community & Environment, Culture & Leisure	20,304	316	432	21,052
Adults, Health & Wellbeing	6,799	10	0	6,809
Xentrall ICT	900	0	0	900
Council Wide	19,350	0	0	19,350
Total Approved Capital MTFP	251,219	(724)	2,357	252,852

Reasons for movements over £100k

Programme Revisions

Regeneration and Inclusive Growth

131. Costs relating to feasibility work for Stockton Town Centre - Artistic Elements are to be removed from the Capital Programme, £113,792.
132. Following the December 25 Cabinet report; changes to the Thornaby Town Deal have been enacted. The movement of funding between interventions in the programme, now reflect this position.

Community & Environment, Culture & Leisure

133. The Carriageways resurfacing scheme has the inclusion of £325,926 funding from the TVCA.
134. Greens Beck Culvert, additional funding received from the Environment Agency of £316,000.

Additions

Children's Services

135. Additional £201,412 grant from DfE added to the programme, to fund a purchase of Edge of Care property.
136. Following the DfE announcement of the annual School Condition Allocation, £1,001,619 has been added to the School Investment Programme.

Community Services & Environment, Culture & Leisure

137. The Mayoral Renewables fund delivers £260,000 of Solar panels for Social Care, which is funded by TVCA

Regeneration and Inclusive Growth

138. The Asset Maintenance Programme for 26/27 has been included in the capital programme, £585,150, funded by RCCO. There is an additional £100,000 required to complete the 25/26 programme of works, funded by RCCO.

New Resources added into this report

139. The following additional resources are added into the capital programme at **Appendix H** because of decisions taken in this report:

- £500,000 for additional planned maintenance, funded through revenue contributions to the capital programme identified at paragraph 82.
- £6.5m of additional borrowing to fund the acquisition of fleet vehicles as outlined in paragraphs 60-68.
- £1m of borrowing to fund the resurfacing of Wellington Square car park as identified in paragraphs 90-91.

SECTION 5 – PRECEPT LEVELS

Stockton Precept

140. Stockton's current tax level for 2025/26 at Band A (the biggest percentage of its properties) is £1,359.32 (£26.14 per week). It is proposed that the tax level for 2026/27 is increased by 4.95% to £1,426.61 at band A (£27.43 per week).

	Band A £	Band D £
2025/26	1,359.32	2,038.98
2026/27	1,426.61	2,139.91

Police Precept

141. The Police & Crime Commissioner is proposing a £15 increase to the Council Tax level (band D) or 4.72%.

	Band A £	Band D £
2025/26	211.82	317.73
2026/27	221.82	332.73

Fire Authority

142. The Fire Authority will hold their meeting to set the precept on 13th February. The information below is indicative, based on £5 increase at band D, or 5.3% and will be confirmed following their meeting.

	Band A £	Band D £
2025/26	62.97	94.46
2026/27	66.31	99.46

Parishes

143. Details of the Parish precepts are provided below:

Parish	2025/26 Precept £	2026/27 Precept £	Precept Increase/ Decrease £	Precept Increase/ Decrease %	Band D Increase/ Decrease %	LCTS Grant Both Years £	2026/27 TOTAL £
Aislaby & Newsham	0	0	0	0.00%	0.00%	0	0
Carlton	9,000	9,450	450	5.00%	4.09%	22	9,472
Castlelevington / Kirklevington	30,000	35,000	5,000	16.67%	9.56%	348	35,348
Egglescliffe & Eaglescliffe	81,871	99,144	17,273	21.10%	14.38%	5,446	104,590
Elton	0	0	0	0.00%	0.00%	0	0
Wynyard *	23,508	0	(23,508)	-100.00%	-100.00%	0	0
Grindon & Thorpe Thewles	10,879	11,231	352	3.24%	1.81%	0	11,231
Hilton	3,393	3,335	(58)	-1.71%	-3.39%	129	3,464
Ingleby Barwick	180,300	180,300	0	0.00%	-0.94%	3,445	183,745
Long Newton	16,264	17,264	1,000	6.15%	4.33%	236	17,500
Maltby	3,504	6,479	2,975	84.90%	59.25%	138	6,617
Preston	5,779	5,779	0	0.00%	1.19%	471	6,250
Redmarshall	5,000	5,000	0	0.00%	1.45%	118	5,118
Stillington & Whitton	11,100	11,400	300	2.70%	-1.19%	1,243	12,643
Thornaby	174,940	183,669	8,729	4.99%	-1.41%	36,050	219,719
Wolviston	15,610	23,876	8,266	52.95%	54.21%	533	24,409
Yarm	141,683	148,752	7,069	4.99%	4.67%	6,141	154,893
Billingham	360,512	371,179	10,667	2.96%	-1.06%	23,509	394,688
Total	1,073,343	1,111,858	38,515	3.59%	5.31%	77,829	1,189,687

Overall Tax Position

144. Stockton Borough Council is required to collect tax on behalf of 4 independent organisations:

- The Council
- Police
- Fire
- Parishes

The position assuming Stockton Borough Council sets its Council Tax requirement at £134,206,810 is given below:

Tax 2026/27			
	Current 2025/26 (Band A) £	Proposed 2026/27 (Band A) £	Increase %
Police	211.82	221.82	4.72%
Fire	62.97	66.31	5.3%
Stockton BC	1,359.32	1,426.61	4.95%

Formal Tax Recommendations

The Council must approve precept/tax in line with statutory guidelines. These are contained at **Appendix I. - Appendix to follow for Council**

SECTION 6 – LOCAL COUNCIL TAX SUPPORT SCHEME

145. 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 2026/27, incorporating the updates for the prescribed requirements in regulations and to reflect uprated income figures in the income table at Schedule 1. The scheme is available here www.stockton.gov.uk/CTR.
146. That the Chief Financial Officer be given delegated authority, in consultation with the Deputy 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 18 February, to ensure that Governments intentions for additional support is maintained.

SECTION 7 – CAPITAL STRATEGY

147. The Capital Strategy required to be approved under the relevant code, including the Flexible Use of Capital Receipts Strategy, the MRP Policy and Capital Programme Management Arrangements is attached at **Appendix J**.

SECTION 8 – TREASURY MANAGEMENT STRATEGY

148. The Council's Treasury Management Strategy required to be approved is shown at **Appendix K**.

SECTION 9 – INVESTMENT STRATEGY

149. The Investment Strategy required to be approved by statutory guidance is attached at **Appendix L**.

SECTION 10 – PAY POLICY AND MEMBERS ALLOWANCES

Pay Policy

150. The April 2025 pay award was agreed in August 2025 and was an increase of 3.2% for all NJC and JNC employees. In addition, there has been an increase of 3.2% on all pay related allowances. The Trade Union pay claim for April 2026 is an increase of at least £3,000 or 10% (whichever is greater) across all NJC spinal column points based on a one-year settlement. The 2025 pay rates have been used for the purposes of the Pay Policy Statement.
151. The Council's grading structure begins at SCP 3 Grade C, which currently is £12.85 per hour (pay award pending from 1 April 2026). This is still above the current National Living Wage which is £12.21 from 1 April 2025 and £12.71 from 1 April 2026.
152. The continued high increases on the NMW have caused significant pressure on the nationally agreed pay spine. The National Employers deleted SCP 1 on 1 April 2023 to accommodate the increase to the NMW and will be deleting SCP 2 from 1 April 2026, whilst this has not affected our pay spine to date, it has caused significant issues for other authorities. As the 2026 pay award will not be implemented by 1 April 2026, the headroom between the minimum SCP on the national pay spine, i.e. SCP 3 and the NMW on 1 April 2026 will only be 14p per hour. It is therefore likely that further flat rate increases at the lower grades will be needed in future pay awards to keep pace with the expected increases in the NMW or a deletion of one or more spinal column points from the NJC pay spine. There is also the potential that there will be a need to review the national pay spine in the coming years. In addition, the flat rate increases at the lower grades over recent years has eroded some of the differentials which could have an impact on recruitment to the mid-range grades. The LGA will need to consider how these issues can be addressed with future pay awards.
153. The Council's median hourly rate and pay multiple, both calculated as at 31 December 2025 are as follows:
- Median Hourly rate is £16.08 (£15.58 at 31 December 2024); and
 - Pay multiple is 5.76 (also 5.76 at 31 December 2024) which remains well under the Council's target of 10.
154. The pay multiple has not changed this year as the Chief Executive pay award and the NJC pay award for 2025 were both 3.2%. The pay multiple is well within the stated aim of less than 10.
155. The Council's Pay Policy Statement is attached at **Appendix M**.

Apprentices

156. The Council is committed to supporting apprenticeships as a key element of workforce development and succession planning. Apprenticeships play a vital role in the Council's workforce planning strategy by attracting new talent into the organisation and providing opportunities for existing employees to upskill and progress.

157. As at 31 December 2025, the Council had 241 people undertaking an apprenticeship qualification (90 on an apprenticeship contract and 151 existing employees undertaking apprenticeship qualifications alongside their substantive roles to aid professional development).
158. For those on an apprenticeship contract (employment linked to the completion of a formal apprenticeship qualification), we pay the following depending on the level of apprenticeship qualification:
159. Level 2 or 3 qualification – minimum wage depending on Age. For those aged 18 and over this is above the National Apprenticeship Minimum Wage.

National Minimum Wage for Age	April 2025 Hourly Rate	April 2026 Hourly Rate
Age 21 and over	£12.21	£12.71
Age 18 to 20	£10.00	£10.85
Under 18	£7.55	£8.00

160. Higher and Degree apprenticeships (Level 4 or above qualification) – Salary and salary progression is determined by the Council's established pay and job evaluation scheme.
161. The Council does not include apprentices within the definition of lowest paid employees for the purposes of this policy statement.

Headcount and FTE

162. Headcount and FTE as at 31 December 2025 compared to previous years is:

	31 December 2025	31 December 2024	31 December 2023	31 December 2022
Headcount	3341	3297	3231	3145
FTE	2746.3	2727.7	2650.9	2554.9

163. The slight increase in headcount and FTE this year is due to a number of reasons, including recruiting to permanent posts where these have been covered by agency workers previously and a successful Apprenticeship Programme whilst retaining the previous apprentices.
164. The Council will continue to manage any service changes, including minimising redundancies, sensitively, proactively and in accordance with our policies.
165. We continue to maintain strong relationships with the Trade Unions, including regular update meetings which are held with the Trade Unions and the Director of Corporate Services. The Chief Executive also attends these meetings. The Powering Our Future Programme will continue to provide opportunities for employees to put forward ideas

and suggestions for service changes and improvements and that employees are supported through change.

Members Allowances

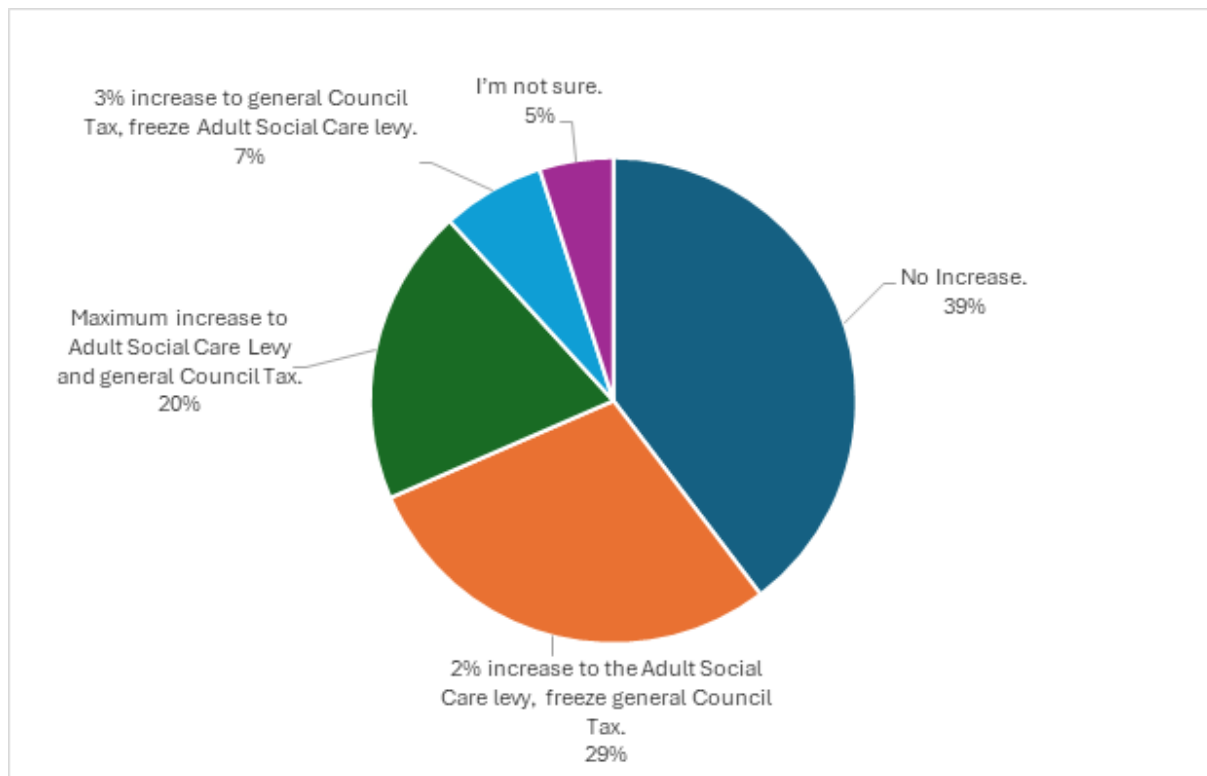
166. Members will be aware that allowances have been frozen since 2014 following a 4% reduction and it is proposed that this freeze continues for 2026 to support the Council's financial position.

Appendix A

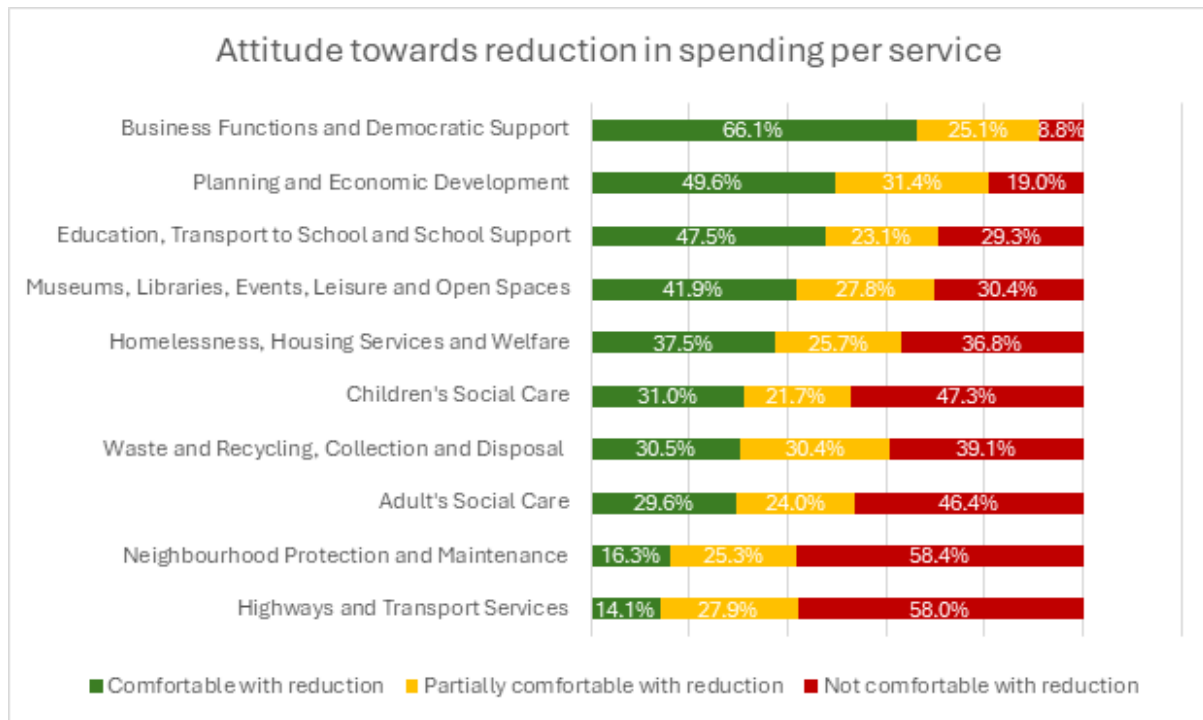
2026-27 'Let's Talk: Money' Budget Consultation

1. The Council ran a budget consultation exercise, 'Let's Talk Money', for 5 weeks from 15/12/2025 to 18/01/2026. The consultation was accessible through the Council's website and was promoted through local media channels and various social media platforms. In-person support sessions were also held across 4 locations throughout the borough with hard copies also made available at key locations including family hubs and libraries.
2. The council received a total of 774 responses. This exceeds our initial target that aimed to receive a minimum of 500 responses. Response details are reported below.
3. Headlines from the consultation are:
 - 56% of respondents supported an increase to general Council Tax and/or the Adult Social Care Levy (29% Adult Social Care Levy only, 20% both, 7% general Council Tax only), 39% of respondents did not support an increase to general Council Tax or the Adult Social Care levy and 5% were unsure.
 - 57% of respondents agreed that the council should maximise its income through fees and charges for discretionary services; 28% did not and 15% were unsure.
 - Residents were asked which areas they would be most comfortable with a reduction in spending. The following areas received the most support:
 - Business Functions and Democratic Support
 - Planning and Economic Development
 - Education, Transport to School and School Support
 - Museums, Libraries, Events, Leisure and Open Spaces
 - Residents were asked which areas they would be least comfortable with a reduction in spending. The following areas received the most support:
 - Neighbourhood Protection and Maintenance
 - Highways and Transport Services
 - Social Care

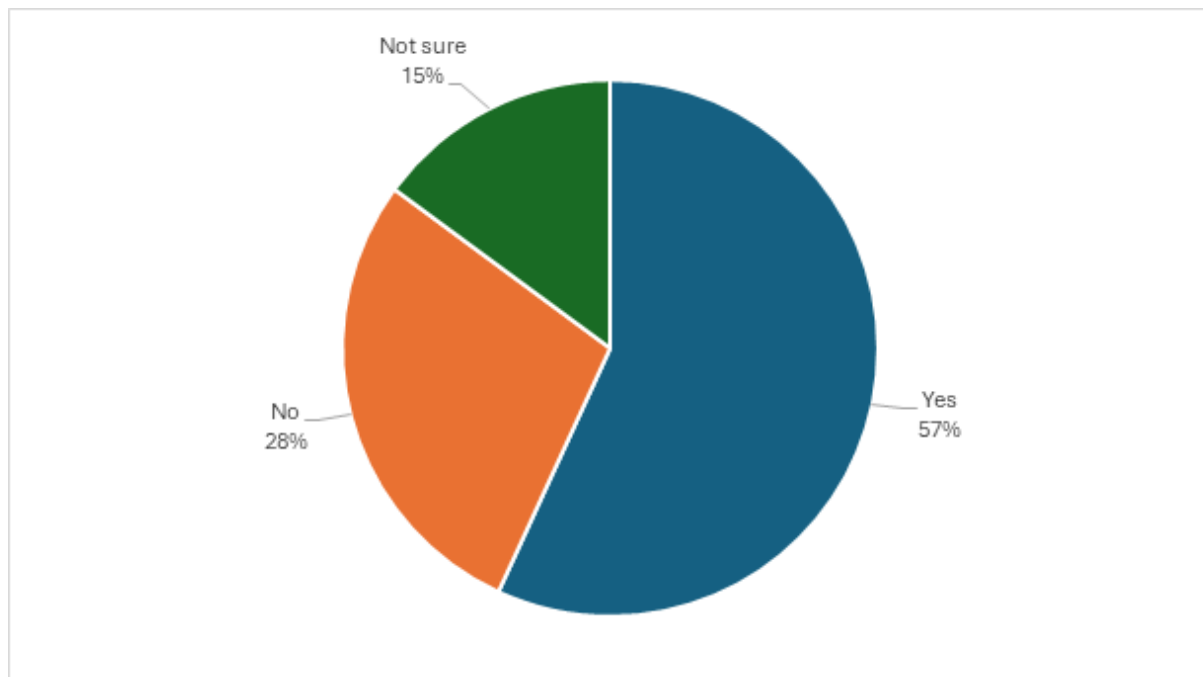
1: What level of Council Tax would you support?



2: Consider our major service areas below, and indicate whether you would be comfortable with a reduction in spending in the service to bridge the budget gap.



3: Do you agree that the council should maximise its income through fees and charges to cover the costs of delivering discretionary services?



4: Do you have any other ideas or suggestions on how our council could balance the budget?

438 respondents provided feedback and comments to this question. We have analysed this feedback into reoccurring themes for the purposes of this report and provided example comments relating to each theme.

Theme	Examples
Improve efficiency	"Get better value for money from large contracts"
	"Conduct a systematic review of all council departments"
Council management, senior roles and staffing costs	"Cut overheads not frontline support; look at reducing management layers"
	"Less reliance on the use of external consultants"
Increase income through fees and charges	"All non statutory services should carry a per capita / usage rate charge"
	"Increase prices in council ran events / venues"
Reduce or pause capital projects	"Spend less money on regeneration work such as the riverside and high street and use this money to fund essential services"
	"Pause high cost town centre improvements until economic times are better"
Tackle high children's & adults' social care costs	"Open council run care homes - large capital cost but revenue costs reduced significantly"
	"Review expensive out of area placements, taxis to school etc. Greater emphasis on early help and upstream intervention"
Cut or pause festivals/events and non-essential celebrations	"Pause funding for local events unless they are supported by external funding"
	"Skip the opening ceremony for the Riverside Park"
Sell or rationalise council assets and buildings	"Dispose of buildings that are no longer required"
	"Sell unused buildings or lease them"
Lobby central government for more funding and reforms	"Campaign for an increase in central government grants"
	"Lobby cross-party for more social care and early intervention funding from central government"

Appendix B

Reserves Policy 2026/27

Introduction

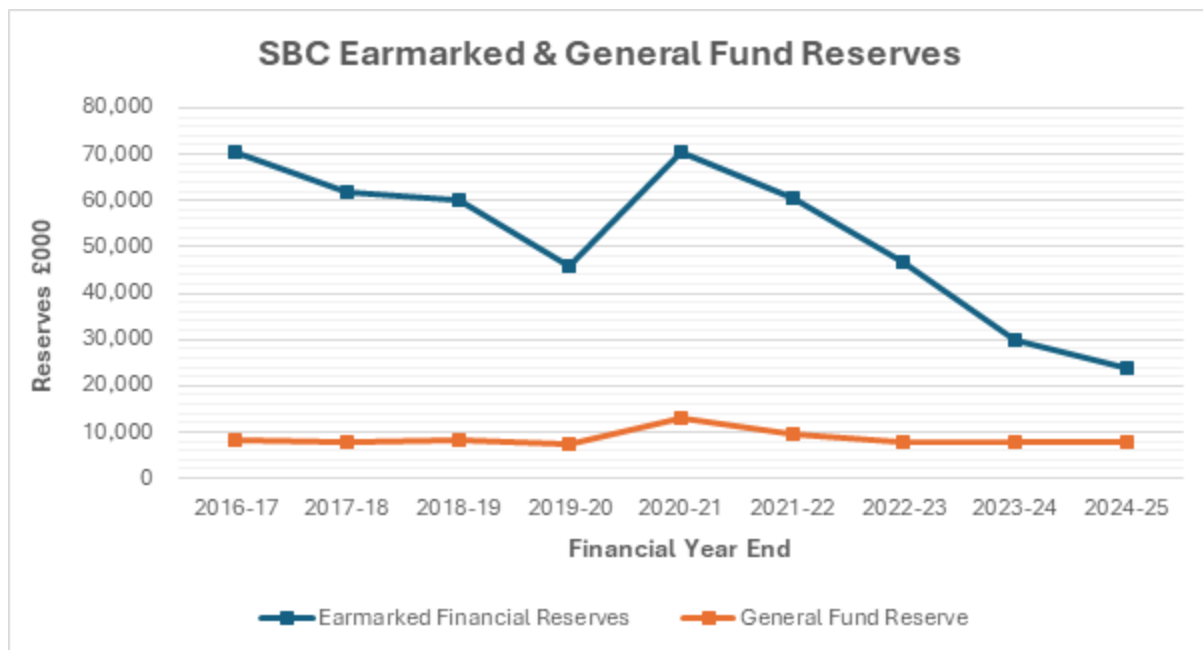
1. The Council is required to maintain adequate levels of reserves. Reserves are an important part of the Council's financial strategy and are held to create long-term budgetary stability. They enable the Council to manage change without undue impact on the Council Tax and are a key element of its strong financial standing and resilience.
2. Sections 31A, 32, 42A and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. Section 25 of the Local Government Act 2003 requires the Section 151 Officer (Chief Financial Officer) to formally report to Council on the adequacy of proposed reserves when setting the budget and council tax requirement. This is contained within the Section 25 Statement in **Appendix F** of the MTFP report.
3. This policy sets out the Council's current reserves levels, what the council holds reserves for, the parameters for retaining reserves and the planned use of reserves over the medium term.
4. This policy also includes an annual review of earmarked reserves which has been used to inform the budget setting process.

Detail

5. The Council holds the following reserves:
 - General Fund Balances – this is a working balance serving as a financial safety net for unseen expenses or fluctuations in revenue. This is the reserve of last resort.
 - Earmarked reserves – are funds set aside for specific projects and initiatives.
 - Ringfenced or Partnership reserves – use is subject to conditions for example school balances held on behalf of schools.
6. The Council's Annual Statement of Accounts includes details of individual reserves, the purposes for which they are held and the movements in reserves each year.

Current Position

7. The chart below sets out the amount of money in the Council's reserves since 2016/17.



8. The chart shows that the Council's reserves have decreased year on year, with the exception of 2020/21 due to temporary additional funding provided by the Government in response to the COVID pandemic. This decline is due to the growth in cost of delivering services exceeding funding available, which has led to overspends against budgets being funded from reserves.
9. This declining pattern is common across most councils, particularly those with social care responsibilities, and is indicative of the similar financial challenges being experienced by councils throughout the country.
10. The CIPFA Financial Resilience Index produces annual comparison data by groups of authorities on several areas of local authority accounts. Within this you can see that most councils are seeing the similar declining trend in reserves.
11. These comparisons indicate that the Council's reserves levels are lower than others, potentially exposing the Council to greater financial risk. The Index also highlights that the Council's total borrowing amount and interest payable as a percentage of our net revenue expenditure is lower than others, suggesting the Council is exposed to lower financial risk as a result.
12. Comparisons are useful in assessing the adequacy of reserves. However, assessment of our own wider financial position is crucial to determining an appropriate level of reserves and exposure to risk.
13. Factors that should be considered when assessing the adequacy of reserves include:
 - Exposure to interest rate risk – the Council's borrowing is lower than other councils, meaning the rate of interest costs as a percentage of the council's net revenue expenditure is lower, however the Council has an increasing borrowing requirement

as set in the Capital Strategy included within the MTFP report and there is a risk of additional costs associated with any increase in borrowing rates.

- Exposure to risk from investment properties – the Council is not reliant on income generated from investment properties as this income represents a very small proportion of the Council total income.
- Savings Plans – the Council has a large programme of savings to be achieved through Powering our Futures. A comprehensive plan is in place, however the pace of delivery that is required is fast and the majority of reviews are currently at design phase. The reserves should be sufficient to withstand a potential delay to achieving some of savings.
- Budget and activity trends – the Council's largest services Adult's and Children's Social care are demand led and we have seen demand and cost outstrip budget over recent years, to a greater extent in Children's Services. A large increase in budget for both areas has been included in the plan, as well as extensive transformation programmes focused on reducing demand. However, given recent trends we must acknowledge there is a risk of overspend against budgets and the reserves need to be sufficient to address this.
- Other risks – the Council's MTFP considers a number of risks and these are captured in more detail within the Financial Risk Register at Appendix D.

14. Each local authority must make its own decisions about the level of reserves it holds, taking into account all of the issues referred to above and the advice of the s151 Officer. The level of the general fund reserve will be a matter of judgement which will take account of the specific risks identified through the various corporate processes. It will also take account of the extent to which specific risks are supported through earmarked reserves.

15. The Council needs to hold a prudent level of reserves to support the financial resilience of the Council. In light of the current financial risks facing the Council, the current level of reserves must be replenished, and the strategy to increase reserves must feature within the Medium-Term Financial Plan.

Review of Reserves

16. As identified above the Council's reserves must be replenished as part of this MTFP to ensure the Council's financial resilience.

17. Work has been undertaken by the Council's finance team to identify means to replenish reserves.

18. This has included exploration of the following recognised and statutory compliant methods:

- Assessment of grants terms and conditions
- Flexible use of Capital Receipts Strategy

- Review of funding sources for the Capital Programme
- Review of existing reserves, with particular focus on those reserves held for commitments with no spend in excess of 2 years
- Identification of a sum within the Council's annual budget to replenish reserves
- Review of all provisions e.g. non-collection of income and business rates appeals provision

19. This piece of work has identified a number of recommendations which are included elsewhere within the MTFP report for approval. These are:

- Changes to the funding sources within the Capital Programme to release Revenue Contributions to Capital Outturn (RCCO). Capital receipts of £1.4m have been identified to fund the capital programme allowing £1.4m of planned expenditure to remain within the overall earmarked reserves sum, and not to deplete it further. This can be moved from the capital reserve to the transformation reserve to support the Powering our Futures programme.
- Introduction of a Flexible Use of Capital Receipts Strategy. Under sections 16(2)(b) and 20 of the Local Government Act 2003 ("the Act"), councils are able to use capital receipts to fund costs directly related to delivering financial savings, that would not ordinarily be permissible capital expenditure. This report includes a recommendation to adopt this strategy, allowing investment in transformation costs to support the delivery of the Powering our Futures Programme. This minimises further drawdown on reserves.
- The fleet review has assessed the most cost effective and operationally robust means of funding vehicle replacement. This has identified a mix of hiring some vehicles and purchasing others through a prudential borrowing approval. This new financial approach removes the requirement to drawdown funding from the Fleet Renewal Fund reserve beyond the 2025-26 financial year. Latest forecasts predict the 31st March 2026 there will be £1.3m remaining in this reserve which can be moved into the Transformation reserve, which will prevent the earmarked reserves from reducing further by this sum.

20. In addition to the areas above that will make a positive impact upon the level of reserves within the MTFP, the Council must allocate an amount within its annual revenue budget to replenishing reserves across the Medium-Term Financial Plan.

21. Increasing reserves as quickly as possible is preferable as this will increase the Council's financial resilience to be able to withstand unexpected events. However, this must be considered within the wider context of the full budget. The Council has a large budget gap across the MTFP and through Powering our Futures has identified a clear plan of how to achieve these savings. In order to balance the requirement to replenish reserves and the pace at which savings can be realistically achieved, the increase in reserves should be planned across several years.

22. Due to the scale of the budget gap and the Powering our Futures programme of reviews which will deliver the savings required to close the budget gap, it will be necessary to identify one off resources to allow service transformation to progress as quickly as possible. Allocating funding into the Council's Transformation Reserve, or funding eligible costs through the Flexible use of Capital Receipts Strategy, have been considered, to allow delivery of the financial savings required to close the budget gap.
23. The Council's general fund balances have been remained at £8m since 2022/23. The MTFP includes an allocation of £1m per annum to increase General Fund Balances to £11m by 2028/29. Resources will need to increased beyond this £11m to ensure the general fund balances are reflective of the continually growing budget, but this is anticipated to be an achievable increase within the MTFP period. The level of general fund balances will be reviewed annually to assess the suitability. Given the current level of general fund balances the Council should aim to hold 5% of it's net revenue budget in general fund balances, this is estimated to be £15.6m by 2028/29 based on the current MTFP numbers.
24. The Council's MTFP Support Reserve is necessary if any of the risks highlighted above, or within the risk register contained within the report materialise and have a negative impact on the performance against budget. This is currently at nil after allowing for the projected overspend in 2025/26. It is recommended that £3m per year is allocated to this within the current MTFP. The Council should aim to hold 5% of it's net revenue budget in the MTFP Support Reserve, this is estimated to be £15.6m by 2028/29 based on the current MTFP numbers.
25. There remains the possibility risk that, due to underlying risks within the MTFP, the planned replenishment of reserves may be constrained if those reserves are required in future years to mitigate emerging financial pressures.
26. For both the general and earmarked reserves the current annual allocations will not solely meet the targets of 5% each by the end of the current MTFP period. The allocations are considered within the context of financial risks facing the Council and a large savings programme that needs to be delivered at pace to deliver a balanced budget. This sum is anticipated to be an achievable increase and will be reviewed annually to assess the suitability in light of actual calls on this reserve.
27. If additional sources of one-off funding are identified throughout the year, replenishing reserves will be the first priority on those funds. The allocation to individual reserves and movements between reserves will be approved by the Section 151 Officer as appropriate within the approved MTFP.
28. The journey to replenish reserves to a more robust level is likely to extend beyond the period of the current Medium Term Financial Plan and will feature as a regular commitment to allocate funding to reserves as a proportion of its growing net revenue budget each year.

Monitoring and Financial Governance

29. Reserves are monitored as part of the Council's financial budgetary control processes. Activity is reviewed on a quarterly basis, with commitments and projections updated to update cashflow and planned usage forecasts.
30. A summary of this financial monitoring will be reported to members on a quarterly basis as part of the regular MTFP update reports to Cabinet. This will include any deviations from budget in year which may impact upon the predicted level of reserves.

Predicted use of Reserves

31. The table below sets out the Council's earmarked reserves, the purpose for which they are held and forecast use:

Earmarked Reserves	Forecast Opening Balance 26/27 £'000	Forecast Movement 26/27 £'000	Forecast Opening Balance 27/28 £'000	Forecast Movement 27/28 £'000	Forecast Opening Balance 28/29 £'000	Forecast Movement 28/29 £'000	Forecast Closing Balance 28/29 £'000
Capital Scheme Reserves	(2,497)	1,133	(1,364)	0	(1,364)	0	(1,364)
Insurance Fund	(4,693)	0	(4,693)	0	(4,693)	0	(4,693)
Service Development & Improvement	(1,171)	697	(474)	95	(379)	69	(310)
Partnership / Statutory Reserves	(1,676)	413	(1,263)	1,045	(218)	201	(17)
Transformation & Implementation	(2,342)	(1,296)	(3,638)	0	(3,638)	0	(3,638)
MTFP Support Reserve	0	(3,000)	(3,000)	(3,000)	(6,000)	(3,000)	(9,000)
Pooled Funds & Interest Rate Risk	(1,000)	0	(1,000)	0	(1,000)	1,000	0
PFI Scheme Liability	(1,532)	(9)	(1,541)	20	(1,521)	1,221	(300)
Public Health Reserve	(287)	176	(111)	71	(40)	40	0
Total Earmarked Reserves	(15,198)	(1,886)	(17,084)	(1,769)	(18,853)	(469)	(19,322)

General Fund Balances	(8,000)	(1,000)	(9,000)	(1,000)	(10,000)	(1,000)	(11,000)
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Total Earmarked Reserves and General Fund Balances	(23,198)	(2,886)	(26,084)	(2,769)	(28,853)	(1,469)	(30,322)
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Appendix C

Fees and Charges Policy

1. Introduction

The purpose of this Fees and Charges Policy is to provide a clear and consistent framework for the setting and management of fees and charges across services provided by Stockton-on-Tees Borough Council. This policy ensures that fees and charges are applied transparently, fairly, and in line with the Council's strategic priorities.

All Local Authorities have legal powers to charge for a range of services they provide to recover the costs. Some fees are set by reference to statutory guidance and are required to be applied locally as directed. Examples of these include many planning fees and a number of registry office documents. Other fees are set at local discretion, often referencing factors such as levels of inflation, demand for services, benchmarking against other local authorities and the private market, and keeping services sustainable.

2. Objectives

The main objectives of the Fees and Charges Policy are to:

- Achieve financial sustainability. Fees and charges represent a core income source for Local Authorities and are a key element of the Medium Term Financial Plan (MTFP). The planned income increases from the fees and charges proposed will support the 2026-27 budget.
- Ensure that the Council's services are accessible and affordable to all users. The Council provide an array of goods and services to people from inside and outside the Borough. These services are critical in ensuring they are enabling the improvement of outcomes for residents and visitors.
- Support the Council's broader strategic priorities, including economic growth, environmental sustainability, and social inclusion.

3. Principles of Setting Fees and Charges

In determining fees and charges, the Council will adhere to the following principles:

- **Cost Recovery:** The Council considers a range factors when addressing the level at which to set the price of the fees & charges, including the ability of the individual service to recover its costs based on the volume of users and the price charged. Whilst there is a general aim to break even from what is charged in relation to what is spent, there continue to be some areas which have subsidised fees and charges
- **Affordability and Accessibility:** Where appropriate, the Council will consider the financial impact of charges on different groups, particularly those on lower incomes or with special needs.
- **Transparency:** Charges will be clearly communicated to the public, with the rationale behind any changes explained. All charges will be regularly reviewed to ensure

they remain fair and reflective of service costs. A detailed appendix of fees affected can be found at the bottom of this document.

- **Market Comparisons:** Where relevant, fees and charges will be benchmarked against similar services provided by other local authorities or private sector providers to ensure competitiveness and fairness.

4. Charging Areas and Services

Fees and charges may apply to a wide range of services, including but not limited to:

- **Licensing and Registration:** Fees for various licenses, registrations, and permits (e.g., food premises, taxis, alcohol licenses).
- **Planning and Building Control:** Charges for planning applications, building regulation applications, and related services.
- **Cemeteries and Crematorium Services:** Charges for burial and cremation services, and various memorial services.
- **Waste and Recycling:** Charges for collection services, bulky waste, garden waste, and disposal services.
- **Housing and Homelessness:** Charges for temporary accommodation, housing services, and related fees.
- **Education and Training:** Fees for adult education programs, a range of training courses and support to schools.
- **Environmental Services:** Charges for environmental health inspections, pest control, and other environmental services.

5. Annual Review of Fees

Fees and charges will be reviewed annually to ensure they reflect the Council's financial strategy, inflationary pressures, and changes in service delivery costs. The starting point for increases will be driven by the appropriate indexation. The Council choose to utilise CPI as at the preceding September in order to capture standard inflationary costs. There may be occasional circumstances where fees have to be reviewed more or less frequently, but this will be by exception.

6. Exemptions, Reductions, and Discounts

The Council may apply exemptions, reductions, or discounts to fees in certain circumstances. These may apply to:

- **Low-Income Households:** Discounts or fee exemptions for people on low incomes or in receipt of specific benefits.
- **Vulnerable Groups:** Reductions for elderly individuals, people with disabilities, and other vulnerable groups who might face financial hardship.

- **Community or Charitable Organisations:** Reduced or waived fees for local charities or community organisations using Council facilities or services.

7. **Payment Methods**

The Council will provide a variety of convenient payment methods for service users, including:

- Online payments via the Council's website
- In-person payments via cash or card
- Direct debit arrangements for regular services

8. **Enforcement of Fees and Charges**

The Council is committed to ensuring that fees and charges are collected efficiently. Where fees are not paid by the due date, the Council may take appropriate enforcement action, which could include:

- Issuing reminders and late payment notices.
- Charging interest on overdue payments.
- Referring the debt to collection agencies or taking legal action if necessary.

9. **Exceptions and Discretionary Decisions**

The Council reserves the right to waive or reduce fees in exceptional circumstances. Such decisions will be made at the discretion of the relevant Director or Assistant Director/Head of Service, in line with the Council's overall financial objectives and priorities.

10. **Reporting and Monitoring**

The Council will regularly monitor the impact of fees and charges across services and report on the financial performance in relation to budgeted targets. This will be done as part of the quarterly budgetary control process and information included within MTFP reports to Cabinet.

11. Stockton-on-Tees Borough Council aims to provide services that are both effective and fair, ensuring that fees and charges are applied in a transparent, equitable, and financially sustainable manner. The Council will continue to review and refine its approach to fees and charges to ensure they meet the needs of the community and the Council's long-term objectives.

Stockton-on-Tees Borough Council

Sponsorship and Advertising Policy



Introduction

This policy provides a clear framework for how Stockton-on-Tees Borough Council (SBC) manage, assess, and implement sponsorship and advertising opportunities to generate income, support service delivery, and build strategic partnerships.

It applies to:

- SBC as a recipient of sponsorship or advertising income/in-kind benefit.
- SBC as a provider of advertising platforms or sponsorship opportunities.

Context

Sponsorship is defined as - “An agreement between the Council and the sponsor, where the Council receives either money or a benefit in kind for an event, campaign or initiative from an organisation or individual which in turn gains publicity or other benefits”.

Advertising and sponsorship of a ‘product’ encompasses goods, services, ideas, causes, opportunities, prizes and gifts.

Advertising is a form of communication used to raise awareness, encourage or persuade an audience - viewers, readers or listeners or a specific group of people - to do or believe something. Advertising is usually paid for by advertisers or sponsors.

Advertising messages can take a variety of forms and can be viewed via a variety of traditional and new media (e.g. newspapers, magazines, television commercial, radio advertisement, outdoor advertising, direct mail, blogs, websites and text messages).

A person who consumes advertising is anyone who is likely to receive a given marketing communication, whether in the course of business or not.

To sponsor something is to support an event, activity, person, or organisation financially or by providing products or services. It should be mutually beneficial. Sponsorship should not be confused with other types of funding which the Council administers.

Sponsorship is a business relationship between a provider of funds, resources or services and an individual, event or organisation which offers in return rights and association that may be used for commercial advantage in return for the sponsorship investment.

There can be crossover between how advertising and sponsorship works in practice. For example, advertising on roundabouts is usually called sponsorship because the funds support the cost of maintaining these sites. Further advice should be sought from the Council's Economic Growth Department.

Purpose

This policy covers:

- The Council as an owner of an advertising platform or sponsorship opportunity which an external individual, group or organisation may wish to take up.

This policy document sets the terms upon which the sponsorship may be both sought, considered, and accepted by the Council. The purpose of the policy is to:

- Uphold the Council's reputation and corporate identity.
- Further the Council's strategic vision and support its priorities.
- Maximise income opportunities.

- Provide a framework and control measures.
- Protect members and officers from allegations of inappropriate dealings or relationships with sponsors.
- Establish a corporate approach and standards (including best practice).
- Ensure compliance with legislation, advertising industry codes and other Council policies.
- Support development of commercial and social value partnerships with the private sector and others.
- Support development of commercial partnerships with the private sector
- Safeguard the image and environment of Stockton-on-Tees.

Objectives

- To ensure the Council's position and reputation are adequately protected in sponsorship agreements.
- To ensure a consistent and professional approach towards sponsorship is adopted.
- To ensure best value is obtained and provided in sponsorship arrangements – including any arrangements made where money is received or benefit in kind support is given.
- To protect members and individual officers from allegations of inappropriate dealings or relationships with sponsors.

Principles

The Council welcomes all opportunities to work in partnership with organisations which are aligned with the Council's core purpose and values and where a sponsorship opportunity is appropriate.

However, the Council will not put itself in a position where it might be said that such a partnership has, or may, be thought to have:

- influenced the Council or its officers in carrying out its statutory functions;
- been offered unduly favourable terms from the Council in any business or other agreement;
- aligned the Council with any organisation which conducted itself in a manner which conflicted with the Council's core purpose and values.

The Council will not therefore, be able to enter into a sponsorship agreement with:

- Organisations not complying with the Committee of Advertising Practice (CAP) codes for broadcasting and non-broadcasting, sales promotions and direct marketing, or other statutory or regulatory requirements enforced by the Advertising Standards Authority (ASA).
- Organisations involved in unlawful discrimination against people with one or more protected characteristics within the terms of the Equality Act 2010.
- Organisations involved in financial, planning, legal, tender processes, or any other application or conflict. For example, any organisation with an active planning or procurement application with the Council will be excluded from sponsorship consideration during that period. This ensures transparency and avoids any perception of undue influence or conflict of interest, particularly in long-term sponsorship arrangements.
- Organisations whose activities may bring the Council into disrepute for example gambling organisations.
- Organisations with a political purpose.

- Any individual or organisation which is subject to UK sanctions

The above list is not exhaustive, and the Council retains the right to decline to enter into sponsorship agreements with any organisation or individual or in respect of products or projects which the Council in its sole discretion considers inappropriate for whatever reason.

The Council will always comply with its procurement policy and procedures and shall, in accordance with those procedures, promote any sponsorship opportunities to potential sponsors.

When working with an advertiser or sponsor, it is important that any agreement supports the Council's strategic vision, Constitution and Equality Policy.

The Council will not accept advertising or sponsorship from companies that are currently in dispute with the Council or involved in pending or active legal action. Additionally, organisations engaged in contract negotiations with the Council will be excluded from sponsorship or advertising opportunities where such arrangements could be perceived as an endorsement or create a conflict of interest. This includes any organisation with an active planning, procurement, or other formal application under consideration by the Council.

The Council will uphold the Publicity Code of recommended practice on local authority publicity. This means the Council is not able to enter into an advertising or sponsorship agreement which connects the Council with lending support to any political party.

While each advertising or sponsorship opportunity will be assessed individually, decisions will be guided by this policy and a set of standardised evaluation criteria to ensure consistency, transparency, and alignment with the Council's strategic objectives.

Sponsorship Policy

Sponsorship is not a way for any company or organisation to be viewed favourably by the Council in any other business arrangements they might be a party to.

Organisations that will not be considered or approved for sponsorship opportunities include, but are not limited to, those which represent a conflict of interest or are connected directly or indirectly with the following:

- Organisations that promote or oppose issues that are widely recognised as politically, environmentally, or socially divisive, based on prevailing public standards or regulatory guidance will not be considered for sponsorship. The Council will apply a test to assess potential controversy, taking into account the likely impact on community cohesion and public trust.
- Disparagement or promotion of any person or class of persons
- Promotion or incitement of illegal, violent, or socially undesirable acts
- Promotion or availability of tobacco products, weapons, gambling, or illegal drugs
- Financial organisations and loan advancers with punitive interest rates
- Promotion or availability of adult or sexually orientated entertainment materials
- An infringement on any trademark, copyright or patent rights of another company

Any organisation wishing to sponsor a Council owned product, service or event must adhere to this policy and the Council's Terms and Conditions for Sponsors.

A sponsorship briefing form must be completed to define any sponsorship opportunity for a potential sponsor.

All sponsorship deals will be subject to a signed legal agreement between the Council and the sponsoring organisation. For smaller projects this might be in the form of the Council's standard Terms

and Conditions for Sponsors; for larger or more complex arrangements, a document may be drawn up relating specifically to that project.

Publicity and media coverage will be arranged by the Council for all appropriate sponsorship deals.

The use of branding and logos of any sponsoring company must not interfere with the Council's Brand Guidelines.

The size and positioning of sponsors' logos on any promotional material, goods or signage must be considered by the appropriate lead officer in conjunction with the Council's **x** service.

Advertising Policy

The Council abides by national guidance published by the Advertising Standards Agency (ASA) - the UK's independent regulator of advertising across all online and offline media. The central principle for all advertising (marketing communications) is that it should be legal, decent, honest and truthful. For more information visit: www.asa.org.uk

All advertising on Council owned advertising platforms must adhere to the British Code of Advertising, Sales Promotion and Direct Marketing. This code provides the rules for non-broadcast advertisements, sales promotions and direct marketing communications.

For further details visit: http://www.asa.org.uk/asa/codes/cap_code/CodeIndex.htm

The Council abides by the Town and Country Planning Act. The Control of Advertisements Regulations provides the rules on displaying advertising. The Council has the duty to ensure all advertising on Council owned platforms falls within this legislation and will liaise with the appropriate department to ensure planning law relating to the display of advertisements is complied with.

The Council will not permit any advertising that represents a conflict of interest or is likely to cause serious or widespread offence. Particular care should be taken to avoid causing offence on the grounds of race, age, religion, sex, sexual orientation or disability. Content that is not permitted for advertising includes, but is not limited to, advertising that contains, infers, or suggests any of the following:

- Advocacy of, or opposition to, any politically, environmentally, or socially controversial subjects or issues
- Disparagement or promotion of any person or class of persons
- Promotion or incitement of illegal, violent or socially undesirable acts
- Promotion or availability of tobacco products, weapons, gambling or illegal drugs
- Advertising of financial organisations and loan advancers with punitive interest rates
- Promotion or availability of adult or sexually orientated entertainment materials
- Advertising that infringes on any trademark, copyright or patent rights of another company
- Claims or representations in violation of advertising or consumer protection laws.

All applicants wishing to utilise Council owned advertising media must adhere to this policy and the Council's Terms and Conditions for Advertisers.

Payment Profile

The Council would expect once the sponsorship commences and an invoice is sent out that payment will be received within standard Council timeframes.

Branding

Sponsorship agreement does not authorise the use of Stockton-on-Tees Borough Council branding, if you would like such use this, please contact [x](#) who will advise accordingly. The Council will assume permission of use of any logo of whom they enter into a sponsorship agreement with.

Responsibility

The Council's Economic Development is the key contact for all sponsorship enquiries. Decisions on sponsorship opportunities will be taken by an appropriate lead officer, in conjunction with the expertise provided by the relevant professionals within the organisation.

For any queries about this policy contact Louise Dykes – Strategic Funding Manager. louise.dykes@stockton.gov.uk

Review

This policy will be reviewed on a regular basis to ensure that it complies with best practice, any relevant legislation and any internal changes.

Disclaimer

Acceptance of advertising or sponsorship does not imply endorsement of products and services by Stockton-on-Tees Borough Council. In order to make this clear all publications, or other media, with advertising or sponsorship should carry the following disclaimer:

'Whilst every effort has been made to make sure the accuracy of the content of the advertisements contained in this publication, Stockton-on-Tees Borough Council cannot accept any liability for errors or omissions contained in any of the advertisements provided by an advertiser or sponsor. Stockton-on-Tees Borough Council does not accept any liability for any information or claims made by the advertisement or by the advertisers. Stockton-on-Tees Borough Council does not endorse or recommend any advertiser or sponsor. Any inclusion of Stockton-on-Tees Borough Council's name on a publication should not be taken as an endorsement by Stockton-on-Tees Borough Council.'

Appendix C

Stockton on Tees Borough Council

Fees and Charges 2026/27

Adults, Health and Wellbeing

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Housing & A Fairer Stockton				
Private Sector Housing	HMO Licence Fee	£250 (£200 discounted) per room		Set locally in accordance with national guidance
Private Sector Housing	Admin fee for undertaking Work in Default [1]	£51.00	£53.00	Set locally
Private Sector Housing	Admin fee for undertaking Work in Default [2]	10% of cost of work if over £500	10% of cost of work if over £500	Set locally
Private Sector Housing	Charge for serving Improvement Notices	£328.00	£340.00	Set locally
Private Sector Housing	Charge for making Prohibition Order	£306.00	£318.00	Set locally
Private Sector Housing	Charge for undertaking Emergency Remedial Action	£328.00	£340.00	Set locally
Private Sector Housing	Penalty Fees for Smoke and CO2 alarm breaches	up to £5,000	up to £5,000	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Private Sector Housing	Civil Penalty Fees for non-compliance with Statutory Notices & Legislation	up to £30,000*	up to £30,000*	Set nationally *Fees will increase in line with the Renters Rights Act 2025
Private Sector Housing	Energy Efficiency Regulations-Renting out a non-complaint property (less than 3 months in breach)	N/A	£2000 and Publication penalty	Set nationally
Private Sector Housing	Energy Efficiency Regulations-Renting out a non-compliant property (three months or more breach)	N/A	£4000 and Publication penalty	Set nationally
Private Sector Housing	Energy Efficiency Regulations-Providing false and misleading information on the Exemption register	N/A	£1000 and Publication penalty	Set nationally
Private Sector Housing	Energy Efficiency Regulations-Failing to comply with compliance notice	N/A	£2000 and Publication penalty	Set nationally
Private Sector Housing	Selective License-Standard Fee per property	N/A	£653 (£178 application fee and £95 per property for each of the 5 years the scheme is in operation)	Set locally in accordance with national guidance
Private Sector Housing	Selective License-Late application fee per property	N/A	£753 (£278 application fee and £95 per property for each of the 5 years the scheme is in operation)	Set locally in accordance with national guidance
Licensing				

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Animals	Arranging home boarding for dogs as a franchise (includes one host address)	£360	TBC	Set locally
Licensing-Animals	Arranging home boarding for dogs as a franchise (each additional host address)	£122	TBC	Set locally
Licensing-Animals	Breeding dogs - New 1 to 4 dogs	£471	TBC	Set locally
Licensing-Animals	Breeding dogs - New 5 to 10 dogs	£586	TBC	Set locally
Licensing-Animals	Breeding dogs - New 11 plus dogs	£686	TBC	Set locally
Licensing-Animals	Breeding dogs - Renewal 1 to 4 dogs	£415	TBC	Set locally
Licensing-Animals	Breeding dogs - Renewal 5 to 10 dogs	£453	TBC	Set locally
Licensing-Animals	Breeding dogs - Renewal 11 plus dogs	£544	TBC	Set locally
Licensing-Animals	Hiring out horses - 1 to 3 horses	£488	TBC	Set locally
Licensing-Animals	Hiring out horses - 4 to 10 horses	£618	TBC	Set locally
Licensing-Animals	Hiring out horses - 11 plus horses	£719	TBC	Set locally
Licensing-Animals	Keeping or training animals for exhibition - 1 species	£346	TBC	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Animals	Keeping or training animals for exhibition - 2 species	£360	TBC	Set locally
Licensing-Animals	Keeping or training animals for exhibition - 3 species	£389	TBC	Set locally
Licensing-Animals	Keeping or training animals for exhibition - 4 species	£418	TBC	Set locally
Licensing-Animals	Keeping or training animals for exhibition - 5 species	£447	TBC	Set locally
Licensing-Animals	Keeping or training animals for exhibition - 6 species	£475	TBC	Set locally
Licensing-Animals	Keeping or training animals for exhibition - 7 species	£504	TBC	Set locally
Licensing-Animals	Providing boarding for cats (cattery) - 1 to 10 units	£403	TBC	Set locally
Licensing-Animals	Providing boarding for cats (cattery) - 11 plus units	£461	TBC	Set locally
Licensing-Animals	Providing boarding for dogs - 1 to 10 kennels	£403	TBC	Set locally
Licensing-Animals	Providing boarding for dogs - 11 plus kennels	£461	TBC	Set locally
Licensing-Animals	Providing home boarding for dogs - 1 to 4 dogs	£360	TBC	Set locally
Licensing-Animals	Providing home boarding for dogs - 5 plus dogs	£403	TBC	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Animals	Providing day care for dogs - 1 to 10 dogs	£403	TBC	Set locally
Licensing-Animals	Providing day care for dogs - 11 plus dogs	£495	TBC	Set locally
Licensing-Animals	Selling animals as pets - 1 species	£418	TBC	Set locally
Licensing-Animals	Selling animals as pets - 2 species	£432	TBC	Set locally
Licensing-Animals	Selling animals as pets - 3 species	£461	TBC	Set locally
Licensing-Animals	Selling animals as pets - 4 species	£490	TBC	Set locally
Licensing-Animals	Selling animals as pets - 5 species	£519	TBC	Set locally
Licensing-Animals	Selling animals as pets - 6 species	£547	TBC	Set locally
Licensing-Animals	Selling animals as pets - 7 species	£576	TBC	Set locally
Licensing-Animals	Variation, re-rating inspection or appeal inspection	£109	TBC	Set locally
Licensing-Animals	Dangerous wild animal license-New or renewal application (3-year licence)	£335.00	TBC	Set locally
Licensing-Animals	Primate license-New or renewal application (3-year licence)	£335.00	TBC	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Animals	Notification to operate a Zoo	£355	TBC	Set locally
Licensing-Animals	New zoo application (4-year licence)	£691	TBC	Set locally
Licensing-Animals	Zoo Renewal (6-year licence)	£1,030	TBC	Set locally
Licensing-Animals	Zoo Change of details	£171	TBC	Set locally
Licensing-Scrap metal dealer	Scrap metal collector variation application (other)	£190	TBC	Set locally
Licensing-Scrap metal dealer	Scrap metal collector new application (3-year licence)	£390	TBC	Set locally
Licensing-Scrap metal dealer	Scrap metal collector renewal application (3-year licence)	£361	TBC	Set locally
Licensing-Scrap metal dealer	Scrap metal collector variation application (change of name or address)	£36	TBC	Set locally
Licensing-Scrap metal dealer	Scrap metal site new application (3-year licence)	£538	TBC	Set locally
Licensing-Scrap metal dealer	Scrap metal site renewal application (3-year licence)	£509	TBC	Set locally
Licensing-Scrap metal dealer	Scrap metal site variation application (change applicant name or address or employee name and photo or vehicle registration - separate fee for each application)	£36	TBC	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Scrap metal dealer	Scrap metal site variation application (change to a site licence)	£509	TBC	Set locally
Licensing-Scrap metal dealer	Replacement scrap metal plate and fixing kit	£14	TBC	Set locally
Licensing-Scrap metal dealer	Replacement scrap metal badge	£10	TBC	Set locally
Licensing-Scrap metal dealer	Replacement windscreen wallet	£8	TBC	Set locally
Licensing-Scrap metal dealer	Postage for replacement items above	£4.50	TBC	Set locally
Licensing-Tattoo, Hairdressing & beauty	Acupuncture premise registration	£225	TBC	Set locally
Licensing-Tattoo, Hairdressing & beauty	Ear or body piercing premise registration	£225	TBC	Set locally
Licensing-Tattoo, Hairdressing & beauty	Electrolysis premise registration	£225	TBC	Set locally
Licensing-Tattoo, Hairdressing & beauty	Tattooing (including semi-permanent make up) premise registration	£292	TBC	Set locally
Licensing-Tattoo, Hairdressing & beauty	Hairdressers or barbers premise registration	£194	TBC	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Tattoo, Hairdressing & beauty	Personal registration	£116	TBC	Set locally
Licensing-Tattoo, Hairdressing & beauty	Personal registration change of name or address	£16	TBC	Set locally
Licensing-Tattoo, Hairdressing & beauty	Copy of licence	£16	TBC	Set locally
Licensing-Sex Establishment	New application	£1,872	TBC	Set locally
Licensing-Sex Establishment	Renewal application	£1,122	TBC	Set locally
Licensing-Sex Establishment	Transfer application	£1,647	TBC	Set locally
Licensing-Pleasure board and boatmen	Pleasure boats up to six passengers	£119	TBC	Set locally
Licensing-Pleasure board and boatmen	Pleasure boats up to twelve passengers	£223	TBC	Set locally
Licensing-Pleasure board and boatmen	Boatman licence	£67	TBC	Set locally
Licensing-Street Trading Consent	Annual Fixed Site Consent Street Trading - Application fee	£300	TBC	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Street Trading Consent	Annual Fixed Site Consent Street Trading - Grant fee	£1,840	TBC	Set locally
Licensing-Street Trading Consent	Annual Mobile Multi Site Consent Street Trading - Application fee	£300	TBC	Set locally
Licensing-Street Trading Consent	Annual Mobile Multi Site Consent Street Trading - Grant fee	£1,840	TBC	Set locally
Licensing-Street Trading Consent	Annual Roaming Street Trading Consent - Application fee	£200	TBC	Set locally
Licensing-Street Trading Consent	Annual Roaming Street Trading Consent - Grant fee	£200	TBC	Set locally
Licensing-Street Trading Consent	Annual Roaming Street Trading Consent - Renewal fee	£250	TBC	Set locally
Licensing-Street Trading Consent	Replacement street trader plate and fixing kit	£16	TBC	Set locally
Licensing-Street Trading Consent	Replacement street trader badge	£10	TBC	Set locally
Licensing-Street Trading Consent	Postage for street trader replacement items above	£4.50	TBC	Set locally
Licensing-Street Trading Consent	Temporary Event Street Trading Consent Category 1 -up to 20 traders	£100	TBC	Set locally
Licensing-Street Trading Consent	Temporary Event Street Trading Consent Category 2 - between 21 and 49 traders	£150	TBC	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Street Trading Consent	Temporary Event Street Trading Consent Category 3 - between 50 and 75 traders	£200	TBC	Set locally
Licensing-Street Trading Consent	Temporary Event Street Trading Consent Category 4 - between 76 and 99 traders	£250	TBC	Set locally
Licensing-Street Trading Consent	Temporary Event Street Trading Consent Category 5 - over 100 traders	£300	TBC	Set locally
Licensing-Pavement Licence	Pavement Licence New (1 year licence)	£189	TBC	Set locally with a nationally set maximum
Licensing-Pavement Licence	Pavement Licence New (2-year licence)	£377	TBC	Set locally with a nationally set maximum
Licensing-Pavement Licence	Pavement Licence Renewal (1 year licence)	£162	TBC	Set locally with a nationally set maximum
Licensing-Pavement Licence	Pavement Licence Renewal (2-year licence)	£323	TBC	Set locally with a nationally set maximum
Licensing-Civil Marriages & Partnership Venues	Civil Marriages & Partnership Venues New or renewal application	£1,536.00	TBC	Set locally
Licensing-Firework and Explosive Storage	Licence to store explosives where no minimum separation distance or a 0 metres minimum separation distance is prescribed-1 Year	£119.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Licence to store explosives where no minimum separation distance or a 0 metres minimum separation distance is prescribed-2 Years	£154.00	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Firework and Explosive Storage	Licence to store explosives where no minimum separation distance or a 0 metres minimum separation distance is prescribed-3 Years	£190.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Licence to store explosives where no minimum separation distance or a 0 metres minimum separation distance is prescribed-4 Years	£226.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Licence to store explosives where no minimum separation distance or a 0 metres minimum separation distance is prescribed-5 Years	£260.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Renewal of licence to store explosives where no minimum separation distance or a 0 metres minimum separation distance is prescribed-1 Year	£59.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Renewal of licence to store explosives where no minimum separation distance or a 0 metres minimum separation distance is prescribed-2 Years	£94.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Renewal of licence to store explosives where no minimum separation distance or a 0 metres minimum separation distance is prescribed-3 Years	£132.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Renewal of licence to store explosives where no minimum separation distance or a 0 metres	£166.00	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
	minimum separation distance is prescribed-4 Years			
Licensing-Firework and Explosive Storage	Renewal of licence to store explosives where no minimum separation distance or a 0 metres minimum separation distance is prescribed-5 Years	£202.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Licence to store explosives where a minimum separation distance of greater than 0 metres is prescribed-1 Year	£202.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Licence to store explosives where a minimum separation distance of greater than 0 metres is prescribed-2 Years	£266.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Licence to store explosives where a minimum separation distance of greater than 0 metres is prescribed-3 Years	£333.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Licence to store explosives where a minimum separation distance of greater than 0 metres is prescribed-4 Years	£409.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Licence to store explosives where a minimum separation distance of greater than 0 metres is prescribed-5 Years	£463.00	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Firework and Explosive Storage	Renewal of licence to store explosives where a minimum separation distance of greater than 0 metres is prescribed-1 Year	£94.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Renewal of licence to store explosives where a minimum separation distance of greater than 0 metres is prescribed-2 Years	£161.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Renewal of licence to store explosives where a minimum separation distance of greater than 0 metres is prescribed-3 Years	£226.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Renewal of licence to store explosives where a minimum separation distance of greater than 0 metres is prescribed-4 Years	£291.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Renewal of licence to store explosives where a minimum separation distance of greater than 0 metres is prescribed-5 Years	£357.00	TBC	Set nationally
Licensing-Firework and Explosive Storage	Transfer fee	£40	TBC	Set nationally
Licensing-Firework and Explosive Storage	Variation fee	£40	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Firework and Explosive Storage	Replacement licence	£40	TBC	Set nationally
Licensing-Firework and Explosive Storage	Annual licence to supply fireworks	£500	TBC	Set nationally
Licensing-Gambling Premise	Existing Casino Annual fee	£3,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Existing Casino Variation application	£2,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Existing Casino Transfer application	£1,350	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Existing Casino Application for licence reinstatement	£1,350	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New small casino new application	£8,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New small casino Annual fee	£5,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New small casino Variation application	£4,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New small casino Transfer application	£1,800	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New small casino Application for licence reinstatement	£1,800	TBC	Set locally with a nationally set maximum

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Gambling Premise	New small casino Application for provisional statement	£8,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New small casino Application for provisional statement held	£3,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New large casino new application	£10,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New large casino Annual fee	£10,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New large casino Variation application	£5,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New large casino Transfer application	£2,150	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New large casino Application for licence reinstatement	£2,150	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New large casino Application for provisional statement	£10,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	New large casino Application for provisional statement held	£5,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Bingo club new application	£3,500	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Bingo club Annual fee	£1,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Bingo club Variation application	£1,750	TBC	Set locally with a nationally set maximum

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Gambling Premise	Bingo club Transfer application	£1,200	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Bingo club Application for licence reinstatement	£1,200	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Bingo club Application for provisional statement	£3,500	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Bingo club Application for provisional statement held	£1,200	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Betting premises (excluding tracks) New application	£3,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Betting premises (excluding tracks) Annual fee	£600	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Betting premises (excluding tracks) Variation application	£1,500	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Betting premises (excluding tracks) Transfer application	£1,200	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Betting premises (excluding tracks) Application for licence reinstatement	£1,200	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Betting premises (excluding tracks) Application for provisional statement	£3,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Betting premises (excluding tracks) Application for provisional statement held	£1,200	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Tracks New application	£2,500	TBC	Set locally with a nationally set maximum

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Gambling Premise	Tracks Annual fee	£1,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Tracks Variation application	£1,250	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Tracks Transfer application	£950	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Tracks Application for licence reinstatement	£950	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Tracks Application for provisional statement	£2,500	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Tracks Application for provisional statement held	£950	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Family entertainment centres new application	£2,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Family entertainment centres Annual fee	£750	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Family entertainment centres Variation application	£1,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Family entertainment centres Transfer application	£950	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Family entertainment centres Application for licence reinstatement	£950	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Family entertainment centres Application for provisional statement	£2,000	TBC	Set locally with a nationally set maximum

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Gambling Premise	Family entertainment centres Application for provisional statement held	£950	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Adult gaming centre new application	£2,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Adult gaming centre Annual fee	£1,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Adult gaming centre Variation application	£1,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Adult gaming centre Transfer application	£1,200	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Adult gaming centre Application for licence reinstatement	£1,200	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Adult gaming centre Application for provisional statement	£2,000	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Adult gaming centre Application for provisional statement held	£1,200	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Copy of licence	£25.00	TBC	Set locally with a nationally set maximum
Licensing-Gambling Premise	Change of details	£50.00	TBC	Set locally with a nationally set maximum
Licensing-Gambling Permit	New application	£300	TBC	Set locally with a nationally set maximum
Licensing-Gambling Permit	Family entertainment centre machine permits Renewal application	£300	TBC	Set locally with a nationally set maximum

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Gambling Permit	Family entertainment centre machine permits Change of name	£25	TBC	Set locally with a nationally set maximum
Licensing-Gambling Permit	Family entertainment centre machine permits Copy permit	£15	TBC	Set locally with a nationally set maximum
Licensing-Gambling Permit	Prize gaming machine permits new application	£300	TBC	Set nationally
Licensing-Gambling Permit	Prize gaming machine permits Renewal application	£300	TBC	Set nationally
Licensing-Gambling Permit	Prize gaming machine permits Change of name	£25	TBC	Set nationally
Licensing-Gambling Permit	Prize gaming machine permits Copy permit	£15	TBC	Set nationally
Licensing-Gambling Permit	Licensed premises gaming machine permits new application (other)	£150	TBC	Set nationally
Licensing-Gambling Permit	Licensed premises gaming machine permits Variation	£100	TBC	Set nationally
Licensing-Gambling Permit	Licensed premises gaming machine permits Transfer	£25	TBC	Set nationally
Licensing-Gambling Permit	Licensed premises gaming machine permits First annual fee (due 30 days after the permit issue)	£50	TBC	Set nationally
Licensing-Gambling Permit	Licensed premises gaming machine permits Annual fee	£50	TBC	Set nationally
Licensing-Gambling Permit	Licensed premises gaming machine permits Change of name	£25	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Gambling Permit	Licensed premises gaming machine permits Copy permit	£15	TBC	Set nationally
Licensing-Gambling Permit	Licensed premises gaming machine permits Notice of intention to make 2 or less gaming machines available	£50	TBC	Set nationally
Licensing-Gambling Permit	Club gaming or club machine permits new application (holder of club premises certificate under section 72 licensing act 2003)	£100	TBC	Set nationally
Licensing-Gambling Permit	Club gaming or club machine permits new application (all other applicants)	£200	TBC	Set nationally
Licensing-Gambling Permit	Club gaming or club machine permits Renewal application (holder of club premises certificate under section 72 licensing act 2003)	£100	TBC	Set nationally
Licensing-Gambling Permit	Club gaming or club machine permits Renewal application (all other applicants)	£200	TBC	Set nationally
Licensing-Gambling Permit	Club gaming or club machine permits First annual fee (due 30 days after the permit issue)	£50	TBC	Set nationally
Licensing-Gambling Permit	Club gaming or club machine permits Annual fee	£50	TBC	Set nationally
Licensing-Gambling Permit	Club gaming or club machine permits Variation	£100	TBC	Set nationally
Licensing-Gambling Permit	Club gaming or club machine permits Copy permit	£15	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Lottery Registration	Small society lottery registration new application	£40.00	TBC	Set nationally
Licensing-Lottery Registration	Small society lottery registration Annual Fee	£20.00	TBC	Set nationally
Licensing-Temporary Use Notice	Temporary use notice	£500.00	TBC	Set nationally
Licensing-Temporary Use Notice	Temporary use notice copies or replacement notice	£25.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band A: No rateable value to £4,300 Grant or variation fee	£100.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band A: No rateable value to £4,300 Annual fee	£70.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band B: £4,301 to £33,000 Grant or variation	£190.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band B: £4,301 to £33,000 Annual fee	£180.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band C: £33,001 to £87,000 Grant or variation fee	£315.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band C: £33,001 to £87,000 Annual fee	£295.00	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Premises and Club Premises	Band D: £87,001 to £125,000 Grant or variation fee	£450.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band D: £87,001 to £125,000 Annual fee	£320.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band D: £87,001 to £125,000 (if used exclusively or primarily for the supply of alcohol for consumption on the premises) Grant or variation fee	£900.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band D: £87,001 to £125,000 (if used exclusively or primarily for the supply of alcohol for consumption on the premises) Annual fee	£640.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band E: £125,001 and above Grant or variation fee	£635.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band E: £125,001 and above Annual fee	£350.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band E: £125,001 and above (if used exclusively or primarily for the supply of alcohol for consumption on the premises) Grant or variation fee	£1,905.00	TBC	Set nationally
Licensing-Premises and Club Premises	Band E: £125,001 and above (if used exclusively or primarily for the supply of alcohol for consumption on the premises) Annual fee	£1,050.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 5,000 to 9,999 Additional fee	£1,000.00	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Large Events	Number in attendance at any one time: 5,000 to 9,999 Annual fee	£500.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 10,000 to 14,999 Additional fee	£2,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 10,000 to 14,999 Annual fee	£1,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 15,000 to 19,999 Additional fee	£4,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 15,000 to 19,999 Annual fee	£2,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 20,000 to 29,999 Additional fee	£8,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 20,000 to 29,999 Annual fee	£4,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 30,000 to 39,999 Additional fee	£16,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 30,000 to 39,999 Annual fee	£8,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 40,000 to 49,999 Additional fee	£24,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 40,000 to 49,999 Annual fee	£12,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 50,000 to 59,999 Additional fee	£32,000.00	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Large Events	Number in attendance at any one time: 50,000 to 59,999 Annual fee	£16,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 60,000 to 69,999 Additional fee	£40,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 60,000 to 69,999 Annual fee	£20,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 70,000 to 79,999 Additional fee	£48,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 70,000 to 79,999 Annual fee	£24,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 80,000 to 89,999 Additional fee	£56,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 80,000 to 89,999 Annual fee	£28,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 90,000 and above Additional fee	£64,000.00	TBC	Set nationally
Licensing-Large Events	Number in attendance at any one time: 90,000 and above Annual fee	£32,000.00	TBC	Set nationally
Licensing-Personal, temp event and other	Personal licence application	£37	TBC	Set nationally
Licensing-Personal, temp event and other	Temporary event notice	£21	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing- Personal, temp event and other	Application for a provisional statement (where premises are being built)	£315	TBC	Set nationally
Licensing- Personal, temp event and other	Notification of change of name or address	£10.50	TBC	Set nationally
Licensing- Personal, temp event and other	Application to vary licence to specify an individual as premises supervisor	£23	TBC	Set nationally
Licensing- Personal, temp event and other	Application for transfer of premises licence	£23	TBC	Set nationally
Licensing- Personal, temp event and other	Interim authority notice	£23	TBC	Set nationally
Licensing- Personal, temp event and other	Notification of change of name or alteration of rules of club	£10.50	TBC	Set nationally
Licensing- Personal, temp event and other	Change of relevant registered address of club	£10.50	TBC	Set nationally
Licensing- Personal, temp event and other	Theft or loss of temporary event notice, personal licence, premise licence or summary	£10.50	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Personal, temp event and other	Notification of an interest in any premises	£21	TBC	Set nationally
Licensing-Personal, temp event and other	Copy of licence	£10.50	TBC	Set nationally
Licensing-Personal, temp event and other	Application for a minor variation	£89	TBC	Set nationally
Licensing-Private Hire and Taxi	Application for a licensed driver non-refundable deposit	£45	TBC	Set locally
Licensing-Private Hire and Taxi	DBS (disclosure and barring service) fee	£55	TBC	Set by service provider
Licensing-Private Hire and Taxi	Licensed driver knowledge test, retest or failure to attend (if less than 48 hours notice given)	£23	TBC	Set locally
Licensing-Private Hire and Taxi	Grant or renewal of a private hire, hackney carriage or combined driver licence 1 year	£93	TBC	Set locally
Licensing-Private Hire and Taxi	Grant or renewal of a private hire, hackney carriage or combined driver licence 3 year	£223	TBC	Set locally
Licensing-Private Hire and Taxi	Hackney carriage driver to combined driver licence application	£20	TBC	Set locally
Licensing-Private Hire and Taxi	Private hire driver to hackney carriage or combined driver licence application (includes knowledge test)	£43	TBC	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Private Hire and Taxi	Grant of a taxi or private hire vehicle licence-Hackney carriage or private hire wheelchair accessible vehicle	£128	TBC	Set locally
Licensing-Private Hire and Taxi	Grant of a taxi or private hire vehicle licence-Hackney carriage or private hire saloon vehicle	£295	TBC	Set locally
Licensing-Private Hire and Taxi	Renewal of a taxi or private hire vehicle licence-Hackney carriage or private hire wheelchair accessible vehicle	£95	TBC	Set locally
Licensing-Private Hire and Taxi	Renewal of a taxi or private hire vehicle licence-Hackney carriage or private hire saloon vehicle	£220	TBC	Set locally
Licensing-Private Hire and Taxi	Renewal of a taxi or private hire vehicle licence-Transfer of hackney carriage or private hire ownership	£81	TBC	Set locally
Licensing-Private Hire and Taxi	Renewal of a taxi or private hire vehicle licence-Vehicle exemption certificate	£81	TBC	Set locally
Licensing-Private Hire and Taxi	Renewal of a taxi or private hire vehicle licence-Change of vehicle registration mark (cherished plate)	£95	TBC	Set locally
Licensing-Private Hire and Taxi	Administration fee	£45	TBC	Set locally
Licensing-Private Hire and Taxi	Copy of documents	£16	TBC	Set locally
Licensing-Private Hire and Taxi	Replacement vehicle rear or front plates and fixing kit	£10	TBC	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Private Hire and Taxi	Replacement vehicle internal comment card	£4	TBC	Set locally
Licensing-Private Hire and Taxi	Replacement vehicle exemption card	£4	TBC	Set locally
Licensing-Private Hire and Taxi	Replacement vehicle door decal (each)	£7	TBC	Set locally
Licensing-Private Hire and Taxi	Replacement vehicle window stickers	£1	TBC	Set locally
Licensing-Private Hire and Taxi	Replacement vehicle bracket and fixing kit	£7	TBC	Set locally
Licensing-Private Hire and Taxi	Replacement driver badges	£10	TBC	Set locally
Licensing-Private Hire and Taxi	Replacement driver record card	£5	TBC	Set locally
Licensing-Private Hire and Taxi	Postage for replacement items	£5	TBC	Set locally
Licensing-Private Hire and Taxi	Prices for grant of a private hire operator's licence - 1 year licence-1 vehicle	£160	TBC	Set locally
Licensing-Private Hire and Taxi	Prices for grant of a private hire operator's licence - 1 year licence-2 vehicles	£164	TBC	Set locally
Licensing-Private Hire and Taxi	Prices for grant of a private hire operator's licence - 1 year licence- Fee per additional vehicle	£3.50	TBC	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Licensing-Private Hire and Taxi	Prices for grant of a private hire operator's licence - 5-year licence-1 vehicle	£512	TBC	Set locally
Licensing-Private Hire and Taxi	Prices for grant of a private hire operator's licence - 5-year licence-2 vehicles	£523.20	TBC	Set locally
Licensing-Private Hire and Taxi	Prices for grant of a private hire operator's licence - 5-year licence- Fee per additional vehicle	£11.20	TBC	Set locally
Licensing-Private Hire and Taxi	Prices for renewal of a private hire operator's licence - 1 year licence-1 vehicle	£110.00	TBC	Set locally
Licensing-Private Hire and Taxi	Prices for renewal of a private hire operator's licence - 1 year licence-2 vehicles	£113.50	TBC	Set locally
Licensing-Private Hire and Taxi	Prices for renewal of a private hire operator's licence - 1 year licence- fee per additional vehicle	£3.50	TBC	Set locally
Licensing-Private Hire and Taxi	Prices for renewal of a private hire operator's licence - 5-year licence-1 vehicle	£352.00	TBC	Set locally
Licensing-Private Hire and Taxi	Prices for renewal of a private hire operator's licence - 5-year licence-2 vehicles	£363.20	TBC	Set locally
Licensing-Private Hire and Taxi	Prices for renewal of a private hire operator's licence - 5-year licence- fee per additional vehicle	£11.20	TBC	Set locally
Environmental Health				

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Animal Health, Welfare & Pest Control	Pest Control for Homeowners	£80.00	£83.00	Set locally
Animal Health, Welfare & Pest Control	Commercial Jobs- Pest Control	£80.00	£83.00	Set locally
Animal Health, Welfare & Pest Control	Revisits- Pest Control	£40.00	£41.50	Set locally
Animal Health, Welfare & Pest Control	Pest Control Contracts or Treatments and Food Hygiene training for food handlers in Schools	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Environmental Health-Commercial	Training course- Level 2 Award in Nutrition	£68.00	£70.00	Set locally
Environmental Health-Commercial	Training course- Level 2 Award in HACCP	£79.00	£82.00	Set locally
Environmental Health-Commercial	Training course- Level 3 Award in HACCP	£420.00	£436.00	Set locally
Environmental Health-Commercial	Food Allergen Training	£53.00	£55.00	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Environmental Health-Commercial	Allergan Awareness Training	£263.00	£273.00	Set locally
Environmental Health-Commercial	Training course- Level 2 Award in Food Safety Catering/ Manufacturing	£58.00	£60.00	Set locally
Environmental Health-Commercial	Training course- Level 3 Award in Supervising Food Safety	£305.00	£316.50	Set locally
Environmental Health-Commercial	Training course- Level 4 Award in Managing Food Safety	£525.00	£545.00	Set locally
Environmental Health-Environmental Protection	LAPPC Application Fee- Standard Process (includes solvent emission activities)	£1,650.00	TBC	Set nationally
Environmental Health-Environmental Protection	LAPPC Application Fee- Additional fee for operating without a permit	£1,188.00	TBC	Set nationally
Environmental Health-Environmental Protection	LAPPC Application Fee- PVRI, and Dry Cleaners	£155.00	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Environmental Health-Environmental Protection	LAPPC Application Fee- PVR I & II combined	£257.00	TBC	Set nationally
Environmental Health-Environmental Protection	LAPPC Application Fee- VRs and other Reduced Fee Activities	£362.00	TBC	Set nationally
Environmental Health-Environmental Protection	LAPPC Application Fee- Reduced fee activities; Additional fee for operating without a permit	£71.00	TBC	Set nationally
Environmental Health-Environmental Protection	LAPPC Application Fee- Mobile plant/for the third to seventh applications/for the eighth and subsequent applications	£1650/£985/£498	TBC	Set nationally
Environmental Health-Environmental Protection	Annual Subsistence Charge- Standard process Low/Medium/High (the additional amounts in brackets must be charged where a permit is for a combined Part B and waste installation)	£772(£104)/ £1161(£156)/ £1747(£207)	TBC	Set nationally
Environmental Health-Environmental Protection	Annual Subsistence Charge-PVRI and Dry Cleaners Low/Medium/High	£79/£158/£237	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Environmental Health-Environmental Protection	Annual Subsistence Charge-PVR I & II combined Low/Medium/High	£113/£226/£341	TBC	Set nationally
Environmental Health-Environmental Protection	Annual Subsistence Charge-VRs and other Reduced Fees Low/Medium/High	£228/£365/£548	TBC	Set nationally
Environmental Health-Environmental Protection	Annual Subsistence Charge-Mobile plant, for first and second permits Low/Medium/High	£626/£1034/£1551	TBC	Set nationally
Environmental Health-Environmental Protection	Annual Subsistence Charge-Mobile plant, for third to seventh permits Low/Medium/High	£385/£617/£924	TBC	Set nationally
Environmental Health-Environmental Protection	Annual Subsistence Charge-Mobile plant, for eighth and subsequent permits Low/Medium/High	£198/£316/£473	TBC	Set nationally
Environmental Health-Environmental Protection	Annual Subsistence Charge-Late Payment Fee	£52.00	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Environmental Health-Environmental Protection	Transfer and Surrender-Standard process transfer	£169.00	TBC	Set nationally
Environmental Health-Environmental Protection	Transfer and Surrender-Standard process partial transfer	£497.00	TBC	Set nationally
Environmental Health-Environmental Protection	Transfer and Surrender-New operator at low risk reduced fee activity (extra one-off subsistence charge)	£78.00	TBC	Set nationally
Environmental Health-Environmental Protection	Transfer and Surrender-Surrender: all Part B activities	£0.00	TBC	Set nationally
Environmental Health-Environmental Protection	Transfer and Surrender-Reduced fee activities: transfer	£0.00	TBC	Set nationally
Environmental Health-Environmental Protection	Transfer and Surrender-Reduced fee activities: partial transfer	£47.00	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Environmental Health-Environmental Protection	Temporary transfer for mobiles-First transfer	£53.00	TBC	Set nationally
Environmental Health-Environmental Protection	Temporary transfer for mobiles-Repeat following enforcement or warning	£53.00	TBC	Set nationally
Environmental Health-Environmental Protection	Substantial change-Standard process	£1,050.00	TBC	Set nationally
Environmental Health-Environmental Protection	Substantial change-Standard process where the substantial change results in a new PPC activity	£1,650.00	TBC	Set nationally
Environmental Health-Environmental Protection	Substantial change-Reduced fee activities	£102.00	TBC	Set nationally
Environmental Health-Environmental Protection	LAPPC mobile plant charge-1 or 2 permits application fee	£1,650.00	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Environmental Health-Environmental Protection	LAPPC mobile plant charge-1 or 2 permits subsistence fee Low/Medium/High	£646/£1034/£1506	TBC	Set nationally
Environmental Health-Environmental Protection	LAPPC mobile plant charge-3 to 7 permits application fee	985.00	TBC	Set nationally
Environmental Health-Environmental Protection	LAPPC mobile plant charge-3 to 7 permits subsistence fee Low/Medium/High	£385/£617/£924	TBC	Set nationally
Environmental Health-Environmental Protection	LAPPC mobile plant charge-8 and over permits application fee	498.00	TBC	Set nationally
Environmental Health-Environmental Protection	LAPPC mobile plant charge-8 and over permits subsistence fee Low/Medium/High	£198/£316/£473	TBC	Set nationally
Environmental Health-Environmental Protection	LA-IPPC Application	£3,363.00	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Environmental Health-Environmental Protection	LA-IPPC Additional fee for operating without a permit	£1,188.00	TBC	Set nationally
Environmental Health-Environmental Protection	LA-IPPC Annual Subsistence Low/Medium/High (every subsistence charge includes the additional £103 charge to cover local authority extra costs in dealing with reporting under the E-PRTR Regulation)	£1446/£1610/£2333	TBC	Set nationally
Environmental Health-Environmental Protection	LA-IPPC Late Payment Fee	£52.00	TBC	Set nationally
Environmental Health-Environmental Protection	LA-IPPC Substantial Variation	£1,368.00	TBC	Set nationally
Environmental Health-Environmental Protection	LA-IPPC Transfer	£235.00	TBC	Set nationally
Environmental Health-Environmental Protection	LA-IPPC Partial Transfer	£698.00	TBC	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Environmental Health- Environmental Protection	LA-IPPC Surrender	£698.00	TBC	Set nationally
Community Safety				
Security & Surveillance	ALARM MONITORING DIGI COM- Annual Cost	£136.17	£141.00	Set locally
Security & Surveillance	RESIDENTIAL ALARM MON DIGICOM- Annual Cost	£61.77	£64.00	Set locally
Security & Surveillance	KEYHOLDING- Annual Cost	£136.14	£141.00	Set locally
Security & Surveillance	ALARM CALL OUT- Annual Cost	£55.78	£58.00	Set locally
Security & Surveillance	DUALCOM G2 UDL PSTN Dual Path- Annual Cost	£202.08	£210.00	Set locally
Security & Surveillance	DUALCOM G3 UDL PSTN Dual Path- Annual Cost	£236.41	£245.00	Set locally
Security & Surveillance	DUALCOM G4 UDL PSTN Dual Path- Annual Cost	£280.97	£292.00	Set locally
Security & Surveillance	DUALCOM DIGI AIR UDL G2 Single Path- Annual Cost	£133.80	£139.00	Set locally
Security & Surveillance	DIGIAIR PRO RADIO ONLY- Annual Cost	£151.21	£157.00	Set locally
Security & Surveillance	DIGIAIR PRO RADIO ONLY FIRE- Annual Cost	£151.21	£157.00	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Security & Surveillance	GRADESHIFT PRO RADIO/RADIO DP2- Annual Cost	£201.43	£209.00	Set locally
Security & Surveillance	GRADESHIFT PRO RADIO/RADIO DP2 FIRE- Annual Cost	£201.43	£209.00	Set locally
Security & Surveillance	GRADESHIFT PRO RADIO/RAIDO DP2+- Annual Cost	£234.07	£243.00	Set locally
Security & Surveillance	GRADESHIFT PRO RADIO/RADIO DP3- Annual Cost	£276.51	£287.00	Set locally
Security & Surveillance	GRADESHIFT PRO RADIO/RADIO DP4- Annual Cost	£298.28	£310.00	Set locally
Security & Surveillance	GRADESHIFT PRO RADIO/IP DP2- Annual Cost	£176.40	£183.00	Set locally
Security & Surveillance	GRADESHIFT PRO RADIO/IP DP2+- Annual Cost	£187.28	£194.00	Set locally
Security & Surveillance	GRADESHIFT PRO RADIO/IP DP3- Annual Cost	£198.16	£206.00	Set locally
Security & Surveillance	DIGIAIR PRO IP ONLY- Annual Cost	£160.08	£166.00	Set locally
Security & Surveillance	SCHEDULED OPEN/CLOSE- Annual Cost	£25.97	£27.00	Set locally
Security & Surveillance	UNSCHEDULED OPEN/CLOSE- Annual Cost	£55.78	£58.00	Set locally
Security & Surveillance	CAMERA MONITOIRNG HIKVISION - Annual Cost	£3,966.00	£4,116.00	Set locally
Security & Surveillance	CCTV ALARM MONITORING- Annual Cost	£828.99	£860.00	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Security & Surveillance	STAYSAFE LONE WORKING TELEPHONE APP- Annual Cost	£159.00	£165.00	Set locally
Security & Surveillance	STAYSAFE LONE WORKING TELEPHONE APP- Wearable Device	£25.43	£26.00	Set locally
Security & Surveillance	Security Services in Schools	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
One Call	OneCall - VAT payable- Annual	£349.03	£362.00	Set locally
One Call	OneCall - VAT exempt- Annual	£291.00	£305.00	Set locally
One Call	OneCall Enhanced - VAT payable- Annual	£856.72	£889.00	Set locally
One Call	OneCall Enhanced - VAT exempt- Annual	£713.93	£741.00	Set locally
One Call	OneCall Plus - VAT payable- Annual	£355.38	£369.00	Set locally
One Call	OneCall Plus - VAT exempt- Annual	£296.15	£307.00	Set locally
One Call	OneCall Key Safe - VAT payable- Annual	£85.43	£89.00	Set locally
One Call	OneCall Installation - VAT payable- Annual	£87.87	£91.00	Set locally
One Call	OneCall Installation - VAT exempt- Annual	£73.22	£76.00	Set locally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
One Call	OneCall Enhanced Scheme - VAT payable- Annual	£590.18	£613.00	Set locally
One Call	OneCall Enhanced Scheme - VAT exempt- Annual	£491.82	£510.00	Set locally
Enforcement	Fly Posting	£80.00	£80.00	Set nationally
Enforcement	Graffiti	£80.00	£80.00	Set nationally
Enforcement	Urinating in Public	£130.00	£130.00	Set nationally
Enforcement	Breach of Community Protection Notice (CPN)	£100.00	£100.00	Set nationally
Enforcement	Depositing Litter (Commercial) - Failing to comply with section 47 notice made under the Environmental Protection Act 1990	£75.00	£75.00	Set nationally
Enforcement	Failing to remove dog faeces from land	£50.00	£50.00	Set nationally
Enforcement	Vehicle Abandonment	£200.00	£200.00	Set nationally
Enforcement	Failure to Produce Authority to Transport Waste	£300.00	£300.00	Set nationally
Enforcement	Failure to Produce a Waste Transfer Note	£300.00	£300.00	Set nationally
Enforcement	Littering	£130.00	£130.00	Set nationally

Service	Fee or Charge	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Enforcement	Littering from a Vehicle	£130.00	£130.00	Set nationally
Enforcement	Fly Tipping	£400.00	£400.00	Set nationally
Enforcement	Fly Tipping Duty of Care	£200.00	£200.00	Set nationally
Enforcement	Exposing vehicles for sale on the public highway within 500m of each other	£100.00	£100.00	Set nationally
Enforcement	Repairing a vehicle on the public highway	£100.00	£100.00	Set nationally
Enforcement	24/7 Transportation escorting school staff and young people	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information

Children's Services

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Education Improvement Service					
Education, Inclusion & Achievement	Non-Attendance at School - Fixed Penalty Notice	Per fine	£80 (increased to £160 if not paid within 21 days followed by legal action if not paid before 28 days)	TBC	Set nationally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Education, Inclusion & Achievement	Education, Inclusion & Achievement Membership-Primary Maintained Schools and Academies	Per pupil	Up to 150 pupils-£1000 150-250 pupils-£1500 250+ pupils-£2000	Up to 150 pupils-£1040 150-250 pupils-£1560 250+ pupils-£2080	Set locally-See Prospectus of services for schools and academies for more information
Education, Inclusion & Achievement	Brokered Work Support	Per school	Whole day-£550 Half day-£275 Twilight (up to 2 hours)-£200 Hourly-£100	Whole day-£570 Half day-£285 Twilight (up to 2 hours)-£210 Hourly-£105	Set locally-See Prospectus of services for schools and academies for more information
Careers Advice & Guidance	Careers Guidance Service	Per school or college	Price on request	Price on request	Set locally-See Prospectus of services for schools and academies for more information
School and Governor Support Services	School and Governor Support	Per school	Price on request	Price on request	Set locally-See Prospectus of services for schools and academies for more information

Community Services, Environment and Culture

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Catering and Cleaning					
Catering	Maintained School Meals	Per meal	£3.00	TBC	Set locally
Catering	Academy Trust School Meals	Per meal	Cost based increase, individual to each Academy		Set locally
Customer Services					
Customer Services	Free School Meals Checking Service 1 - 20 pupils	Per School	£306.50	£318.00	Set locally
Customer Services	Free School Meals Checking Service 21-50 pupils	Per School	£490.41	£509.00	Set locally
Customer Services	Free School Meals Checking Service additional pupil charge	Per School	£3.62	£3.76	Set locally
Community Services					
Waste Strategy	Haverton Hill HWRC Van Permit	Per Permit	23.50	25.00	Set locally
Refuse, Recycling and Street Cleaning	Bulky Waste Collection - up to 6 items	Per 6 Items	£23.50	TBC	Set locally
Refuse, Recycling and Street Cleaning	Replacement 240l wheeled bins	Per Item	£27.20	28.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Refuse, Recycling and Street Cleaning	Replacement 360l wheeled bins	Per Item	£38.00	39.00	Set locally
Refuse, Recycling and Street Cleaning	Green Waste Collection	Per household annually	£40.00	£40.00	Set locally
Refuse, Recycling and Street Cleaning	Graffiti removal and cleansing in schools	Per request	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Refuse, Recycling and Street Cleaning	Refuse Collections in Schools-Extra Collections	Per request	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Grounds and Tree Maintenance	Grounds Maintenance in schools	Per request	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Registration	Birth, Death & Marriage Certificate	Per item	£12.50	TBC	Set nationally
Registration	Civil Partnership Certificate	Per item	£12.50	TBC	Set nationally
Registration	Birth, Death & Marriage Certificate (Priority Service)	Per item	£38.50	TBC	Set nationally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Registration	Civil Partnership Certificate (Priority Service)	Per item	£38.50	TBC	Set nationally
Registration	Intention to Marry/Civil Partnership	Per Person	£42.00	TBC	Set nationally
Registration	Consideration by Superintendent Registrar of a Divorce obtained outside British Isles	Per item	£55.00	TBC	Set nationally
Registration	Consideration by Registrar General of a Divorce obtained outside British Isles	Per item	£83.00	TBC	Set nationally
Registration	Attendance at Register Office	Per item	£68.50	TBC	Set nationally
Registration	Attendance at Registered Building	Per item	£116.50	TBC	Set nationally
Registration	Conversion of Civil Partnership into Marriage	Per item	£50.00	TBC	Set nationally
Registration	Completing declaration	Per item	£30.00	TBC	Set nationally
Registration	Signing the Declaration in a religious building	Per item	£101.00	TBC	Set nationally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
	registered for the marriage of same sex Couples				
Registration	Change of forename added within 12 months of Birth registration	Per item	£44.00	TBC	Set nationally
Registration	Consideration by Registrar /Superintendent Registrar of a correction	Per item	£83.00	TBC	Set nationally
Registration	Consideration by Registrar General of a Correction	Per item	£99.00	TBC	Set nationally
Registration	Attendance at a Group Citizenship Ceremony	Per Delegate	£130.00	TBC	Set nationally
Registration	Searches in Indexes	Per item	£20.00	TBC	Set nationally
Registration	Nightingale Suite - Monday to Thursday	Per item	£260.00	£270.00	Set locally
Registration	Nightingale Suite - Friday	Per item	£300.00	£311.00	Set locally
Registration	Nightingale Suite - Saturday	Per item	£348.00	£361.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Registration	Approved Premise Venues - Monday to Thursday	Per item	£500.00	£519.00	Set locally
Registration	Approved Premise Venues - Friday	Per item	£561.00	£582.00	Set locally
Registration	Approved Premise Venues - Saturday	Per item	£668.00	£693.00	Set locally
Registration	Approved Premise Venues - Sunday & Bank Holiday	Per item	£724.00	£751.00	Set locally
Registration	Private Citizenship Ceremony (The Nightingale Suite) - Individual (Monday to Friday)	Per item	£183.00	£190.00	Set locally
Registration	Private Citizenship Ceremony (The Nightingale Suite) - Family Group (Monday to Friday)	Per item	£244.00	£253.00	Set locally
Registration	Non-refundable Ceremony Booking Fee	Per item	£51.00	£53.00	Set locally
Registration	Fee for a Registrar's attendance at a ceremony commencing after 16:00	Per item	£724.00	£751.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Bereavement Services	Graves in Traditional and Lawn sections including Solid Purchase 100-year lease	Per item	£1,030.00	£1,250.00	Set locally
Bereavement Services	Purchase of Old reservation 50-year Lease	Per item	£515.00	£625.00	Set locally
Bereavement Services	Cremated Remains Gardens 25-year lease	Per item	£240.00	£300.00	Set locally
Bereavement Services	Babies Burial plot – 25-year lease	Per item	£115.00	£300.00	Set locally
Bereavement Services	Grave Rights – Pure lawn – 100-year lease (Durham Road extension)	Per item	£1,030.00	£1,250.00	Set locally
Bereavement Services	Grave Rights – Part personalisation collar – 100-year lease (Durham Road extension)	Per item	£1,260.00	£1,400.00	Set locally
Bereavement Services	Grave Rights – Full personalisation collar – 100-year lease (Durham Road extension)	Per item	£1,540.00	£1,650.00	Set locally
Bereavement Services	Transfer of Exclusive rights of burial (where grave owner is deceased)	Per item	£80.00	£85.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Bereavement Services	Addition of Names to the exclusive rights of burial	Per item	£40.00	£45.00	Set locally
Bereavement Services	Assignment of Rights (where a grave owner is Living)	Per item	£40.00	£45.00	Set locally
Bereavement Services	Copy of Grave Deed	Per item	£15.00	£15.00	Set locally
Bereavement Services	Private Burial for two up to 6ft	Per item	£790.00	£890.00	Set locally
Bereavement Services	Private Burial for three 7ft	Per item	£860.00	£990.00	Set locally
Bereavement Services	Interment of cremated remains (with or without casket) in cremated remains grave only	Per item	£185.00	£200.00	Set locally
Bereavement Services	Scattering of cremated remains (on any grave that is classed as full)	Per item	£65.00	£70.00	Set locally
Bereavement Services	Interment of Clinical samples	Per item	£90.00	£95.00	Set locally
Bereavement Services	Baby interment with a baby burial pot	Per item	£260.00	£300.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Bereavement Services	Headstone (including single inscription)	Per item	£290.00	£305.00	Set locally
Bereavement Services	Vase (not exceeding 30cm /12 inches), Wooden Cross, Flat plaque and desk top tablet on full size grave	Per item	£97.00	£105.00	Set locally
Bereavement Services	Additional Inscription	Per item	£97.00	£105.00	Set locally
Bereavement Services	Cremated Remains Garden Memorial (restricted size)	Per item	£97.00	£105.00	Set locally
Bereavement Services	Babies Burial Garden Memorial (restricted size)	Per item	£97.00	£105.00	Set locally
Bereavement Services	Refurbishment, refix or replacement of Existing Headstone	Per item	£20.00	£25.00	Set locally
Bereavement Services	Exhumation from any grave	Per item	Price on Request	Price on Request	Set locally
Bereavement Services	Exhumation of Cremated Remains	Per item	Price on Request	Price on Request	Set locally
Bereavement Services	Weekend interment surcharge-adult	Per item	£550.00	£600.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Bereavement Services	Saturday morning interment – Cremated Remains	Per item	£125.00	£200.00	Set locally
Bereavement Services	Postponement/Cancellation Charge	Per item	£115.00	£200.00	Set locally
Bereavement Services	Late Fee	Per item	£115.00	£200.00	Set locally
Bereavement Services	Family History Research	Per item	£15.00	£25.00	Set locally
Bereavement Services	Adult Cremation with Full Service (Includes Medical Referee Fee)	Per item	£985.00	£1,015.00	Set locally
Bereavement Services	Adult Cremation – No Service (Unattended) (Includes Medical Referee Fee)	Per item	£450.00	£470.00	Set locally
Bereavement Services	Adult Cremation – Weekend (Includes Medical Referee Fee)	Per item	£1,220.00	£1,500.00	Set locally
Bereavement Services	Child cremation (24 weeks to 12 years) – Full Service (Includes Medical Referee Fee)	Per item	£205.00	£240.00	Set locally
Bereavement Services	Child Cremation (13 years – 18 years) – Full Service	Per item	£560.00	£590.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
	(Includes Medical Referee Fee)				
Bereavement Services	Child cremation (24 weeks to 12 years) – Unattended (Includes Medical Referee Fee)	Per item	£85.00	£90.00	Set locally
Bereavement Services	Child cremation (13 years to 18 years) – Unattended (Includes Medical Referee Fee)	Per item	£320.00	£350.00	Set locally
Bereavement Services	Non-Viable Foetus (NVF)	Per item	£20.00	£25.00	Set locally
Bereavement Services	Non-Viable Foetus (NVF) - Hospital Batches	Per item	£240.00	£300.00	Set locally
Bereavement Services	Cremation of Body Parts (Includes Medical Referee Fee)	Per item	£80.00	£100.00	Set locally
Bereavement Services	Use of Chapel for Memorial Service	Per item	£250.00	£300.00	Set locally
Bereavement Services	Additional Service Time (per Hour)	Per item	£250.00	£300.00	Set locally
Bereavement Services	Live Webcast and 28 days watch again (includes download link)	Per item	£54.00	£56.00 including VAT	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Bereavement Services	Webcast download link	Per item	£10.00	£10.00 including VAT	Set locally
Bereavement Services	Digital download link of service (not broadcast live)	Per item	£50.00	£55.00 including VAT	Set locally
Bereavement Services	Physical copy of Webcast or Tribute (DVD/USB/Blu-ray)	Per item	£55.00	£60.00 including VAT	Set locally
Bereavement Services	Additional Photo Tribute – per image	Per item	£10.00	£10.00 including VAT	Set locally
Bereavement Services	Simple Slideshow – up to 25 Photos	Per item	£50.00	£52.00 including VAT	Set locally
Bereavement Services	Music Tribute – up to 25 Photos with music	Per item	£90.00	£95.00 including VAT	Set locally
Bereavement Services	Themed Tribute – up to 25 photos with music	Per item	£95.00	£100.00 including VAT	Set locally
Bereavement Services	Tribute download link	Per item	£10.00	£10.00 including VAT	Set locally
Bereavement Services	Family Supplied Video Checking	Per item	£35.00	£36.00 including VAT	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Bereavement Services	Extra Tribute photos – per 25 Photos	Per item	£22.00	£25.00 including VAT	Set locally
Bereavement Services	Extra work for Obitus	Per item	£22.00	£25.00 including VAT	Set locally
Bereavement Services	Video Book (a portable video of the service or tribute)	Per item	£95.00	£100 including VAT	Set locally
Bereavement Services	Memory Box – 25 Printed photos and a copy of the Service/Tribute (DVD or USB Stick)	Per item	£130.00	£135.00 including VAT	Set locally
Bereavement Services	2nd Copy of Webcast or Tribute	Per item	£32.00	£35.00 including VAT	Set locally
Bereavement Services	2nd copy of Video Book	Per item	£75.00	£78.00	Set locally
Bereavement Services	2nd copy of Memory Box	Per item	£100.00	£105.00	Set locally
Bereavement Services	Scattering of remains from another Crematorium	Per item	£65.00	£70.00	Set locally
Bereavement Services	Temporary storage of Cremated remains – per calendar month (first month free)	Per item	£15.00	£15.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Bereavement Services	Witness Scattering reading	Per item	£50.00	£50.00	Set locally
Bereavement Services	Scattering reading	Per item	£42.00	£50.00	Set locally
Bereavement Services	Cremated Remains Sealed for Export including certified customers Certificate	Per item	£30.00	£35.00	Set locally
Bereavement Services	Certified extract from the Cremation Register	Per item	£11.00	£15.00	Set locally
Bereavement Services	Copy of Cremation Certificate	Per item	£11.00	£15.00	Set locally
Bereavement Services	Ashes Split into Small Tube	Per item	£10.00	£10.00 including VAT	Set locally
Bereavement Services	Ashes Split into Large tube	Per item	£15.00	£15.00 including VAT	Set locally
Bereavement Services	Arrangement Fee for Family Arranged Memorials or Cremations	Per item	£125.00	£130.00	Set locally
Bereavement Services	Late Paperwork – Less than 48 Hours before Cremation date	Per item	£105.00	£110.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Bereavement Services	Over Running time slot	Per item	£115.00	£120.00	Set locally
Bereavement Services	2 Lines (Included with Cremation if cremated after April 2024)	Per item	£65.00	£70.00 including VAT	Set locally
Bereavement Services	Additional Lines – Per line (Max of 6 additional Lines)	Per item	£15.00	£15.00 including VAT	Set locally
Bereavement Services	Floral Motif (Available on entries of 5 lines or more)	Per item	£76.00	£80.00 including VAT	Set locally
Bereavement Services	Bespoke Motif (Available on entries of 5 lines or more)	Per item	£92.00	£95.00 including VAT	Set locally
Bereavement Services	Miniature Suede Book (additional to entry)	Per item	£60.00	£66.00	Set locally
Bereavement Services	Memorial Card (additional to entry)	Per item	£15.00	£18.00	Set locally
Bereavement Services	12" x 6 "Standard granite wall plaque inscription only (including lease)	Per item	£340.00	£370.00	Set locally
Bereavement Services	12" x 6 "Standard granite wall plaque with standard brochure design	Per item	£388.00	£420.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Bereavement Services	12" x 6 "Standard granite wall plaque with ceramic photo plaque	Per item	£424.00	£450.00	Set locally
Bereavement Services	12"x 9" Large granite Wall plaque inscription only	Per item	£360.00	£390.00	Set locally
Bereavement Services	12"x 9" Large granite Wall plaque with standard brochure design	Per item	£408.00	£440.00	Set locally
Bereavement Services	12"x 9" Large granite Wall plaque with ceramic photo plaque	Per item	£444.00	£470.00	Set locally
Bereavement Services	Personal designs are priced individually	Per item	Price on Request	Price on Request	Set locally
Bereavement Services	Renewal of 10-year lease	Per item	£200	£220.00	Set locally
Bereavement Services	Memorial disc plaque including 5-year lease	Per item	£250.00	£260.00	Set locally
Bereavement Services	Renewal of 5-year lease	Per item	£155.00	£160.00	Set locally
Bereavement Services	Memorial Vault with Tablet with first 80 characters including Cremated Remains container	Per item	£1,230.00	£1,300.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Bereavement Services	As above, with up to additional 97 letters @ £1.50 each + VAT	Per item	Price on Request	Price on Request	Set locally
Bereavement Services	As above with brochure artwork	Per item	£1,278.00	£1,350.00	Set locally
Bereavement Services	As above with Ceramic Photo	Per item	£1,314.00	£1,400.00	Set locally
Bereavement Services	Reopening for 2nd interment, including casket	Per item	£66.00	£70.00	Set locally
Bereavement Services	Second inscription of up to 80 characters @ 1.50 per letter and P&P (£25.00+Vat)	Per item	Price on Request	Price on Request	Set locally
Bereavement Services	Dedicated Tree with Flower plaque at Stockton Crematorium (10-year Lease)	Per item	£800.00	£850.00	Set locally
Bereavement Services	Dedicated Tree with metal plaque in Cemetery	Per item	£800.00	£850.00	Set locally
Bereavement Services	Bench Plaque on shared bench at Stockton Crematorium	Per item	£370.00	£385.00	Set locally
Bereavement Services	Bench plaque on shared bench (location dependant)	Per item	£370.00	£385.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Bereavement Services	New Bench with plaque for sole dedication (location dependant)	Per item	£1,800.00	£2,500.00	Set locally
Bereavement Services	12" x 3"Small wall plaque Text only - cemetery	Per item	£257.00	£270.00	Set locally
Bereavement Services	12" x 3"Small wall plaque with standard brochure image	Per item	£305.00	£320.00	Set locally
Bereavement Services	12" x 3"Small wall plaque with ceramic photo plaque	Per item	£314.00	£330.00	Set locally
Bereavement Services	12"x 6" Standard Wall plaque Text only	Per item	£305.00	£330.00	Set locally
Bereavement Services	12"x 6" Standard Wall plaque with standard brochure image	Per item	£353.00	£370.00	Set locally
Bereavement Services	12"x 6" Standard Wall plaque with ceramic photo plaque	Per item	£389.00	£400.00	Set locally
Highways Transport and Design	Section 50 License - Installation of New Apparatus	Per request (for each 200m length or part thereof)	£500.00	£519.00	Set locally
Highways Transport and Design	Section 50 License - Maintaining Existing Apparatus	Per request (for each 200m length or part thereof)	£245.00	£254.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Highways Transport and Design	NRSWA Fixed Penalty Notice	Per Defect	£80.00	£160.00	Set nationally
Highways Transport and Design	NRSWA Sample/Defect Inspection	Per Inspection	£50.00	£50.00	Set nationally
Highways Transport and Design	Temporary Traffic Regulation Order (14/1)	Per request	£2,470.00	£2,844.00	Set locally
Highways Transport and Design	Temporary Traffic Regulation Order (14/2A)	Per request	£615.00	£638.00	Set locally
Highways Transport and Design	Emergency Temporary Traffic Regulation Order (14/2)	Per request	£615.00	£638.00	Set locally
Highways Transport and Design	New Developments - S38 Inspection Fee	Per site	8% of Bond Calculation	8% of Bond Calculation	Set locally
Highways Transport and Design	Street Naming and Numbering - Large Development (New Road Name)	Per road	£266.00	£276.00	Set locally
Highways Transport and Design	Street Naming and Numbering - Large Development (Additional charge per plot)	Per plot	£18.00	£18.00	Set locally
Highways Transport and Design	Street Naming and Numbering - Large Development Alteration	Per plot	£128.00	£133.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
	(per plot added to schedule with no new road name)				
Highways Transport and Design	Street Naming and Numbering - Small Developments (Charge per plot with no new road name)	Per plot	£128.00	£133.00	Set locally
Highways Transport and Design	Street Naming and Numbering - Changes (per property/plot altered)	Per plot	£71.00	£74.00	Set locally
Highways Transport and Design	Public Right of Way - Temporary Closure (application for first 6 months) or permanent diversion	Per closure	£2,470.00	£2,564.00	Set locally
Highways Transport and Design	Public Right of Way - Temporary Closure (extension per additional 6-month period or part thereof)	Per extension	£615.00	£638.00	Set locally
Highways Transport and Design	Public Right of Way - Emergency Closure	Per closure	£615.00	£638.00	Set locally
Highways Transport and Design	Requests for Information (S38/Adopted Highways/PROW's etc)	Per Request/Question	£44.00	£46.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Highways Transport and Design	Scaffold License (per initial 2-week period)	Per request	£92.00	£95.00	Set locally
Highways Transport and Design	Scaffold License (per 2-week renewal or part thereof)	Per Request	£65.00	£67.00	Set locally
Highways Transport and Design	Unlicensed Scaffolding Retrospective Application (per 2-week period that scaffold was on site without a license)	Per Request	£185.00	£192.00	Set locally
Highways Transport and Design	Skip License	Per Request	£20.00	£21.00	Set locally
Highways Transport and Design	Ordinary Water Course Consents	Per request	£50.00	TBC	Set nationally
Highways Transport and Design	Highways permit scheme- Category 0-2 & TSS	Per permit	PAA-£105 Major-£240 Standard-£130 Minor-£65 Immediate-£60	PAA-£105 Major-£240 Standard-£130 Minor-£65 Immediate-£60	Set nationally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Highways Transport and Design	Highways permit scheme- Category 3-4 & non TSS	Per permit	PAA-£75 Major-£150 Standard-£75 Minor-£45 Immediate-£40	PAA-£75 Major-£150 Standard-£75 Minor-£45 Immediate-£40	Set nationally
Highways Transport and Design	CRSTS - Staff and Design Fees	Per request	Price on Request	Price on Request	Set locally
Highways Transport and Design	Section 184 Breaking out Order (Open Up Licence)	Item	£72.50	TBC	Set nationally
Highways Transport and Design	CONCESSIONARY FARES pass replacements. Cannot charge for initial pass or age expired.	per pass	£10.50	TBC	Set locally
Highways Transport and Design	Car Parking-Wellington Square	per car	0-1 Free 1-3 £2 3+ £3.50 Globe Performances after 17:00 £1.50	0-1 Free 1-3 £2 3+ £3.50 Globe Performances after 17:00 £1.50	Set locally
Highways Transport and Design	Car Parking-Short Stay	per car	0-1 Free 1-3 £2 3+ £3.50	0-1 Free 1-3 £2 3+ £3.50	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Highways Transport and Design	Car Parking-Long Stay	per car	£3 a day	£3 a day	Set locally
Highways Transport and Design	Car Parking-Monthly car park pass	per car	£50 a month	£50 a month	Set locally
Highways Transport and Design	Civil and Construction Works-Schools	Per request	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Highways Transport and Design	Design Work-Schools	Per request	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Highways Transport and Design	Drainage (Surface Water) and Gullies-Repairs and Maintenance in Schools	Per request	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Fleet/ Workshops	Taxi Test	Test	£61.00	£63.00	Set locally
Fleet/ Workshops	Meter test	Test	N/A	£20.00	Set locally
Fleet/ Workshops	Taxi - Re-Test	Test	£25.00	£30.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Fleet/ Workshops	MOT - Private	Test	£51.00	£53.50	Set locally
Fleet/ Workshops	Mot - Private - SBC Staff	Test	£46.00	£48.50	Set locally
Fleet/ Workshops	MOT - Private Hire - (if completed with a Taxi Test)	Test	£10.00	£15.00	Set locally
Fleet/ Workshops	MOT - Hackney - (if completed with a Taxi Test)	Test	£10.00	£15.00	Set locally
Fleet/ Workshops	Tint Test	Test	£10.00	£15.00	Set locally
Fleet/ Workshops	Mot Certificate - Copy	Certificate	£25.00	£27.50	Set locally
Fleet/ Workshops	Headlight Alignment	Test	£10.00	£15.00	Set locally
HVE	External Responsive works	Per request	£36.50	£38.00	Set locally
HVE	Quoted works	Per request	£34.00-£37.00	£35.00-£38.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
HVE	Mechanical and Electrical Cyclical works	Per request	£43.50	£45.00	Set locally
HVE	Legionella Servicing	Per request	£46.30	£48.00	Set locally
Construction & Facility Services	School Buildings- Inspection and Compliance	Per request	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Construction & Facility Services	Mechanical and Electrical Annual Servicing in Schools	Per request	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Construction & Facility Services	Legionella Services in Schools	Per request	Fee %, fixed rate or hourly rate-based charge	Fee %, fixed rate or hourly rate-based charge	Set locally-See Prospectus of services for schools and academies for more information
Construction & Facility Services	Specialist Contracts - Building and Equipment Maintenance in Schools	Per request	Fee %, fixed rate or hourly rate-based charge	Fee %, fixed rate or hourly rate-based charge	Set locally-See Prospectus of services for schools and academies for more information
Construction & Facility Services	General repairs and maintenance in schools	Per request	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Construction & Facility Services	Transport Services & Vehicle Workshops for Schools	Per request	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
					academies for more information
Culture, Leisure & Events					
Events	Ground Rent for Circus	Ground Rent	£2,848.00	£2,956.00	Set locally
Events	Halloween- Trader Concession (2023, no event 2024)	1 evening	£84.75	£89.00	Set locally
Events	Halloween-Fairground Concession (2023, no event 2024)	1 evening	£163.00	£169.00	Set locally
Events	Halloween Admissions (2023, no event 2024)	Ticket	£3.75	£3.75	Set locally
Events	SIRF Food/ Drink Trader Concession	3 days trade	£610.00	£633.00	Set locally
Events	Sparkles- Food Trader Concession	3 days trade	£305.00	£316.00	Set locally
Events	Sparkles- Non-Food Trader Concession	3 days trade	£203.00	£210.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Events	Sparkles-Launch Weekend trader	Per day	£102.00	£106.00	Set locally
Libraries	Library and Information Service-Additional and Enhanced Activities in Schools	Per school	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Libraries	A3 Black and White Photocopy	print/copy	£0.17	£0.17	Set locally
Libraries	A3 Colour print/copy	print/copy	£0.17	£0.17	Set locally
Libraries	A3 Printing from Reader Printer	Print	£0.54	£0.54	Set locally
Libraries	A4 Black and White Print /copy	print/copy	£0.09	£0.09	Set locally
Libraries	A4 Colour print/copy	print/copy	£0.33	£0.33	Set locally
Libraries	A4 Printing from Reader Printer	Print	£0.37	£0.37	Set locally
Libraries	A3 Laminating	Sheet	£0.92	£0.92	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Libraries	A4 Laminating	Sheet	£0.50	£0.50	Set locally
Libraries	Concession prints unemployed	print/copy	£0.04	£0.04	Set locally
Libraries	Multiple Copies A4 Black and White over 25 pages /50 pages	print/copy	£0.06/£0.04	£0.06/£0.04	Set locally
Libraries	Multiple Copies A3 Black and White over 25 pages /50 pages	print/copy	£0.13/£0.09	£0.13/£0.09	Set locally
Libraries	Multiple Copies A4 Colour over 25 pages/50 pages	print/copy	£0.23/£0.15	£0.23/£0.15	Set locally
Libraries	Multiple Copies A3 Colour over 25 pages /50 pages	print/copy	£0.26/£0.16	£0.26/£0.16	Set locally
Libraries	Images from Picture Stockton Archive A4 personal use	Print	£8.33	£8.33	Set locally
Libraries	Images from Picture Stockton Archive A4 commercial use	Print	£25.00	£25.00	Set locally
Libraries	Request for Images for publications- Black and White Images	Print	£33.00	£33.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Libraries	Request for Images for publications - Colour Images	Print	£41.66	£41.66	Set locally
Libraries	Request for Images for Internet Use	Image	£41.66	£41.66	Set locally
Libraries	Replacement Library Card	Card	£2.00	£2.00	Set locally
Libraries	Replacement Library Card Concession	Card	£1.00	£1.00	Set locally
Libraries	Family History Searches	searches per half hour	£10.42	£10.42	Set locally
Libraries	20% Commissions on sale of exhibits from Exhibition space	per item	Varies	Varies	Set locally
Libraries	Ticket sales for author visits / events	per ticket	Varies	Varies	Set locally
Libraries	NEW - Maker Station Charges for attending sessions use of equipment	tbc	TBC	TBC	Set locally
Libraries	Imagination Station Hire	hour	£10.00	£10.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Libraries	Meeting Room Hire - Community Hire	hour	£10.00	£10.00	Set locally
Libraries	Jim Cooke Meeting Room Hire	3 hr slot	Community Trade-£122 add hour £41 Private-£71 add hour £25 Local (charity)-£36 add hour £15	Community Trade-£126 add hour £42 Private-£74 add hour £26 Local (charity)-£37 add hour £15	Set locally
Museum Service	Admission - Adult	Per Annual Pass	Closed for redevelopment	£12.00	Set locally
Museum Service	Admission - Child / Concession (under 16 or over 60 years)	Per Annual Pass	Closed for redevelopment	£8.00	Set locally
Museum Service	Admission - Under 3 years	Per Annual Pass	Closed for redevelopment	Free	Set locally
Museum Service	Admission - Family 1 (1 adult and 2 concessions)	Per Annual Pass	Closed for redevelopment	£24.00	Set locally
Museum Service	Admission - Family 2 (2 adults and 3 concessions)	Per Annual Pass	Closed for redevelopment	£44.00	Set locally
Museum Service	Admission - Family 3 (2 adults and 4 concessions)	Per Annual Pass	Closed for redevelopment	£52.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Museum Service	Admission - Adult (Resident of the Borough of Stockton on Tees)	Per Annual Pass	Closed for redevelopment	£9.60	Set locally
Museum Service	Admission - Child / Concession (under 16 or over 60 years) (Resident of the Borough of Stockton on Tees)	Per Annual Pass	Closed for redevelopment	£6.40	Set locally
Museum Service	Admission - Under 3 years (Resident of the Borough of Stockton on Tees)	Per Annual Pass	Closed for redevelopment	Free	Set locally
Museum Service	Admission - Family 1 (1 adult and 2 concessions) (Resident of the Borough of Stockton on Tees)	Per Annual Pass	Closed for redevelopment	£19.20	Set locally
Museum Service	Admission - Family 2 (2 adults and 3 concessions) (Resident of the Borough of Stockton on Tees)	Per Annual Pass	Closed for redevelopment	£35.20	Set locally
Museum Service	Admission - Family 3 (2 adults and 4 concessions) (Resident of the Borough of Stockton on Tees)	Per Annual Pass	Closed for redevelopment	£41.60	Set locally
Museum Service	Admissions - Museum Day Pass	Per Day Pass	Closed for redevelopment	£8.00	Set locally
Museum Service	Collections - Image Reproductions Commercial Use	Per Image Use	Closed for redevelopment	TBC	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Museum Service	Collections - Image Reproductions, Community / Local Use	Per Image Use	Closed for redevelopment	TBC	Set locally
Museum Service	School Workshop (Staff Led)	Per Workshop	Closed for redevelopment	TBC	Set locally
Museum Service	School Workshop (Digital Led)	Per Workshop	Closed for redevelopment	TBC	Set locally
Museum Service	School Loan Box Hire	Per Box	Closed for redevelopment	TBC	Set locally
Museum Service	Music Room Hire Fee	Full Day	Closed for redevelopment	TBC	Set locally
Museum Service	Music Room Hire Fee	Half Day	Closed for redevelopment	TBC	Set locally
Museum Service	Billiard Room Hire Fee	Full Day	Closed for redevelopment	TBC	Set locally
Museum Service	Billiard Room Hire Fee	Half Day	Closed for redevelopment	TBC	Set locally
Environment, Leisure & Green Infrastructure					

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT unless stated)	Type of charge (Set locally or nationally)
Environment	ECO funding declaration	Each declaration	50.00	£50.00	Set nationally

Corporate Services

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Procurement & Governance					
Health & Safety	External Training Set Course (In-Person)	Per Head	£39.00	£40.00	Set locally
Health & Safety	Bespoke Training Course External	Per Hour	£61.00	£63.00	Set locally
Health & Safety	Schools Training Set Course (In-Person)	Per Head	£19.00	£20.00	Set locally
Health & Safety	Schools Bespoke Training Course	Per Hour	£61.00	£63.00	Set locally
Health & Safety	IOSH Managing Safely External	Full Course	£400.00	£400.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Health & Safety	Health & Safety Advice for Academies	Per school	Primary-£1500 Secondary-£2000	Primary-£1750 Secondary-£2250	Set locally-See Prospectus of services for schools and academies for more information
Health & Safety	Health & Safety Advice for Maintained Schools	Per school	Primary-£1100 Secondary-£1600	Primary-£1200 Secondary-£1700	Set locally-See Prospectus of services for schools and academies for more information
Insurance	Insurance Services for Maintained Schools	Per pupil	£27.00	£29.00	Set locally-See Prospectus of services for schools and academies for more information
Legal					
Legal fees for Valuation & Property	Agreement for lease	Per lease	Additional £305 (with appended lease) £407 (without appended lease)	Additional £317 (with appended lease) £422 (without appended lease)	Set locally
Legal fees for Valuation & Property	Grant of lease of whole – standard provisions	Per lease	£763.00	£792.00	Set locally
Legal fees for Valuation & Property	Grant of lease of whole – detailed provisions	Per lease	£915.00	£950.00	Set locally
Legal fees for Valuation & Property	Grant of lease of part – standard provisions	Per lease	£864.00	£897.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Legal fees for Valuation & Property	Grant of lease of part – detailed provisions	Per lease	£1,017.00	£1,056.00	Set locally
Legal fees for Valuation & Property	Renewal of lease on same format/terms	Per lease	£712.00	£739.00	Set locally
Legal fees for Valuation & Property	Renewal of lease on new format/terms	Per lease	£966.00	£1,003.00	Set locally
Legal fees for Valuation & Property	Licence to assign/underlet/alterations	Per lease	£458.00	£475.00	Set locally
Legal fees for Valuation & Property	Licence to assign with AGA	Per lease	£712.00	£739.00	Set locally
Legal fees for Valuation & Property	Licence to occupy/to do works	Per lease	£458.00	£475.00	Set locally
Legal fees for Valuation & Property	Deed of variation	Per lease	£509 – Basic provisions £661 – Detailed provision	£528 – Basic provisions £686 – Detailed provision	Set locally
Legal fees for Valuation & Property	Agreement for surrender	Per lease	£509 – Basic provisions £661 – Detailed provision	£528 – Basic provisions £686 – Detailed provision	Set locally
Legal fees for Valuation & Property	Deed of surrender of lease	Per lease	£407.00	£422.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Legal fees for Valuation & Property	Sale of land for residential use i.e., garden use, disposal of open space	Per lease	£509.00	£528.00	Set locally
Legal fees for Valuation & Property	Sale/purchase of freehold – standard provisions	Per lease	£763.00	£792.00	Set locally
Legal fees for Valuation & Property	Sale/purchase of freehold – detailed provisions	Per lease	£1,017.00	£1,056.00	Set locally
Legal fees for Valuation & Property	Option/Pre-emption agreement	Per lease	£763.00	£792.00	Set locally
Legal fees for Valuation & Property	Section 106 agreement	Per lease	Hourly rate of relevant officer	Hourly rate of relevant officer	Set locally
Legal fees for Valuation & Property	Section 38 agreement	Per lease	£509.00	£528.00	Set locally
Legal fees for Valuation & Property	Section 278 agreement	Per lease	£509.00	£528.00	Set locally
Legal fees for Valuation & Property	Temporary traffic orders - s14(1) & S14(2)	Per lease	TBC	TBC	Set locally
Legal fees for Valuation & Property	Grant of easement	Per lease	£509 – Standard provisions £763 – Detailed provisions	£528 – Standard provisions £792 – Detailed provisions	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Legal fees for Valuation & Property	Wayleave	Per lease	£356.00	£370.00	Set locally
Legal fees for Valuation & Property	Consents - Deed of Covenant	Per lease	£407.00	£422.00	Set locally
Legal fees for Valuation & Property	Consents - Deed of Release	Per lease	£407.00	£422.00	Set locally
Legal Land Charges	Con29 Residential	Per address	£90.68	£94.00	Set locally
Legal Land Charges	Con 29 Commercial	Per address	£108.48	£113.00	Set locally
Legal Land Charges	Con 29 optional – Residential	Per question	£13.56	£14.00	Set locally
Legal Land Charges	Con 29 optional - Commercial	Per question	£19.66	£20.00	Set locally
Legal Land Charges	CON 29 Additional properties – Residential	Per address	£19.32	£20.00	Set locally
Legal Land Charges	CON 29 Additional properties - Commercial	Per address	£27.80	£29.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Legal Land Charges	Additional Enquiry – Residential	Per question	£31.86	£33.00	Set locally
Legal Land Charges	Additional enquiry- commercial	Per question	£45.08	£47.00	Set locally
Legal School Admissions	Full Appeal	Per appeal	N/A	£665.00	Set locally
Legal School Admissions	Withdrawn after appeal bundle completed	Per appeal	N/A	£250.00	Set locally
Legal School Admissions	Withdrawn before appeal bundle completed	Per appeal	N/A	£150.00	Set locally
Legal Services	Legal Services for Maintained Schools and Academies	Per school	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Communication Services					
Communication s	Communications Support for Schools	10 hours of service per year package	£246.11 per year and £45 per hour in excess of the package	£246.11 per year and £50 per hour in excess of the package	Set locally
Democratic Services					

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Democratic, Engagement and Civic Services	British Values, Democratic Participation and Active Citizenship-Bespoke School Programmes	Per school	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Policy, Development and Public Affairs					
Performance	Standard SLA Performance Package for Primary Schools	Per school	Up to 100 pupils-£1424 100-299-£1526 300+-£1627	Up to 100 pupils-£1478 100-299-£1584 300+-£1689	Set locally-See Prospectus of services for schools and academies for more information
Performance	Standard SLA Performance Package for Secondary Schools	Per school	Up to 100 pupils-£1627 100-299-£1729 300+-£1831	Up to 100 pupils-£1688 100-299-£1795 300+-£1900	Set locally-See Prospectus of services for schools and academies for more information
Performance	Premium SLA Performance Package for Primary Schools	Per school	Up to 100 pupils-£1983 100-299-£2085 300+-£2187	Up to 100 pupils-£2058 100-299-£2164 300+-£2270	Set locally-See Prospectus of services for schools and academies for more information
Performance	Premium SLA Performance Package for Secondary Schools	Per school	Up to 100 pupils-£2187 100-299-£2288 300+-£2390	Up to 100 pupils-£2270 100-299-£2375 300+-£2481	Set locally-See Prospectus of services for schools and academies for more information

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Performance	School Pupil Census for Primary Schools	Per school	Up to 100 pupils-£1017 100-299-£1119 300+-£1220	Up to 100 pupils-£1056 100-299-£1162 300+-£1266	Set locally-See Prospectus of services for schools and academies for more information
Performance	School Pupil Census for Secondary Schools	Per school	Up to 100 pupils-£1220 100-299-£1322 300+-£1424	Up to 100 pupils-£1266 100-299-£1372 300+-£1478	Set locally-See Prospectus of services for schools and academies for more information
Performance	School Pupil Census Additional Support	Per hour, pro rata	£150	£156	Set locally-See Prospectus of services for schools and academies for more information
Performance	School Workforce Census for Primary Schools	Per school	Up to 100 pupils-£1017 100-299-£1119 300+-£1220	Up to 100 pupils-£1056 100-299-£1162 300+-£1266	Set locally-See Prospectus of services for schools and academies for more information
Performance	School Workforce Census for Secondary Schools	Per school	Up to 100 pupils-£1220 100-299-£1322 300+-£1424	Up to 100 pupils-£1266 100-299-£1372 300+-£1478	Set locally-See Prospectus of services for schools and academies for more information
Performance	School Workforce Census Additional Support	Per hour, pro rata	£150	£156	Set locally-See Prospectus of services for schools and academies for more information

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Xentrall					
Xentrall Finance	Cash in Transit Collection for Schools	Per school	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Xentrall Finance	Financial Bursary Support	Per school	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Xentrall Finance/HR	Financial Services for Maintained Schools & Academies (Agresso support and Payroll)	Per school	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information
Xentrall Finance/HR	Log Term Absence Scheme	Per school	Determined in an annual basis based on performance of the scheme	Determined in an annual basis based on performance of the scheme	Set locally-See Prospectus of services for schools and academies for more information
Xentrall HR	School Recruitment Advertising	Per school	Determined in an annual basis based on performance of the scheme	Determined in an annual basis based on performance of the scheme	Set locally-See Prospectus of services for schools and academies for more information
Xentrall Design & Print	Design and Print Services to Schools	Per school	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Xentrall HR	Payroll & Transactional HR Services for Maintained Schools	Per school	Price on Request	Price on Request	Set locally-See Prospectus of services for schools and academies for more information

Finance

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Revenues, Benefits and Welfare					
Revenues, Benefits and Welfare	Council Tax Summons Costs	Summons	£63.50	£66.00	Set locally
Revenues, Benefits and Welfare	Council Tax Liability Order costs	Liability order	£19.50	£20.00	Set locally

Revenues, Benefits and Welfare	Council Tax Summons Costs - low balance	Summons	£27.50	£28.50	Set locally
Revenues, Benefits and Welfare	Council Tax Liability Order costs - low balance	Liability order	£8.00	£8.00	Set locally
Revenues, Benefits and Welfare	Business Rates Summons Costs	Summons	£77.00	£80.00	Set locally
Revenues, Benefits and Welfare	Business Rates Liability Order Costs	Liability order	£25.00	£26.00	Set locally
Revenues, Benefits and Welfare	Stockton Collections Compliance Fee	Case	£75.00	TBC	Set nationally
Revenues, Benefits and Welfare	Stockton Collections enforcement visit fee	person	£235.00	TBC	Set nationally

Regeneration and Inclusive Growth

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Building Control					
Building Control	Standard charges for the creation or conversion of a new dwelling Price includes VAT	Per application	https://www.stockton.gov.uk/full-plans	Varied to number of dwellings	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Building Control	Domestic extensions to a single domestic building VAT included	Per application		Varied to number of dwellings	Set locally
Building Control	Domestic alterations to a single domestic building	Per application		Varied to number of dwellings	Set locally
Building Control	Replacing windows and doors	Per application		Varied to number of dwellings	Set locally
Building Control	Extensions and new building projects in non-domestic properties- Assembly and recreations and other residential (institution and other)	Per application		Varied to number of dwellings	Set locally
Building Control	Extensions and new building projects in non-domestic properties- Industrial and Storage	Per application		Varied to number of dwellings	Set locally
Building Control	Extensions and new building projects in non-domestic properties- Schools, colleges and other institutions	Per application		Varied to number of dwellings	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Building Control	Extensions and new building projects in non-domestic properties-All other types of property	Per application		Varied to number of dwellings	Set locally
Building Control	Alterations in non-domestic properties-Underpinning	Per application		Varied to number of dwellings	Set locally
Building Control	Alterations in non-domestic properties-Window replacement	Per application		Varied to number of dwellings	Set locally
Building Control	Alterations in non-domestic properties-Shop fronts	Per application		Varied to number of dwellings	Set locally
Building Control	Alterations in non-domestic properties-Renovation of a thermal element	Per application		Varied to number of dwellings	Set locally
Building Control	Alterations in non-domestic properties-Other alterations including structural alterations and installation of controlled fittings	Per application		Varied to number of dwellings	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Building Control	Alterations in non-domestic properties-Installation of mezzanine floor	Per application		Varied to number of dwellings	Set locally
Building Control	Alterations in non-domestic properties-Office fit out	Per application		Varied to number of dwellings	Set locally
Building Control	Alterations in non-domestic properties-Shop fit out	Per application		Varied to number of dwellings	Set locally
Building Control	Alterations in non-domestic properties-Change of use	Per application		Varied to number of dwellings	Set locally
Building Control	Electrical work	When any electrical work is carried out by a person not a Part P approved		Varied to number of dwellings	Set locally
Building Control	Redrafting and reissue of decision notice/completion certificate	Per application	£40.00	£41.50	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Building Control	Charge for re-opening a suspended file	Per application	£127.00	£132.00	Set locally
Building Control	Other fee-paying services	At the discretion of Building Control	£64.00	£66.00	Set locally
Planning					
Planning	All Planning fees are set nationally	Per application	https://ecab.planningportal.co.uk/uploads/english_application_fees.pdf	See webpage	Set nationally
Economic Development					
The Hub	Room Hire for training providers	Per day	£90	£93	Set locally
Learning and Skills					
Learning and Skills	Tuition Fees for Non-Funded Programmes Band A - Little or no specialist resources or materials required	Per Hour	£4.00	£4.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Learning and Skills	Tuition Fees for Non-Funded Programmes Band B - Moderate level of specialist resources or materials required	Per Hour	£4.50	£4.50	Set locally
Learning and Skills	Tuition Fees for Non-Funded Programmes Band C - High level of specialist resources or materials required	Per Hour	£5.50	£5.50	Set locally
Learning and Skills	Tuition Fees for Non-Funded Programmes Band D - Very high level of specialist resources or materials required	Per Hour	Individual Pricing	Individual Pricing	Set locally
Learning and Skills	Tuition Fees for Non-Funded Programmes Band E - Bespoke programmes for individuals and organisations	Per Hour	Individual Pricing	Individual Pricing	Set locally
Learning and Skills	Room Hire-BCC Hall	Per Hour	£20 non-profit organisations, £30 other organisations	£20 non-profit organisations, £30 other organisations	Set locally
Learning and Skills	Room Hire-BCC Teaching / Meeting Room	Per Hour	£15 non-profit organisations, £25 other organisations	£15 non-profit organisations, £25 other organisations	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Property & Assets					
Valuation & Property	Agreement for lease	per lease	£275.00	£285.00	Set locally
Valuation & Property	Grant of lease of whole – standard provisions	per lease	£275.00	£285.00	Set locally
Valuation & Property	Grant of lease of whole – detailed provisions	per lease	£275.00	£285.00	Set locally
Valuation & Property	Grant of lease of part – standard provisions	per lease	£275.00	£285.00	Set locally
Valuation & Property	Grant of lease of part – detailed provisions	per lease	£275.00	£285.00	Set locally
Valuation & Property	Licence to assign/underlet/alterations	per lease	£275.00	£285.00	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Valuation & Property	Licence to assign with AGA	per lease	£275.00	£285.00	Set locally
Valuation & Property	Licence to occupy/to do works	per lease	£275.00	£285.00	Set locally
Valuation & Property	Deed of variation	per lease	£275.00	£285.00	Set locally
Valuation & Property	Agreement for surrender	per lease	£275.00	£285.00	Set locally
Valuation & Property	Sale of land for residential use i.e., garden use, disposal of open space	per lease	£495 + POS adverts (circa £595) recovered	£514 + POS adverts (circa £617) recovered	Set locally
Valuation & Property	Sale/purchase of freehold – standard provisions	per lease	1-2% of sale price. Min £1,000	1-2% of sale price. Min £1,000	Set locally
Valuation & Property	Sale/purchase of freehold – detailed provisions	per lease	1-2% of sale price. Min £1,001	1-2% of sale price. Min £1,001	Set locally

Service	Fee or Charge	Unit	2025/26 Fee or Charge (Excl.VAT)	2026/27 Fee or Charge (Excl.VAT)	Type of charge (Set locally or nationally)
Valuation & Property	Option/Pre-emption agreement	per lease	£275.00	£285.00	Set locally
Valuation & Property	Grant of easement	per lease	£275.00	£285.00	Set locally
Valuation & Property	Wayleave	per lease	£275.00	£285.00	Set locally
Valuation & Property	Consents - Deed of Covenant	per lease	£275.00	£285.00	Set locally
Valuation & Property	Consents - Deed of Release	per lease	£275.00	£285.00	Set locally

Risk Area	Mitigations	Current Risk Status
Dedicated Schools Grant – as noted in the report, the Council is forecasting a large increase in the deficit position. There is currently a statutory override in place until the end of the 2027/28 financial year and the government announced as part of the Provisional Local Government Finance Settlement that future funding implications will be managed within the overall government Departmental Expenditure Limits. No decision has been made by the Government on historic and accruing deficits.	• Additionally Resourced Provisions (ARPs) • Delivering Better Value (DBV) • High Needs Capital Investment • SEND Reforms and the Schools White Paper	RED

Risk Area	Mitigations	Current Risk Status
Children's Social Care – as highlighted in the report, the Council continues to experience growing demand and costs that exceed the budget. As a result, the costs for Children's Social Care have led to an overspend against budget in recent years. This is also true in the current financial year with a forecast overspend of £3.1m.	• In line with recent years, there is a large increase in the budget allocation for Children's Social Care in the updated MTFP of an additional £6m per year. • Decision making processes around residential placements have been revised with increased focus on prevention. • Implementation of the fostering business case which will ensure children are supported in a family setting rather than residential homes. • Bringing the Children's Front Door back In-House (due to go live in April 2026) will provide greater emphasis on contact at earlier stages, preventing escalation and greater costs. • Detailed MTFP working paper to support the figures	RED
Adult's Social Care – Demand for Adult Social Care has continued to rise in recent years. Fees paid to external providers of Adult Social Care services are significantly impacted by the National Living Wage rate and inflation.	• Calculations and financial modelling based on NLW assumptions. • Large increase in budget allocation for Adult Social Care. • Detailed MTFP working paper to support the figures.	RED
Community Transport – Demand for home to school transport has grown rapidly in the past two years leading to significant increase in costs. Since 2023/24, costs have increased by 44%	• Community Transport is an ongoing transformation review assessing options to address demand and budgetary pressures.	RED

Risk Area	Mitigations	Current Risk Status
Pay Award – The pay award is agreed nationally by The National Employers Group and is not yet agreed at the date of writing this report. There is a risk that the pay award will be greater than assumed.	• The provision included in the MTFP reflects a 3% Pay Award which is in line with recent years. • The provision is broadly in line with other NE Local Authorities assumptions. • Detailed salary working papers exist to model the impact of the pay award.	AMBER
National Living Wage / other inflationary elements of social care fees - Third party provider costs will increase as a result of inflation (exc demand increase)	• There is a provision built into the MTFP which is in line with recent years increase in National Living Wage / other inflation. • For the of majority care providers there is a contractually agreed uplift mechanism in place in line with inflationary rates at budget setting time	AMBER
Inflation – construction costs on capital programme, cost of purchasing goods and services	• Regular review of projects/programmes through each gateway in line with governance. • Financial involvement to ensure estimated project costs are robust and use latest industry indices alongside managing optimism bias.	AMBER
Interest Rate Risks- refers to the potential for increase in borrowing costs due to changes in interest rates	• Treasury Management advice from Arlingclose to inform borrowing decisions. • Robust financial appraisals of any borrowing approvals to understand interest rate and MRP requirements.	GREEN
Reduction in the capital programme as significant grant funded schemes come to an end, leaving ongoing revenue	• Planning of capital programme through Placemaking governance.	AMBER

Risk Area	Mitigations	Current Risk Status
pressures across teams who deliver the capital programme. In line with accounting standards appropriate costs are capitalised.	• Regular review of appropriate resource levels to reflect the skills and capacity requirements of the capital programme.	
Powering our Futures Programme – the report identifies a large budget gap across the MTFP period. This also includes a plan to address this via the Powering our Futures Programme. The Council has a proven track record of identifying savings in this way, although the pace of delivery required over the coming period is greater. If there are delays to delivering the required savings this may lead to overspends against budget.	• Plan identified – to be delivered through an established governance route. • Phase 1 reviews expected to exceed initial savings targets. • Outcome based reviews • Efficiency Reviews • Council wide initiatives	RED
Reserves – the Council holds several reserves for specific purposes. Having a sufficient level is a foundation of strong financial strategy. Over recent years the Council's reserves have fallen to an inadequate level and this report sets out a plan of how that will be achieved. There is a risk that inflation and demand pressures continue across the MTFP and reserves continue to be required to fund these.	• Budget report includes plans to replenish reserves across the MTFP. This will increase the level of the General Fund Balance, as well as contribute to the MTFP support reserve. • Budget report includes recommendation to switch funding sources across a variety of capital schemes which will redirect resources into the Transformation Reserve.	RED
Changes to Income Levels – The Council receives a multitude of grants and other income from a variety of places. Some of these grants have now been consolidated within the LG Finance Settlement and awarded across a 3 year period which provides greater certainty. However, there are still many that are outside of this and reductions in income levels can have a negative impact upon the budget. Income from the	• Early escalation of change to feed into MTFP once notified • Collection Fund position regularly reviewed throughout the year to assess predicted level of deficit / surplus. • Changes in tax base updated for MTFP.	GREEN

Risk Area	Mitigations	Current Risk Status
Collection Fund (Council Tax & Business Rates) could be lower than anticipated.	• Collection Rates reviewed regularly. • Debt provisions reviewed as part of standard budgetary control processes.	

Appendix F

SECTION 151 OFFICERS STATEMENT ON THE ROBUSTNESS OF THE BUDGET AND ADEQUACY OF BALANCES –YEAR 2026/27

1. Section 25 of the Local Government Finance Act 2003 requires that when a local authority is agreeing its annual budget and the Council Tax precept, 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
2. The Council is required to have due regard to this report when making decisions on the budget.
3. In determining the opinion, the Section 151 Officer has considered the financial management arrangements and control frameworks that are in place, the underlying budget assumptions, the adequacy of the business planning process, the financial risks facing the Council and the level of reserves.
4. The Section 151 Officer has responsibility for ensuring that an effective system of internal control is in place and for identifying any areas for improvement where appropriate. The Council has a robust Internal Audit programme, taking a risk-based approach to ensure the systems and processes in place are robust. The Audit and Governance Committee receives regular updates on internal controls, as well as the Annual Governance Statement, which clearly identifies the strength of the governance arrangements in place on an annual basis.

Robustness of Estimates

5. The Medium Term Financial Plan (MTFP) is subject to a frequent monitoring and reporting cycle, ensuring that financial risks are identified early, reported transparently, and addressed in a timely manner.
6. Enhanced budget management arrangements are in place for the Council's most complex and volatile budgets, particularly within Adult and Children's Social Care placement budgets. These arrangements include more frequent financial monitoring, detailed scrutiny by finance teams, and regular review by budget managers and Directorate Senior Management Teams.
7. Improvements have been made to the financial monitoring and controls in place over the past 18 months including a programme of online and face to face training for all budget managers, refreshed budget management information and updated processes of budgetary control. This programme of work is ongoing to ensure the financial governance arrangements are reflective of the modern way we work and the current economic climate facing local authorities.
8. There is a comprehensive system for financial monitoring and reporting across the organisation, with challenge undertaken by finance officers, budget managers, Directorate Senior Management Teams and the Corporate Management Team. Cabinet receives regular reports on the MTFP and budget position throughout the year, which are also considered by the Executive Scrutiny Committee.
9. The MTFP has been fully reviewed and updated to reflect the latest available information. In preparing the updated plan, the following factors have been considered:

- The most up to date cost and activity base;
 - Analysis of demand and expenditure trends over recent years;
 - Anticipated financial risks and potential mitigations; and
 - All known changes to funding levels, together with reasonable estimates for funding streams not yet confirmed.
10. There remain significant uncertainties over the period of the MTFP which may impact on the Council's financial position, including:
- The scale of the budget gap across the MTFP period. While a delivery plan is in place through the Powering our Futures programme, the pace and scale of delivery required present an increased level of risk;
 - Ongoing growth in demand and costs for key services;
 - Continued exceptional pressures in Adult and Children's Social Care, where demand and complexity have exceeded historic trends;
 - The impact of fundamental changes to local government funding arising from Fair Funding reforms, particularly in relation to business rates; and
 - Wider national policy reforms, including Children's Social Care, SEND and Adult Social Care.
11. These challenges are common across the local government sector. Where appropriate, financial risks have been quantified and either provision has been made within the budget or mitigating actions identified. Additional funding is proposed within the budget for high demand areas to reflect these pressures.
12. The MTFP includes continued mitigating actions aimed at controlling expenditure and maximising income, such as enhanced scrutiny of recruitment and procurement decisions and strengthened challenge before financial commitments are made.
13. A significant budget gap has been identified across the MTFP period. While the Council has successfully delivered savings in recent years, it has not been required to deliver savings at the scale and pace set out in this plan. It is therefore essential that the estimates underpinning the MTFP are robust and realistic, to avoid placing further pressure on the Council's financial position.
14. The Powering our Futures programme is now well underway, and the first phase of transformation has already identified and delivered a significant proportion of the savings required so far. In response to the increased scale of the challenge, the second phase of the programme has been refocused to bring additional service areas into scope and to prioritise the delivery of savings that can be achieved within the 2026/27 financial year.
15. As part of the second phase of the Powering our Futures programme, three areas of work have been identified, focusing on efficiency reviews, outcome-based service reviews, and cross council transformation. Significant work has been undertaken to identify the services within scope, define the intended outcomes, including reduced budget envelopes, and review governance arrangements to ensure that robust and timely decisions can be taken. The achievability of savings has been challenged at a high level during the foundation and discovery phases of the reviews, with adjustments made to prioritise savings that can be delivered most quickly during 2026/27.

16. Savings delivery and benefits realisation are overseen by the Corporate Management Team and progress is monitored regularly. Updates on the programme will continue to be reported to Cabinet.
17. Investment in programme capacity and robust project management arrangements has strengthened delivery, with greater use of financial and performance data to assess progress and identify risks at an early stage. This includes greater focus upon performance and financial information in measuring the success of projects. This infrastructure allows senior leaders to assess the success of the programme and reflect on the performance, giving scope to address any potential issues and alter direction in a timely manner if required.
18. Consistent with the Council's financial management arrangements, the construction of the 2026/27 budget and the validation of budget proposals have been rigorously challenged by the Corporate Management Team.
19. As set out above, the Council's budget for 2026/27 carries a higher level of risk than in previous years. The reprioritisation of the Powering our Futures programme reduces the risk of non delivery of savings, however this will remain challenging. It is essential that officers and members are committed to meeting the outcomes required within phase 2 of the Powering our Futures programme in order to deliver the required savings. Subject to continued officer and Member commitment to managing risk and delivering the required transformations within the agreed timescales, I am satisfied that the estimates within the MTFP are robust and are based on the best available information.

Adequacy of the Proposed Level of Reserves

20. The Local Government Finance Act 1992 requires a local authority to have due regard to the level of balances and reserves needed for meeting future estimates of future expenditure when calculating the Council Tax requirement.
21. Balances and reserves are held for three primary purposes:
 - A working balance to help cushion the impact of cash flows
 - A contingency to cushion the impact of unexpected events and emergencies
 - Earmarked reserves to meet known and predicted liabilities
22. The Chartered Institute of Public Finance and Accountancy (CIPFA) Local Authority Accounting Panel (LAAP) has issued a guidance note on Local Authority Reserves and Balances to assist local authorities in the assessment of appropriate levels of reserves.
23. The guidance states there is no statutory minimum level of reserves, either as an absolute amount or a percentage of the council's budget. Each local authority should take advice from the Section 151 Officer and base its judgement on local circumstances.
24. The budget report 2026/27 includes a Reserves Policy covering the current levels of reserves and planned usage. The Council's reserves have declined over a number of years, due to the growth in cost of delivering services exceeding funding available, which has led to overspends against budgets being funded from reserves.
25. This declining pattern is common across most Council's and indicative of the similar financial challenges being experienced by councils throughout the country, which is particularly true of local authorities with Social Care responsibilities.
26. When assessing the level of reserves, factors to consider include historic trends against budget, current savings requirements and other potential future financial risks.

- a) The level of overspend the Council has experienced over the past four years has required the use of reserves and provisions to fund the overspend. This has caused the Council's reserves levels to reduce faster than planned. The predicted position in 2025/26 is an overspend which will need to be funded by reserves and this has been factored into the forecast amount remaining in earmarked reserves at 31st March 2026.
 - b) The MTFP does require significant savings to be made, amounting to £18.4m by 2028/29. As described above the Council has invested in building capacity to enable delivery of these savings and has already shown success with anticipated savings of over £9.9m. This demonstrates commitment to date and provides a reasonable basis for continued progress toward the remaining targets, subject to ongoing delivery and effective management of risks. However, the pace and scale of savings does create greater challenge, and reserves levels should reflect this.
 - c) In setting the MTFP, officers have followed a process to try to identify potential future risk as far as possible. As discussed earlier there remain various challenges to staying within budget. Additional growth budgets have been allocated to all areas within the MTFP reflecting past trends, relevant external factors, and any other future predicted activity. Performance against budget will be monitored closely.
- 27. Council tax and business rate collection is accounted for in a specific fund called the Collection Fund. Within this fund, Councils are required to hold provisions for potential non payment of both council tax and business rates and appeals of business rates. These provisions are constantly reviewed as part of the budgetary control and financial monitoring of the collection fund. This considers a number of factors including collection rates, discount levels and central government policy changes.
 - 28. As part of the government's Fair Funding changes to local government finance, 2026/27 will see a number of changes to business rates. There will be a reset and revaluation of business rates. The amount individual businesses will pay will be reviewed as part of the revaluation, this is determined by central government and the Valuation Office. The impact this may have upon appeals and collection rates will not be fully understood for some time.
 - 29. The business rates reset is a major change to the amount of business rates each local authority retains at a local level. The provisional Local Government Finance settlement provided some further information regarding this, however due to the complexity of the business rates funding system and the significance of the changes, it does create some uncertainty for all councils of the true impact of the changes. This will be better understood as we move through the annual financial cycle of budgets, collection and reconciliation.
 - 30. The result of these changes, and the potential risks they create, make it appropriate to reflect these within the Collection Fund provisions. These will continue to be monitored closely to assess the appropriateness of the levels within these provisions.
 - 31. The Council holds £8m in General Fund balances, a sum of money the Council must maintain in case of a major unforeseen event leading to significant financial uncertainty. In the event that the Council must use these funds, they must commit to replenishing them back to the original level as quickly as possible. The general fund balance has remained unchanged since 2022/23 despite the Council's budget growing each year.
 - 32. The Council forecast to have £15.1m in earmarked reserves at 31st March 2026. Earmarked reserves are sums held for specific purposes and are committed. In the event of unexpected expenditure or the delivery of savings is slower than planned, the amount

of money within these reserves that could be redirected to fund the gap is very limited. This would lead to urgent spending controls.

33. In light of the Council's growing budget and the risks set out above the Council's general fund balances and earmarked reserves can no longer be used to manage budgetary pressures. Increasing the Council's General Fund balances and replenishing the earmarked reserves must form a key principle of the Council's long term financial strategy. This MTFP therefore commits to increasing the general fund balances and earmarked reserves each year of the MTFP. This increase is essential to increase the Council's financial resilience and minimise its exposure to risk. Failure to plan to increase reserves will leave the Council in a high-risk position.
34. Achieving an appropriate level of reserves is likely to extend longer than the period of this current Medium Term financial Plan and should feature as a regular commitment to allocate funding to reserves as a proportion of its growing net revenue budget each year. The actual amount required to be added into reserves each financial year will be assessed as part of the budget preparations for that year. This will consider the updated reserves and risks projections.
35. The general fund balance and earmarked reserves should be replenished as quickly as possible to strengthen its financial resilience in light of a challenging economic climate for local authorities. This budget and MTFP report commits to increasing both general fund balances and earmarked reserves. The Council faces budgetary challenges by way of a budget gap due to cost increases exceeding funding available. The Council has a thorough plan through its Powering our Futures programme in place to meet this budget gap, meaning we must balance the requirement to close the budget gap with replenishing reserves, which will be challenging. The MTFP therefore sets out an approach to steadily increase reserves in a planned and achievable way.
36. There remains the possibility risk that, due to underlying risks within the MTFP, the planned replenishment of reserves may be constrained if those reserves are required in future years to mitigate emerging financial pressures.
37. The reserves policy highlights that in addition to the plans included within this report to replenish reserves, if additional sources of funding are identified throughout the year, replenishing reserves will be the first priority on those funds.
38. Due to the reserves position described above and summarised in the table within the report, it would not be robust to utilise reserves to fund the medium term financial plan. Should the maximum increase to Council tax not be agreed, additional savings would have to be identified to the equivalent amount.
39. Based on the information set out within this report, the main body of the Medium Term Financial Plan (MTFP) Update and Strategy report and the Reserves Policy the Council's levels of General Fund Balances and Earmarked Reserves are currently inadequate and this exposes the Council to greater financial risk. The MTFP identifies a plan to increase both General Fund Balances and Earmarked Reserves. This will improve the financial resilience of the authority, however the journey to replenishing reserves is likely to extend beyond the current MTFP period. I believe the MTFP sets out the most achievable way to increase reserves whilst being balanced within the wider MTFP requirements.
40. In forming my opinion on the robustness of estimates and the adequacy of reserves, I have had regard to the scale of demand and inflation pressures, the Council's medium term funding assumptions, and the delivery plans within the Powering Our Futures programme. The budget is supported by established governance and monitoring arrangements, including Member oversight. However, the delivery profile in later years

of the MTFP carries inherent risk given the scale and pace of change required and the current low level of reserves. This will require close monitoring, active management of delivery assumptions, and timely corrective action where necessary to maintain financial sustainability.

41. Based on the information set out above, the main body of the MTFP Update and Strategy report and the Reserves Policy, the Council's reserves can no longer be utilised to mitigate the Council's budgetary pressures. The plan to replenish reserves is essential to ensure the financial stability of the Council, however the financial risks facing local authorities, and the Council's reduced levels of reserves will make this challenging. It is essential that officers and members are committed to meeting the outcomes required within phase 2 of the Powering our Futures programme in order to deliver the required savings and replenish reserves. Subject to continued officer and Member commitment to managing risk and delivering the required transformations within the agreed timescales, I am satisfied that the plan will increase the councils reserves to an adequate level thereby improving the Council's financial resilience.

Special Educational Needs and Disabilities (SEND) Deficit

42. In December 2025, CIPFA's Practice Oversight Panel issued *Advisory Note Six: The Section 25 Notice – Additional Support*. This advisory note formalises the Panel's key messages on the considerations Chief Financial Officers (CFOs) must consider when setting a local authority budget. It reinforces established principles of good financial management and draws on sector experience to inform decision making in a continuing challenging financial environment.
43. There are several nationally recognised issues that are influencing the judgements CFOs are required to make as part of the financial planning process. The advisory note is intended to provide clarity, set expectations and support professional judgement. It addresses the following key issues: Special Educational Needs and Disabilities (SEND) deficits, Exceptional Financial Support (EFS), and the impact of borrowing on council budgets. While the Council is not in receipt of Exceptional Financial Support, it does have a deficit within its Dedicated Schools Grant (DSG).
44. The advisory note asks Section 151 Officers to provide formal advice on whether the immediate withdrawal of the statutory override for DSG deficits would place the authority into a Section 114 position. This is not currently the case for Stockton, however based on the current forecast numbers were the override end on 31st March 2026, after funding the deficit the level of earmarked reserves would reduce to less than £2m. This would necessitate an urgent request for Exceptional Financial Support to set the budget for 2026/27. The current cumulative forecast overspend at 31st March 2026 is £13.62m.
45. If the deficit does continue to increase at the pace we have seen over the past two years, there is a significant risk that the total deficit will exceed the level of earmarked reserves the council holds, and potentially deplete the level of General Fund Balances. This would expose the Council to an unacceptable level of financial risk and would require immediate action to replenish reserves. In these circumstances, the Council would be likely to need to consider seeking support to set a balanced budget, potentially through Exceptional Financial Support or the issuance of Section 114 notice.
46. The Dedicated Schools Grant (DSG) is a ring-fenced grant provided to the Council to deliver specified education services, including Schools, Early Years and Special Educational Needs (High Needs). The grant is allocated annually by the Department for Education and determined through a national funding formula. Members will recall from the December report that the Council is experiencing increasing demand and rising costs associated with supporting pupils with SEND. This pressure is being experienced widely across the local government sector.

47. The DSG is accounted for separately from the Council's General Fund, and statutory guidance confirms that any DSG deficit must not be funded from General Fund resources. Accordingly, the DSG deficit is excluded from the Council's overall budget gap. The deficit stood at £6.72m at 31 March 2025. As reported at Quarter 2 in December, the projected deficit was £11.37m. This forecast has since been updated and is now expected to reach £13.62m by 31 March 2026. The primary drivers of this increase are continued growth in the number of children with SEND and increased complexity of need, resulting in higher average top-up payments per child.
48. The Ministry of Housing, Communities and Local Government (MHCLG) amended the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 to introduce a statutory override where a DSG deficit at the end of a financial year must not be charged to a revenue account and instead must be charged to an account established solely for the purpose of recognising deficits in the schools budget. This accounting practice has the effect of separating schools budget deficits from the local authority General Fund and means that these deficits are not charged to the General Fund.
49. Although the statutory override currently allows the DSG deficit to be held in a ringfenced account, it nevertheless has a direct financial impact on the Council's General Fund. As set out elsewhere in this report, the deficit creates a cashflow shortfall, which in turn gives rise to additional borrowing and associated financing costs. In addition, the rapid increase in the number of children with Education, Health and Care Plans, combined with a shortage of suitable local placements, is driving significant cost pressures within the Home to School Transport service.
50. The statutory override is currently due to expire at the end of the 2027/28 financial year. As part of the Provisional Local Government Finance Settlement, the Government has stated that future funding implications will be managed within overall Departmental Expenditure Limits, and that it would not expect local authorities to fund future SEND pressures from General Fund resources. The Government has also confirmed its intention to publish a full Schools White Paper early in the new year. Notwithstanding these announcements, there remains considerable uncertainty regarding the future role of local authorities within complex local delivery systems, including their relationships with education providers, health partners, children and families services, and transport providers.

Appendix G

Capital Programme up to 2029 – Summary

CAPITAL PROGRAMME Up to 2029	Current Approved Programme	Programme Revisions	New approvals	Revised Programme	Expenditure Apr 2018 - December 2025
SCHOOL INVESTMENT PROGRAMME & CHILDRENS SERVICES					
School Investment Programme	19,422,436	84,823	1,038,321	20,545,580	7,833,695
Children Investment	646,261	(38,511)	201,412	809,162	394,662
SCHOOL INVESTMENT PROGRAMME & CHILDRENS SERVICES	20,068,697	46,312	1,239,733	21,354,742	8,228,357
INCLUSIVE GROWTH					
Inclusive Growth & Development	7,044,564	0	0	7,044,564	4,280,294
Office Accommodation	2,750,000	0	0	2,750,000	1,168,470
INCLUSIVE GROWTH	9,794,564	0	0	9,794,564	5,448,763
REGENERATION					
Stockton Town Centre Schemes	18,956,601	(1,171,569)	0	17,785,032	1,643,538
Reshaping Town Centres	8,255,275	0	0	8,255,275	493,041
Billingham Town Centre	30,000,000	0	0	30,000,000	297,694
Thornaby Town Centre	34,410,923	(200,000)	0	34,210,923	11,183,157
Re-Development of Castlegate Site	30,934,381	(52,743)	0	30,881,638	22,775,823
Yarm & Eaglescliffe LUF	23,909,840	0	0	23,909,840	15,957,925
Asset Maintenance	1,531,134	0	685,150	2,216,284	1,309,484
Wayfinding	291,717	0	0	291,717	0
REGENERATION	148,289,871	(1,424,312)	685,150	147,550,709	53,660,661
TRANSPORTATION					
City Regional Sustainable Transport	12,834,694	387,504	0	13,222,198	7,869,827
Other Transport Schemes	11,207,245	(60,000)	0	11,147,245	3,092,213
Developer Agreements	1,671,647	0	0	1,671,647	1,216,559
TRANSPORTATION	25,713,586	327,504	0	26,041,090	12,178,599
COMMUNITY & ENVIRONMENT AND CULTURE & LEISURE					
Energy Efficiency Schemes	400,000	0	337,636	737,636	0
Environment and Green Infrastructure	10,140,709	316,360	94,794	10,551,863	4,594,977
Waste	8,125,939	0	0	8,125,939	4,511,822
Building Management & Asset Review	188,611	0	0	188,611	82,220
Vehicle Replacement	1,448,278	0	0	1,448,278	606,526
COMMUNITY & ENVIRONMENT AND CULTURE & LEISURE	20,303,537	316,360	432,430	21,052,327	9,795,545
ADULTS, HEALTH & WELLBEING					
Adults & Public Health Investment	202,000	0	0	202,000	45,459
Housing Regeneration	2,979,419	0	0	2,979,419	0
Private Sector Housing	3,617,317	9,643	0	3,626,960	1,406,876
ADULTS, HEALTH & WELLBEING	6,798,736	9,643	0	6,808,379	1,452,335
XENTRALL ICT					
Xentrall ICT Network	900,000	0	0	900,000	299,434
XENTRALL ICT	900,000	0	0	900,000	299,434
COUNCIL WIDE					
Unallocated council wide invest to save	19,350,000	0	0	19,350,000	0
COUNCIL WIDE	19,350,000	0	0	19,350,000	0
Total Approved Capital MTFP	251,218,991	(724,493)	2,357,313	252,851,811	91,063,695

Appendix H

Capital Programme up to 2029 – Detail

CAPITAL PROGRAMME	Current Approved Programme	New Approvals	Revised Programme
CHILDRENS SERVICES			
SCHOOL CAPITAL			
School Investment Programme			
Planned Maintenance	2,252,127		2,252,127
School Investment Strategy			
SEN Investment			
Preston Primary School	385,000		385,000
St John the Baptist Primary School	5,555,058		5,555,058
Mill Lane Primary School	1,700,000		1,700,000
Ash Trees Satellite at Billingham South	5,177		5,177
	7,645,235	0	7,645,235
Other			
Oxbridge Primary	8,238,000		8,238,000
Retained Future Investment Fund	114,609		114,609
Northfield School & Sports College	1,250,000		1,250,000
Durham Lane SEN Toilets	14,469		14,469
Unallocated Programme Contingency	592,827		592,827
Childcare Expansion Fund	406,788		406,788
Assistive Technology Lending Libraries	31,525		31,525
	10,648,218	0	10,648,218
	18,293,453	0	18,293,453
.			
SCHOOLS CAPITAL	20,545,580	0	20,545,580
Childrens Services Investment			
Children's homes	655,641		655,641
Children's Carer extensions/ adaptation works	153,521		153,521
	809,162	0	809,162
TOTAL CHILDRENS SERVICES	21,354,742	0	21,354,742
REGENERATION AND INCLUSIVE GROWTH			
INCLUSIVE GROWTH			
Inclusive Growth & Development			
Growth Fund			
Acquisition & Investment	1,044,394		1,044,394
Investment Site Infrastructure Durham Lane Industrial Estate	3,613,564		3,613,564
Inward Investment Strategy	455,606		455,606
Business Growth Fund	1,000,000		1,000,000

Regeneration Investment	131,000		131,000
	6,244,564	0	6,244,564
Inclusive Growth & Development – other			
Billingham Sports Hub	800,000		800,000
	800,000	0	800,000
Inclusive Growth & Development Total	7,044,564	0	7,044,564
Office Accommodation			
Accommodation	1,500,000		1,500,000
Democratic Space / Council Chamber	1,250,000		1,250,000
	2,750,000	0	2,750,000
INCLUSIVE GROWTH	9,794,564	0	9,794,564
REGENERATION			
Stockton Town Centre			
Stockton Town Centre - Infrastructure Projects	29,000		29,000
Townscape Heritage	2,756,032		2,756,032
Town Hall / Debenhams / Stockton Town Centre Shops	6,500,000		6,500,000
Splash Redevelopment	8,500,000		8,500,000
Wellington Square Car Park Resurfacing	0	1,000,000	1,000,000
	17,785,032	1,000,000	18,785,032
Reshaping Town Centres			
Unused borrowing approvals	7,662,960		7,662,960
Billingham Town Centre	30,000,000		30,000,000
Ingleby Barwick	514,515		514,515
Norton	77,800		77,800
	38,255,275	0	38,255,275
Thornaby Town Deal			
Cycleways	5,850,000		5,850,000
Skills Development	4,700,000		4,700,000
Regeneration of Town Centre	20,675,440		20,675,440
North Thornaby	2,985,483		2,985,483
	34,210,923	0	34,210,923
Redevelopment of Castlegate Site			
Urban Park	29,131,638		29,131,638
Community Diagnostic Centre Car Park	1,750,000		1,750,000
	30,881,638	0	30,881,638
Yarm & Eaglescliffe Levelling Up Fund			
LUF Cycleways	5,889,840		5,889,840
LUF Public Realm	3,623,904		3,623,904
LUF Preston Park	13,520,000		13,520,000
LUF Yarm Town Hall and Toilets	876,096		876,096

	23,909,840	0	23,909,840
Asset Management			
Unallocated Town Centre Wayfinding	291,717		291,717
Asset Maintenance	2,216,284	500,000	2,716,284
	2,508,001	500,000	3,008,001
REGENERATION	147,550,709	1,500,000	149,050,709
TOTAL REGENERATION AND INCLUSIVE GROWTH	157,345,273	1,500,000	158,845,273
COMMUNITY SERVICES, ENVIRONMENT & CULTURE			
TRANSPORTATION			
City Regional Sustainable Transport			
Integrated Transport	852,967		852,967
Structural Maintenance	567,941		567,941
Carriageways	2,374,747		2,374,747
Bridges	523,251		523,251
Eaglescliffe Station New car park & access	3,065,508		3,065,508
Newport Bridge	2,171,152		2,171,152
Other	3,666,632		3,666,632
CITY REGIONAL SUSTAINABLE TRANSPORT	13,222,198	0	13,222,198
Other			
A689 Hanzard Drive Feasibility	460,640		460,640
Developer Agreements	1,671,647		1,671,647
Strategic Urban Expansion - West Stockton	3,655,105		3,655,105
Cycleway feasibility and design	1,690,000		1,690,000
Bus route	181,500		181,500
A19/A689 Interchange Improvements (feasability)	660,000		660,000
A19/A689 Interchange Improvements (construction)	4,500,000		4,500,000
	12,818,892	0	12,818,892
TRANSPORTATION	26,041,090	0	26,041,090
Energy Efficiency Schemes			
Billingham Forum Solar Panels	400,000		400,000
Fairfield Primary School Solar Panels	77,636		77,636
MRF Solar Panels	260,000		260,000
	737,636	0	737,636
Environment, Leisure & Green Infrastructure			
Parks Improvement Programme	2,085,989		2,085,989
Flood Coastal Resilience Innovation Programme - Tees	7,077,710		7,077,710
Tidelands			
Greens Beck Culvert	717,360		717,360

Culvert Screen Access	20,804		20,804
Billingham Forum Gym Expansion	650,000		650,000
	10,551,863	0	10,551,863
Waste			
Waste Management Procurement Project	1,384,729		1,384,729
Household Waste Recycling Centre	2,000,000		2,000,000
Waste Transfer Station	2,541,210		2,541,210
Waste Receptacles	2,200,000		2,200,000
	8,125,939	0	8,125,939
Building Management & Asset Review			
Cemeteries	48,611		48,611
Travellers Site	140,000		140,000
	188,611	0	188,611
Vehicle Replacement			
Vehicle Replacement Fund	1,448,278	6,500,000	7,948,278
	1,448,278	6,500,000	7,948,278
TOTAL COMMUNITY & ENVIRONMENT AND CULTURE & LEISURE	47,093,417	6,500,000	53,593,417
ADULTS, HEALTH & WELLBEING			
Adults & Health			
Independent Living LD Bid	202,000		202,000
	202,000	0	202,000
Housing Regeneration			
Victoria Estate Regeneration	540,514		540,514
Affordable Housing	910,000		910,000
Accelerated Home Delivery (SBC Owned Sites)	150,000		150,000
Accelerating Affordable Housing Delivery (Self-contained units)	1,378,905		1,378,905
	2,979,419		2,979,419
Private Sector Housing			
Disabled Adaptations	2,890,486		2,890,486
Homeowner Improvement Loan	267,984		267,984
Local Authority Housing Fund 3	468,490		468,490
	3,626,960	0	3,626,960
TOTAL ADULTS, HEALTH & WELLBEING	6,808,379		6,808,379
XENTRALL ICT			
Xentrall ICT Network	900,000		900,000
			0
	900,000	0	900,000

			0
TOTAL XENTRALL ICT	900,000	0	900,000
COUNCIL WIDE			
Unallocated council wide invest to save	19,350,000		19,350,000
	19,350,000	0	19,350,000
			0
TOTAL COUNCIL WIDE	19,350,000		19,350,000
Total Approved Capital MTFP	252,851,811	8,000,000	260,851,811
CAPITAL PROGRAMME 2018-2029	Current Approved Programme	New Approvals	Revised Programme
Government Support	135,351,459		135,351,459
Earmarked Resources / Receipts	8,025,866	500,000	8,525,866
Earmarked Housing Regeneration Receipts	175,913		175,913
Prudential Borrowing	71,708,309	7,500,000	79,208,309
Other Contributions	32,469,315		32,469,315
Corporate One-Off Resources	5,120,949		5,120,949
Total Approved Funding Capital MTFP	252,851,811	8,000,000	260,851,811

Appendix I – Council Tax Resolution

Council Tax Resolution

A. Members are invited to Recommend that:

1. The Council calculated as its Council Tax Base for the year, in accordance with Section 31B (3) of the Local Government Finance Act 1992, as amended (the Act), and reported to the Leader & Deputy Leader on 8th January, 2026.

Tax Base approved under the Scheme of Delegation on 8th January, 2026.

- a) the amount calculated by the Council in accordance with Section 31B, as its Council Tax Base for the year: **62,716.1**
- b) the amounts calculated by the Council as the amounts of its Council Tax Base for the year for dwellings in those parts of its areas to which one or more special items relate.

Part of the Council's Area	Tax Base
Aislaby & Newsham	103.85
Carlton	371.19
Castlelevington /	1,394.56
Kirklevington	
Egglescliffe & Eaglescliffe	3,621.79
Elton	129.69
Wynyard	2,146.57
Grindon & Thorpe Thewles	424.73
Hilton	216.54
Ingleby Barwick	8,147.28
Long Newton	351.15
Maltby	479.17
Preston	615.54
Redmarshall	169.68
Stillington & Whitton	442.62
Thornaby	6,235.73
Wolviston	397.81
Yarm	3,585.04
Billingham	9,446.93

2. The amounts for the year that are recommended to be approved by the Council in accordance with Section 31A of the Act :

a) The aggregate amount that the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act: **£546,127,721.**

The Council's total expenditure for the year including Parish Precepts.

b) The aggregate amount that the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act: **£410,809,053.**

The total income to be raised by the Council in the year plus movement on revenue balances and grants.

c) The amount by which the aggregate at 2 a) above exceeds the aggregate at 2 b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its council tax requirement for the year: **£135,318,668.**

The Council's Council Tax Requirement for the year including Parish Precepts.

d) The basic amount of Council Tax for the year, being the amount at 2.c) above, divided by the amount at 1.a) above, calculated in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts); **£2,157.64**

The average Tax at Band D, including the Parish Precepts.

e) The aggregate amount of all special items referred to in Section 34(1) of the Act: **£1,111,858.**

The total of all Parish precepts.

f) The basic amount of Council Tax for those parts of the area to which no special items relate: **£2,139.91.**

Stockton-On-Tees Borough Council's Basic Tax.

B. Members are invited to Note:

3. a) Parish Precepts are:

Part of the Council's Area	2026/27	Band D
	Precept	Equivalent
	£	£
Aislaby & Newsham	0.00	0.00
Carlton	9,450	25.46
Castlelevington/ Kirklevington	35,000	25.10
Egglescliffe & Eaglescliffe	99,144	27.37
Elton	0	0
Wynyard	0	0

Grindon & Thorpe Thewles	11,231	26.44
Hilton	3,335	15.40
Ingleby Barwick	180,300	22.13
Long Newton	17,264	49.16
Maltby	6,479	13.52
Preston	5,779	9.39
Redmarshall	5,000	29.47
Stillington & Whitton	11,400	25.76
Thornaby	183,669	29.45
Wolviston	23,876	60.02
Yarm	148,752	41.49
Billingham	371,179	39.29
	<u>1,111,858</u>	

b) Parish Funding Allocations are:

Part of the Council's Area	2026/27 Funding Allocation
	£
Aislaby & Newsham	0
Carlton	22
Castle Leavington / Kirklevington	348
Egglescliffe & Eaglescliffe	5,446
Elton	0
Wynyard	0
Grindon & Thorpe Thewles	0
Hilton	129
Ingleby Barwick	3,445
Long Newton	236
Maltby	138
Preston	471
Redmarshall	118
Stillington & Whitton	1,243
Thornaby	36,050
Wolviston	533
Yarm	6,141
Billingham	23,509
	<u>77,829</u>

4. Office of the Police & Crime Commissioner for Cleveland has stated the sum of **£20,867,528** in a precept issued to the Council in accordance with Section 40 of the Act; this translates into the following sums for each Council Tax Band:

Office of the Police & Crime Commissioner for Cleveland Tax.

Band	Sum £
A	221.82
B	258.79
C	295.76
D	332.73
E	406.67
F	480.61
G	554.55
H	665.46

5. Cleveland Fire Authority has stated the sum of **£6,237,743** in a precept issued to the Council in accordance with Section 40 of the Act: this translates into the following sums for each Council Tax Band:

Band	Sum £
A	66.31
B	77.36
C	88.41
D	99.46
E	121.56
F	143.66
G	165.77
H	198.92

- C. Members are **Recommended** to set amounts of Council Tax for the year, being the aggregate of items 2 (f) 3,4 and 5 above in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, for each category of dwelling in each area as shown at **Appendix D(1),D(2),D(3)**.

- D. Members are also invited to Note

1. Each year the Secretary of State in accordance with Section 52ZC Local Government Finance Act 1992 will determine a limit for council tax rises. If an authority proposes to raise taxes above this limit they will have to hold a referendum to get approval from local voters.

Cleveland Fire Authority Tax

Total Council Tax bill levels, including Borough, Police & Crime Commissioner, Fire Authority and Parish elements.

Determination whether Council tax rate is excessive

2. The limit for council tax rises applicable to the authority as set by the Secretary of State for 2026/27 is 5%.

E. Members are asked to Note that the Council's basic amount of Council Tax for 2026/27 is not excessive in accordance with the principles approved under Section 52ZB Local Government Finance Act 1992 and D above and that a referendum is not required.

Appendix D(1)

Council Tax - Parish Demands
2026/27

Item	Parish	Band							
	Factor	A 6	B 7	C 8	D 9	E 11	F 13	G 15	H 18
		£	£	£	£	£	£	£	£
1	Aislaby and Newsham	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	Carlton	16.97	19.80	22.63	25.46	31.12	36.78	42.43	50.92
3	Castlelevington /								
3	Kirklevington	16.73	19.52	22.31	25.10	30.68	36.26	41.83	50.20
4	Egglescliffe	18.25	21.29	24.33	27.37	33.45	39.53	45.62	54.74
5	Elton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6a	Wynyard	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6b	Grindon & Thorpe Thewles	17.63	20.56	23.50	26.44	32.32	38.19	44.07	52.88
7	Hilton	10.27	11.98	13.69	15.40	18.82	22.24	25.67	30.80
8	Ingleby Barwick	14.75	17.21	19.67	22.13	27.05	31.97	36.88	44.26
9	Long Newton	32.77	38.24	43.70	49.16	60.08	71.01	81.93	98.32
10	Maltby	9.01	10.52	12.02	13.52	16.52	19.53	22.53	27.04
11	Preston	6.26	7.30	8.35	9.39	11.48	13.56	15.65	18.78
12	Redmarshall	19.65	22.92	26.20	29.47	36.02	42.57	49.12	58.94
13	Stillington & Whitton	17.17	20.04	22.90	25.76	31.48	37.21	42.93	51.52
14	Thornaby	19.63	22.91	26.18	29.45	35.99	42.54	49.08	58.90
15	Wolviston	40.01	46.68	53.35	60.02	73.36	86.70	100.03	120.04
16	Yarm	27.66	32.27	36.88	41.49	50.71	59.93	69.15	82.98
17	Billingham	26.19	30.56	34.92	39.29	48.02	56.75	65.48	78.58

Appendix D(2)

Council Tax - Borough and Parish Demands
2026/27

Item	Parish	Band							
		A	B	C	D	E	F	G	H
		£	£	£	£	£	£	£	£
1	Aislaby and Newsham	1,426.61	1,664.37	1,902.14	2,139.91	2,615.45	3,090.98	3,566.52	4,279.82
2	Carlton	1,443.58	1,684.17	1,924.77	2,165.37	2,646.57	3,127.76	3,608.95	4,330.74
3	Castlelevington / Kirklevington	1,443.34	1,683.89	1,924.45	2,165.01	2,646.13	3,127.24	3,608.35	4,330.02
4	Egglescliffe	1,444.86	1,685.66	1,926.47	2,167.28	2,648.90	3,130.51	3,612.14	4,334.56
5	Elton	1,426.61	1,664.37	1,902.14	2,139.91	2,615.45	3,090.98	3,566.52	4,279.82
6a	Wynyard	1,426.61	1,664.37	1,902.14	2,139.91	2,615.45	3,090.98	3,566.52	4,279.82
6b	Grindon & Thorpe Thewles	1,444.24	1,684.93	1,925.64	2,166.35	2,647.77	3,129.17	3,610.59	4,332.70
7	Hilton	1,436.88	1,676.35	1,915.83	2,155.31	2,634.27	3,113.22	3,592.19	4,310.62
8	Ingleby Barwick	1,441.36	1,681.58	1,921.81	2,162.04	2,642.50	3,122.95	3,603.40	4,324.08
9	Long Newton	1,459.38	1,702.61	1,945.84	2,189.07	2,675.53	3,161.99	3,648.45	4,378.14
10	Maltby	1,435.62	1,674.89	1,914.16	2,153.43	2,631.97	3,110.51	3,589.05	4,306.86
11	Preston	1,432.87	1,671.67	1,910.49	2,149.30	2,626.93	3,104.54	3,582.17	4,298.60
12	Redmarshall	1,446.26	1,687.29	1,928.34	2,169.38	2,651.47	3,133.55	3,615.64	4,338.76
13	Stillington & Whitton	1,443.78	1,684.41	1,925.04	2,165.67	2,646.93	3,128.19	3,609.45	4,331.34
14	Thornaby	1,446.24	1,687.28	1,928.32	2,169.36	2,651.44	3,133.52	3,615.60	4,338.72
15	Wolviston	1,466.62	1,711.05	1,955.49	2,199.93	2,688.81	3,177.68	3,666.55	4,399.86
16	Yarm	1,454.27	1,696.64	1,939.02	2,181.40	2,666.16	3,150.91	3,635.67	4,362.80
17	Billingham	1,452.80	1,694.93	1,937.06	2,179.20	2,663.47	3,147.73	3,632.00	4,358.40
18	Areas without Parish Councils	1,426.61	1,664.37	1,902.14	2,139.91	2,615.45	3,090.98	3,566.52	4,279.82

Council Tax - Total Demand (Borough, Parishes, Police and Fire)
2026/27

Item	Parish Factor	Band							
		A	B	C	D	E	F	G	H
		6	7	8	9	11	13	15	18
		£	£	£	£	£	£	£	£
1	Aislaby and Newsham	1,714.74	2,000.52	2,286.31	2,572.10	3,143.68	3,715.25	4,286.84	5,144.20
2	Carlton	1,731.71	2,020.32	2,308.94	2,597.56	3,174.80	3,752.03	4,329.27	5,195.12
3	Castlelevington / Kirklevington	1,731.47	2,020.04	2,308.62	2,597.20	3,174.36	3,751.51	4,328.67	5,194.40
4	Egglescliffe	1,732.99	2,021.81	2,310.64	2,599.47	3,177.13	3,754.78	4,332.46	5,198.94
5	Eiton	1,714.74	2,000.52	2,286.31	2,572.10	3,143.68	3,715.25	4,286.84	5,144.20
6a	Wynyard	1,714.74	2,000.52	2,286.31	2,572.10	3,143.68	3,715.25	4,286.84	5,144.20
6b	Grindon & Thorpe Thewles	1,732.37	2,021.08	2,309.81	2,598.54	3,176.00	3,753.44	4,330.91	5,197.08
7	Hilton	1,725.01	2,012.50	2,300.00	2,587.50	3,162.50	3,737.49	4,312.51	5,175.00
8	Ingleby Barwick	1,729.49	2,017.73	2,305.98	2,594.23	3,170.73	3,747.22	4,323.72	5,188.46
9	Long Newton	1,747.51	2,038.76	2,330.01	2,621.26	3,203.76	3,786.26	4,368.77	5,242.52
10	Maltby	1,723.75	2,011.04	2,298.33	2,585.62	3,160.20	3,734.78	4,309.37	5,171.24
11	Preston	1,721.00	2,007.82	2,294.66	2,581.49	3,155.16	3,728.81	4,302.49	5,162.98
12	Redmarshall	1,734.39	2,023.44	2,312.51	2,601.57	3,179.70	3,757.82	4,335.96	5,203.14
13	Stillington & Whitton	1,731.91	2,020.56	2,309.21	2,597.86	3,175.16	3,752.46	4,329.77	5,195.72
14	Thornaby	1,734.37	2,023.43	2,312.49	2,601.55	3,179.67	3,757.79	4,335.92	5,203.10
15	Wolviston	1,754.75	2,047.20	2,339.66	2,632.12	3,217.04	3,801.95	4,386.87	5,264.24
16	Yarm	1,742.40	2,032.79	2,323.19	2,613.59	3,194.39	3,775.18	4,355.99	5,227.18
17	Billingham	1,740.93	2,031.08	2,321.23	2,611.39	3,191.70	3,772.00	4,352.32	5,222.78
18	Areas without Parish Councils	1,714.74	2,000.52	2,286.31	2,572.10	3,143.68	3,715.25	4,286.84	5,144.20
	Police Precept included - all areas	221.82	258.79	295.76	332.73	406.67	480.61	554.55	665.46
	Fire Precept Included - all areas	66.31	77.36	88.41	99.46	121.56	143.66	165.77	198.92

Appendix J

CAPITAL STRATEGY REPORT 2026/27

Introduction

This capital strategy report gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.

Decisions made this year on capital and treasury management will have financial consequences for the Council for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

Capital Expenditure and Financing

Capital expenditure is where the Council spends money on assets, such as property or vehicles, that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.

In 2025/26, the Council is planning capital expenditure of £60.979m as summarised below:

Table 1: Prudential Indicator: Estimates of Capital Expenditure in £ millions

	2024/25 actual	2025/26 forecast	2026/27 budget	2027/28 budget	2028/29 budget
Schools and Children's Services	9.436	7.028	10.853	0.000	0.000
Inclusive Growth	5.533	4.198	2.445	0.000	0.000
Regeneration	26.357	31.569	41.129	29.510	7.663
Transportation	7.520	8.752	11.943	0.000	0.000
Community & Env, Culture & Leisure	5.418	6.778	6.432	1.368	6.292
Adults, Health and Wellbeing	2.004	2.504	1.740	0.848	1.450
Xentrall ICT	0.299	0.150	0.150	0.150	0.150
Council Wide	0.000	0.000	2.000	7.500	9.850
TOTAL	56.567	60.979	76.692	39.376	25.405

The main capital projects in 2026/27 include programme of works for the School Investment Strategy, including SEND, Town Centre investment works across the Borough and a number of Transport schemes. The Council continues to have no plans to incur capital expenditure on investments to generate a yield.

Governance: The details of the current governance arrangements for the Capital Programme are outlined in Schedules 3 and 4 below.

The Council has a Programme Management Office (PMO) who ensure the right arrangements are in place to successfully deliver the Council priorities through major programmes and apply consistent ways of working, including governance and progress reporting. To ensure a joined-up approach to delivery, the PMO manage a series of working groups and boards that comprise a range of professionals, including HR, Communications, Finance and Legal alongside operational colleagues, Project Managers and Project Sponsors. The primary role of these groups is providing assurance to any decision makers, through scrutiny and challenge whilst ensuring processes are robust and effective in terms of minimising risk to the Council. The governance / assurance structure is shown at schedule 3.

Throughout the year Senior Officers identify schemes to be considered for addition to the Capital Programme. These are appraised from a range of perspectives to ensure value for money and strategic fit for the organisation and progress through the process outlined in Schedule.

Any scheme that is to be funded through a new borrowing approval, or the utilisation of capital receipts requires approval from full Council in line with the Council's constitution and are not added into the Capital Programme until such approval has been sought and received.

Schemes that have been appraised, progressed through the project life cycle (Schedule 4) and are fully funded through external grants, contributions or existing internal resources are added to the Capital Programme in the quarterly MTFP update reports and Cabinet Members are asked to note the inclusion of the schemes within the programme. This is also the case where borrowing has been approved by full Council but the drawdown of such funding has been delegated to Cabinet upon consideration of the relevant business case. There were two specific examples of this in 2025-26 in respect of Billingham Forum expansion and two Complex Needs Children's Homes.

The Capital Programme, to support the Medium Term Financial Plan, is approved on an annual basis by full Council as part of the annual budget setting process in February each year. This captures all the updates provided to Cabinet throughout the previous year.

The Programme Management Office ensure the right arrangements are in place to successfully deliver the Council's priorities through major projects and programmes and apply consistent ways of working, including governance and progress reporting. These processes are regularly reviewed to ensure that they are robust and fit for purpose as factors both internal and external to the organisation evolve.

It should be noted that the governance of capital projects is currently going through an executive scrutiny review through the Place Select Committee.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or borrowing. The planned financing of the above expenditure is as follows:

Table 2: Capital financing in £ millions

	2024/25 actual	2025/26 forecast	2026/27 budget	2027/28 budget	2028/29 budget
Capital receipts	0.088	1.140	3.844	0.039	1.451
Capital grants	32.211	37.247	43.478	8.665	4.373
Capital contributions	15.233	11.129	9.908	0.848	0.000
Revenue	5.960	3.081	2.816	0.111	0.150
Borrowing	3.075	8.382	16.646	29.713	19.431
TOTAL	56.567	60.979	76.692	39.376	25.405

Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as Minimum Revenue Provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance but capital receipts are not being used for this purpose within the current financial plan. Planned MRP is as follows:

Table 3: Replacement of debt finance in £ millions

	2024/25 actual	2025/26 forecast	2026/27 budget	2027/28 budget	2028/29 budget
Own resources	4.42	3.41	4.29	4.30	3.58

Government guidance requires the Council to approve an Annual MRP Statement each year and recommends several options for calculating a prudent amount of MRP. The recommended statement is attached at Schedule 1 for approval.

The Council's cumulative outstanding amount of debt finance is measured by the Capital Financing Requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to increase to £212.96m by the end of 2026/27. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £ millions

	2024/25 actual	2025/26 forecast	2026/27 budget	2027/28 budget	2028/29 budget
General Fund services	195.861	200.519	212.964	238.782	255.267
Capital investments	0.000	0.000	0.000	0.000	0.000
TOTAL CFR	195.861	200.519	212.964	238.782	255.267

Asset management: Asset Strategy and Management is a systematic process of lifecycle management including strategic planning, investment, operation, and maintenance of building assets in a cost effective and environmentally sustainable manner. To ensure that the capital assets continue to be of a long term and sustainable use, the Council provides Strategic Asset Management Planning by maintaining up to date building condition information, developing a pipeline of investment, and managing programmes from inception to delivery. This ensures that Council building assets continue to be a safe and fit for purpose environment which supports the Council's local and statutory obligations.

Asset disposals: When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. Repayments of capital grants, loans and investments also generate capital receipts. The Council plans to receive £0.851m of capital receipts and loan repayments in the coming financial year as follows:

Table 5: Capital receipts receivable in £ millions

	2024/25 actual	2025/26 forecast	2026/27 budget	2027/28 budget	2028/29 budget
Asset sales	0.324	1.151	0.845	0.703	0.000
Loans repaid	0.130	0.010	0.006	0.005	0.005
TOTAL	0.454	1.161	0.851	0.708	0.005

The Authority is currently also permitted to spend capital receipts “flexibly” on service transformation projects up until and including 2029/30. The Council's Flexible Use of Capital Receipts Strategy is provided in Schedule 2 for approval.

Treasury Management

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

Due to decisions taken in the past, at the 31st December 2025 the Council has £136.4m borrowing at an average interest rate of 3.92% and £21.3m treasury investments at an average rate of 4.2%.

Borrowing strategy: The Council's main objectives when borrowing is to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance

between cheap short-term loans and long-term fixed rate loans where the future cost is known but higher.

The Authority does not borrow to invest for the primary purpose of financial return and therefore retains full access to the Public Works Loans Board.

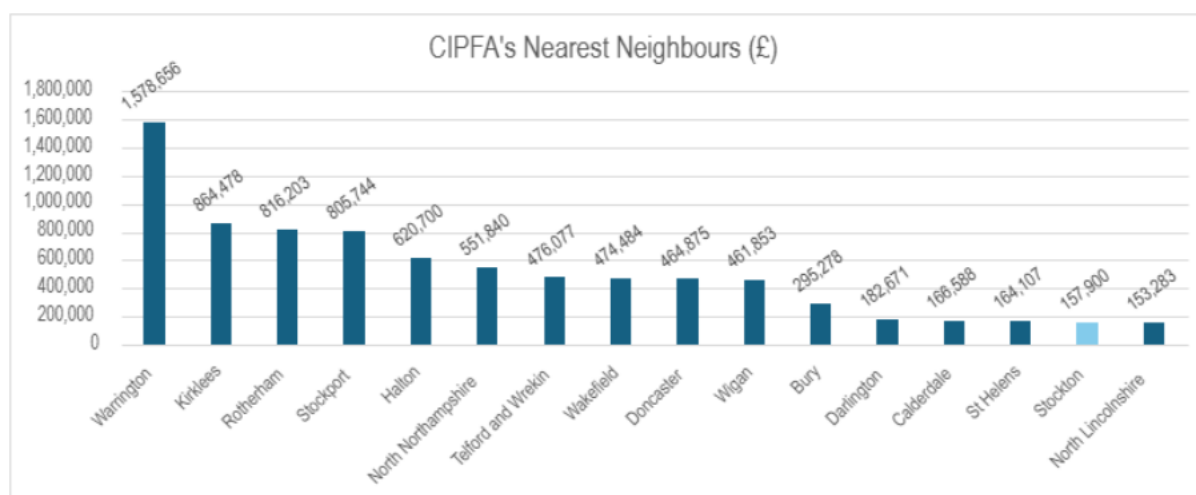
Projected levels of the Council's total outstanding debt (which comprises borrowing, PFI liabilities and leases) are shown below, compared with the capital financing requirement (see above).

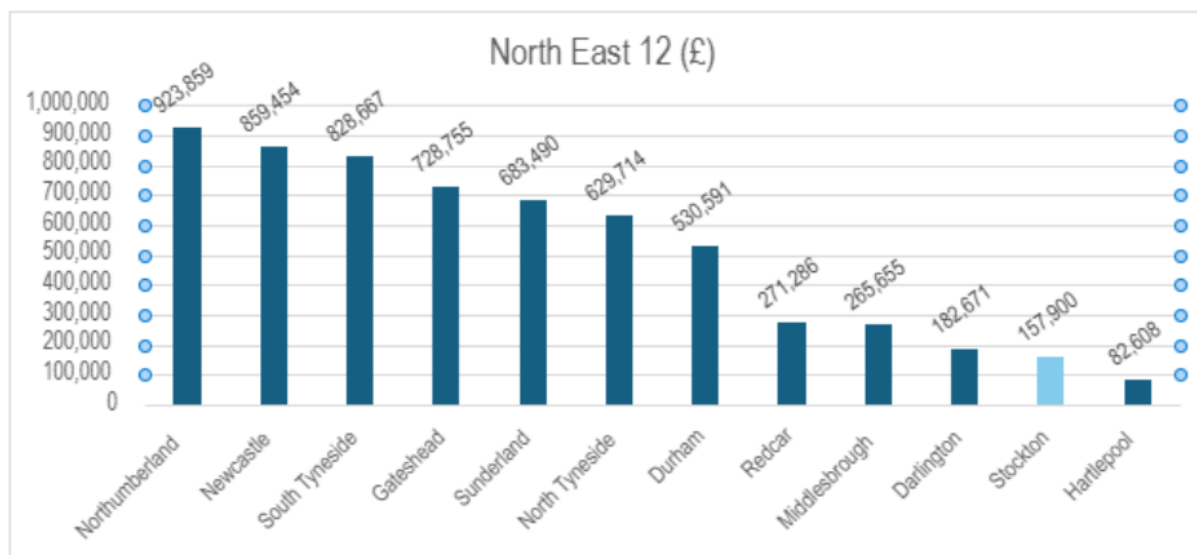
Table 6: Prudential Indicator: Gross Debt and the Capital Financing Requirement in £ millions

	31.3.2025 actual	31.3.2026 forecast	31.3.2027 budget	31.3.2028 budget	31.3.2029 budget
Debt (incl. PFI & leases)	157.900	159.457	159.457	201.840	236.107
Capital Financing Requirement	195.861	200.519	212.964	238.782	255.267

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Council expects to comply with this in the medium term.

As part of their Financial Resilience Index, CIPFA has produced data comparing *Gross External Debt* to the Council's statistical nearest neighbours and North East 12 neighbours. Comparisons are shown in the two graphs below. As you will notice, across both comparisons the Council has the second lowest level of debt.





Liability benchmark: To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes that cash is kept to a minimum level of £5m at each year-end. This benchmark is currently estimated to be £152.0m (excl. Leases and PFI) at 31st March 2026 and is forecast to rise to £250.3m over the next three years.

Table 7: Borrowing and the Liability Benchmark in £ millions

	31.3.2025 actual	31.3.2026 forecast	31.3.2027 budget	31.3.2028 budget	31.3.2029 budget
Outstanding borrowing	150.8	152.1	196.7	232.3	250.4
Liability benchmark	150.8	152.0	196.6	232.2	250.3

Affordable borrowing limit: The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit.

Table 8: Prudential Indicators: Authorised limit and operational boundary for external debt in £ millions

	2025/26 limit	2026/27 limit	2027/28 limit	2028/29 limit
Authorised limit	218.5	231.0	256.8	273.3
Operational boundary	203.5	216.0	241.8	258.3

- Further details on borrowing are included in the Treasury Management Strategy included at Appendix K.

Treasury investment strategy: Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

The Council's policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms can be invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which investments to buy and the Council may request its money back at short notice.

Table 9: Treasury management investments in £millions

	31.3.2025 actual	31.3.2026 forecast	31.3.2027 budget	31.3.2028 budget	31.3.2029 budget
Near-term investments	26.07	5.00	5.00	5.00	5.00
Long-term investments	13.28	13.28	13.28	13.28	13.28
TOTAL	39.35	18.28	18.28	18.28	18.28

Further details on treasury investments are included in the Treasury Management Strategy included at Appendix K.

Risk management: The effective management and control of risk are prime objectives of the Council's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses and details the extent to which financial derivatives may be used to manage treasury risks.

The Treasury Management prudential indicators are provided within the Treasury Management Strategy included at Appendix K.

Governance: Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Chief Finance Officer and staff, who must act in line with the treasury management strategy and treasury management practices approved by Council. A mid-term and annual report on treasury management activity are presented to the Audit and Governance Committee for scrutinising treasury management decisions.

Investments for Service Purposes

The Council can make investments to assist local public services, including making loans to the Council's subsidiaries.

Risk Management: In light of the public service objective, the Council is willing to take more risk than with treasury investments, however, it still plans for such investments to break even after all costs.

Governance: Decisions on service investments are made by the relevant service manager in consultation with the Chief Finance Officer and must meet the criteria and limits laid down in the Investment Strategy. Most loans and shares are capital expenditure and purchases will therefore also be approved as part of the capital programme via Cabinet / Council.

Based on the current small value of service investments all potential losses could be absorbed in budgets or reserves without unmanageable detriment to local services.

Further details on service investments are included within the Investment Strategy included at Appendix L.

Commercial Activities

The Council has for a number of years owned investment properties and these make profits which are spent on local public services. Total commercial investments as at 31st March 2025 were valued at £16.686m across a range of properties such as estate shops, garages, ground leases and the Hotel.

Risk Management: With financial return being the main objective, the Council accepts higher risk on commercial investment than with treasury investments. The principal risk exposures include reduction in rental payments due to vacancies and a fall in capital value. In order that commercial investments remain proportionate to the size of the authority, these are subject to an overall maximum investment limit of £30m. Any variation from planned budgets will be monitored through the budgetary control and medium-term financial plan process.

Governance: Decisions on commercial investments are made by the Chief Finance Officer in line with the criteria and limits approved by Council in the Investment Strategy. Property and most other commercial investments are also capital expenditure, and purchases will therefore also be approved as part of the capital programme and via Cabinet / Council.

Further details on commercial investments are included within the Investment Strategy included at Appendix L.

In relation to the overall net revenue stream of the Council compared to the net income from commercial investments this is not material to the overall financial capacity of the Council. This is demonstrated in table 10 below and any losses can be absorbed in budgets or managed through reserves.

Table 10: Prudential Indicator: Net income from commercial and service investments to net revenue stream

	31.3.2025 actual	31.3.2026 forecast	31.3.2027 budget	31.3.2028 budget	31.3.2029 budget
Total net income from service and commercial investments £m	0.931	0.931	0.931	0.931	0.931
Proportion of net revenue stream	0.49%	0.46%	0.39%	0.37%	0.36%

Investment Indicators

The Council has set the following quantitative indicators to allow elected members and the public to assess the Council's total risk exposure because of its investment decisions.

Total risk exposure: The first indicator shows the Council's total exposure to potential investment losses. This includes amounts the Council is contractually committed to lend but have yet to be drawn down and guarantees the Council has issued over third-party loans.

Table 11: Total investment exposure in £millions

Total Investment Exposure	2024/25 Actual £m	2025/26 Forecast £m	2026/27 Budget £m
Treasury management investments	39.400	18.500	18.500
Service investments: Loans	0.229	0.219	0.214
Service investments: Shares	0.000	0.000	0.000
Commercial investments: Property	16.686	16.686	16.686
TOTAL INVESTMENTS	56.315	35.404	35.399

How investments are funded: Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Authority's investments are funded by usable reserves and income received in advance of expenditure.

Table 12: Investments funded by borrowing in £millions

Investments funded by borrowing	2024/25 Actual £m	2025/26 Forecast £m	2026/27 Budget £m
Treasury management investments	0	0	0
Service investments: Loans	0	0	0
Service investments: Shares	0	0	0
Commercial investments: Property	17.000	17.000	17.000
Total Funded by Borrowing	17.000	17.000	17.000

Rate of return received: This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 13: Investment rate of return (net of all costs)

Investments net rate of return	2024/25 Actual £m	2025/26 Forecast £m	2026/27 Budget £m
Treasury management investments	6.4%	6.3%	4.3%
Service investments: Loans	4.4%	2.3%	1.9%
Commercial investments: Property	2.6%	4.1%	4.2%
ALL INVESTMENTS	4.9%	5.5%	4.2%

Other Liabilities

The authority has no other significant liabilities other than the debt detailed in Table 6.

Governance: Decisions on incurring new discretionary liabilities are taken by service managers in consultation with the Chief Finance Officer. The risk of liabilities crystallising and requiring payment is monitored by Corporate Accounts and reported appropriately. New liabilities are reported to full Council for approval as appropriate.

Further details on liabilities and guarantees are on page 66 of the draft 2024/25 Statement of Accounts.

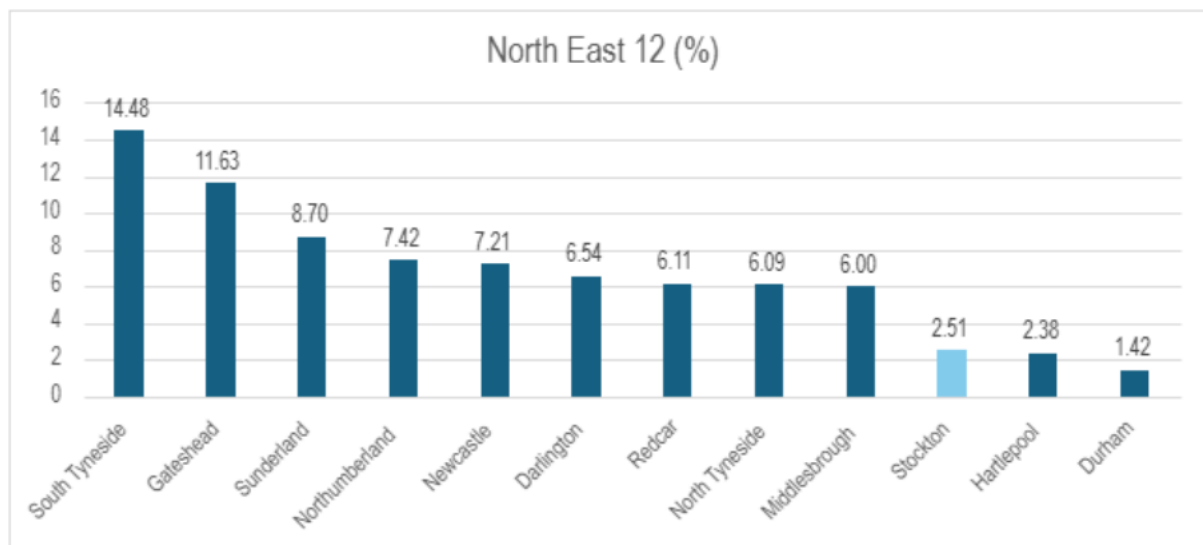
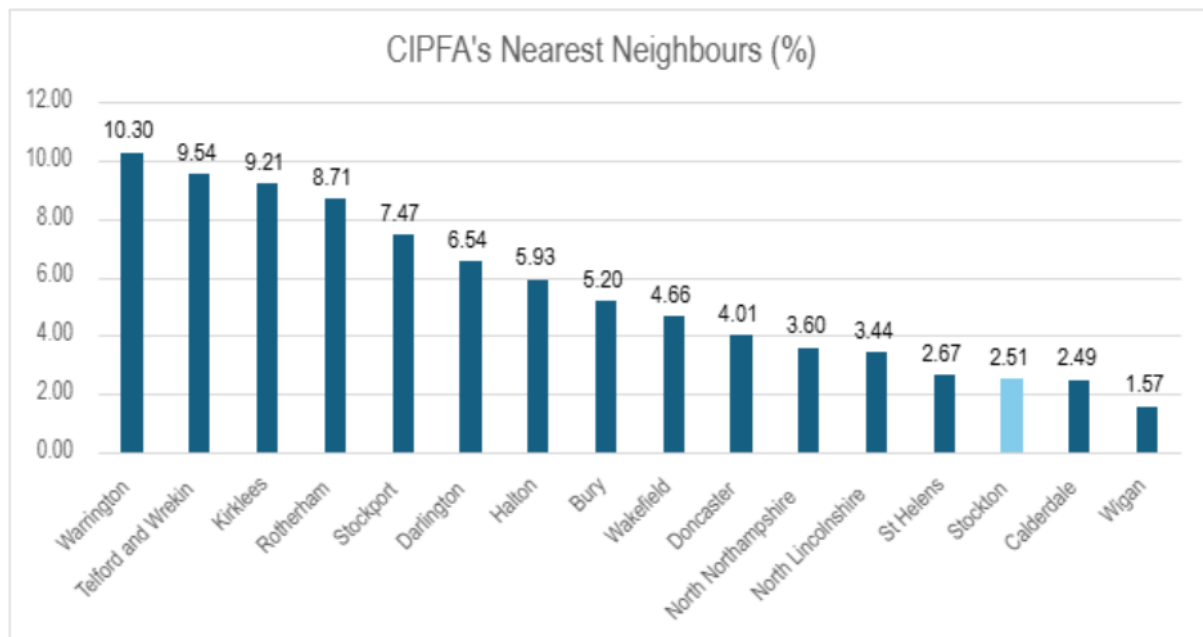
Revenue Budget Implications

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from council tax, business rates and general government grants.

As part of their Financial Resilience Index, CIPFA has produced data comparing *Proportion of financing costs to net revenue stream* to the Council's statistical nearest neighbours and North East 12 neighbours. Comparisons are shown in the two graphs below. As you will notice, only 2.5% of the Councils net revenue stream at the end of the 2025/26 financial year was utilised to fund its debt requirements which is considerably lower than other Councils in the groups. This does rise over the medium term due to the unwinding of the Councils under borrowing position and borrowing associated with funding specific schemes within the capital programme.

Table 14: Prudential Indicator: Proportion of financing costs to net revenue stream

	31.3.2025 actual	31.3.2026 forecast	31.3.2027 budget	31.3.2028 budget	31.3.2029 budget
Financing costs (£m)	6.2	7.5	7.6	11.6	12.3
Proportion of net revenue stream	2.5%	3.8%	3.2%	4.7%	4.8%



Sustainability: Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years into the future. The Chief Finance Officer is satisfied that the proposed capital programme is prudent, affordable and sustainable. Processes and controls ensure that the programme is reviewed regularly in the context of inflation driven cost increases and rising interest rates. The impact of the existing Capital Programme on the MTFP has been considered, and the revenue implications of future capital schemes are included when considering the approval of the capital budget.

Knowledge and Skills

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. The Council pays for staff to study towards relevant professional qualifications (including CIPFA), they undertake continuous professional development (CPD) and attend courses on an ongoing basis to keep abreast of new developments and skills. All senior staff with treasury management responsibilities are CIPFA qualified Accountants.

The Council establishes project teams from all the professional disciplines across the Council as and when required to develop and implement major schemes. Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. As an example, the Council currently employs Arlingclose Limited as Treasury Management advisers. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

Internal and external training is offered to members to ensure they have up to date knowledge and expertise to understand and challenge capital and treasury decisions taken by the Chief Finance Officer.

Schedule 1 – Annual Minimum Revenue Provision Statement 2026/27

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The *Local Government Act 2003* requires the Authority to have regard to the former Ministry of Housing, Communities and Local Government's *Guidance on Minimum Revenue Provision* (the MHCLG Guidance) most recently issued in 2024.

The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is aligned with that over which the capital expenditure provides benefits.

The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance as well as locally determined prudent methods.

MRP is calculated by reference to the capital financing requirement (CFR) which is the total amount of past capital expenditure that has yet to be permanently financed, noting that debt must be repaid and therefore can only be a temporary form of funding. The CFR is calculated from the Authority's balance sheet in accordance with the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Expenditure in Local Authorities, 2021 edition*.

- For capital expenditure incurred before 1st April 2008 and for supported capital expenditure incurred on or after that date, MRP will be determined on an annuity method.
- For unsupported capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset equal to the average relevant Public Works Loan Board (PWLB) rate for the year of expenditure determined on an annuity method starting in the year after the asset becomes operational.
- For assets acquired by finance leases or the Private Finance Initiative, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.
- Where former operating leases have been brought onto the balance sheet due to the adoption of the *IFRS 16 Leases* accounting standard, and the asset values have been adjusted for accruals, prepayments, premiums and/or incentives, then the MRP charges will be adjusted so that the overall charge for MRP over the life of the lease reflects the value of the right-of-use asset recognised on transition rather than the liability.

Capital loans

- For capital expenditure on loans to third parties which were made primarily for financial return rather than direct service purposes, MRP will be charged in accordance with the policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational. This MRP charge will be reduced by the value any repayments of loan principal received during in the year, with the capital receipts so arising applied to finance the expenditure instead.
- For capital expenditure on loans to third parties which were made primarily for service purposes, the Authority will make nil MRP except as detailed below for expected credit losses. Instead, the Authority will apply the capital receipts arising from the repayments of the loan principal to finance the expenditure in the year they are received.
- For capital loans made on or after 7th May 2024 where an expected credit loss is recognised during the year, the MRP charge in respect of the loan will be no lower than the loss recognised. Where expected credit losses are reversed, for example on the eventual repayment of the loan, this will be treated as an overpayment.
- For capital loans made before 7th May 2024 and for loans where expected credit losses are not applicable, where a shortfall in capital receipts is anticipated, MRP will be charged to cover that shortfall over the remaining life of the assets funded by the loan.

Capital expenditure incurred during 2026/27 will not be subject to a MRP charge until the year following the year in which the relevant assets become operational.

Capital receipts

Proceeds from the sale of capital assets are classed as capital receipts and are typically used to finance new capital expenditure. Where the Authority decides instead to use capital receipts to repay debt and hence reduce the CFR, the calculation of MRP will be adjusted as follows:

- Capital receipts arising on the repayment of principal on capital loans to third parties will be used to lower the MRP charge in respect of the same loans in the year of receipt, if any.
- Capital receipts arising on the repayment of principal on finance lease receivables will be used to lower the MRP charge in respect of the acquisition of the asset subject to the lease in the year of receipt, if any.
- Capital receipts arising from other assets which form an identified part of the Authority's MRP calculations will be used to reduce the MRP charge in respect of the same assets over their remaining useful lives, starting in the year after the receipt is applied.
- Any other capital receipts applied to repay debt will be used to reduce MRP in 10 equal instalments starting in the year after receipt is applied.

Schedule 2 - Flexible Use of Capital Receipt's Strategy

Application of the Flexible Use of Capital Receipts Strategy

This Flexible Use of Capital Receipts Strategy has the potential to support the Council in delivering its objectives outlined against the Powering our Futures Programme and the Council can take advantage of the extension of the flexibility where appropriate to use capital receipts to fund transformation projects with qualifying criteria.

At present this strategy is presented to provide Members with details of this flexibility. The Council is exploring opportunities to use this flexibility upon receipt of future capital receipts. More detail will be brought back to Council when options have been considered.

Legal Framework

Capital receipts can only be used for specific purposes, and these are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 made under Section 11 of the Local Government Act 2003. The main permitted purpose is to fund capital expenditure, and the use of capital receipts to support revenue expenditure is not allowed by the regulations.

The Secretary of State is empowered to issue Directions allowing expenditure incurred by local authorities to be treated as capital expenditure. Where such a direction is made, the specified expenditure can then be funded from capital receipts under the regulations. The original Direction was issued in March 2016.

Following extensions to the scheme approved in 2019 and 2021, the Ministry of Housing, Communities & Local Government (MHCLG) in November 2024 announced as part of the Local government finance policy statement 2025 to 2026 the continuation of the capital receipts flexibility programme for a further five years, 2025/26 through to 2029/30 to give local authorities the continued freedom to use capital receipts from the sale of their own assets (excluding Right to Buy receipts) to help fund the revenue costs of transformation projects and release savings.

This strategy provides background information under the statutory framework and the updated guidance issued in March 2025. It provides the principles on which the Flexible Use of Capital Receipts Strategy is based and its application within this authority.

Types of qualifying expenditure

The Secretary of State directs, in exercise of their powers under sections 16(2)(b) and 20 of the Local Government Act 2003 ("the Act"), that, the expenditure for which the flexibility can be applied and treated as capital expenditure is known as 'Qualifying Expenditure'.

Qualifying expenditure is expenditure properly incurred by the authorities for the financial years that began on 1 April 2016 through to 1 April 2029 on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility.

There are a wide range of projects that could generate qualifying expenditure, and the list below is not prescriptive. Examples of projects include:

- activities which support or enable efficiency savings, improved service delivery or transformation as part of local government re-organisation
- sharing back-office and administrative services with one or more other council or public sector bodies
- investment in service reform feasibility work, e.g. setting up pilot schemes
- collaboration between local authorities and central government departments to free up land for economic use
- funding the cost of service reconfiguration, restructuring or rationalisation where this leads to ongoing efficiency savings or service transformation
- driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible
- aggregating procurement on common goods and services where possible, either as part of local arrangements or using Crown Commercial Services or regional procurement hubs or Professional Buying Organisations
- improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy – this could include an element of staff training
- setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, through selling services to others)
- integrating public facing services across two or more public sector bodies (for example children's social care or trading standards) to generate savings or to transform service delivery

Qualifying disposals

Local authorities will only be able to use capital receipts from the sale of property, plant and equipment received in the years in which this flexibility is offered. They may not use their existing stock of capital receipts prior to that time to finance the revenue costs of reform; in practice this means that any receipts generated prior to flexibility opening on 1 April 2016 cannot be applied in this manner.

For the purposes of the direction, a qualifying disposal is an asset sale made within the period for which the direction applies, by the local authority to an entity outside the local authority's group structure. An entity is considered to be part of an authority's group structure if it falls within the definition of a joint venture, associate or subsidiary of the authority as defined in the Code of Practice on Local Authority Accounting. This is consistent with the entities that fall within the scope of "group accounts" as defined in the Code of Practice on Local Authority Accounting.

The intent is that capital receipts which are to be used by authorities under the flexibilities afforded by the direction should be from genuine disposals of assets by the authority. Where

an authority retains some control of the assets, directly or indirectly, and retains exposure to the risks and rewards from those assets, the disposal does not give rise to a capital receipt that can be used in accordance with the direction.

Impact of 2026/27 strategy on Prudential Indicators

The guidance requires that the impact on the council's Prudential Indicators should be considered when preparing a Flexible Use of Capital Receipts Strategy. Capital receipts have not been factored into the council's Capital Financing Requirement (CFR) by way of reducing debt.

Capital receipts which are allocated to fund the council's capital programme will be monitored throughout the year and will not be subsequently used to fund qualifying expenditure. Therefore, there will be no change to the council's Prudential Indicators that are contained in the Treasury Management Strategy Statement which will be presented to Full Council in February 2025 for approval.

The prudential indicators show that this strategy is affordable and will not affect the council's operational boundary and authorised borrowing limit.

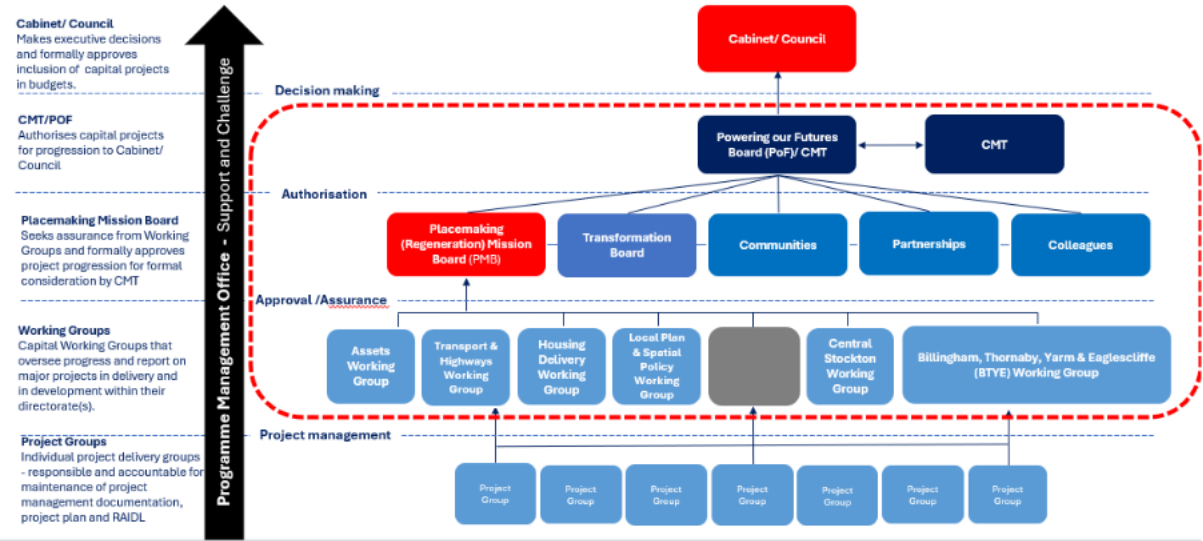
Governance

It is a condition that local authorities applying this direction must send details of their planned use of the flexibility to the Secretary of State for each financial year in which the direction is used.

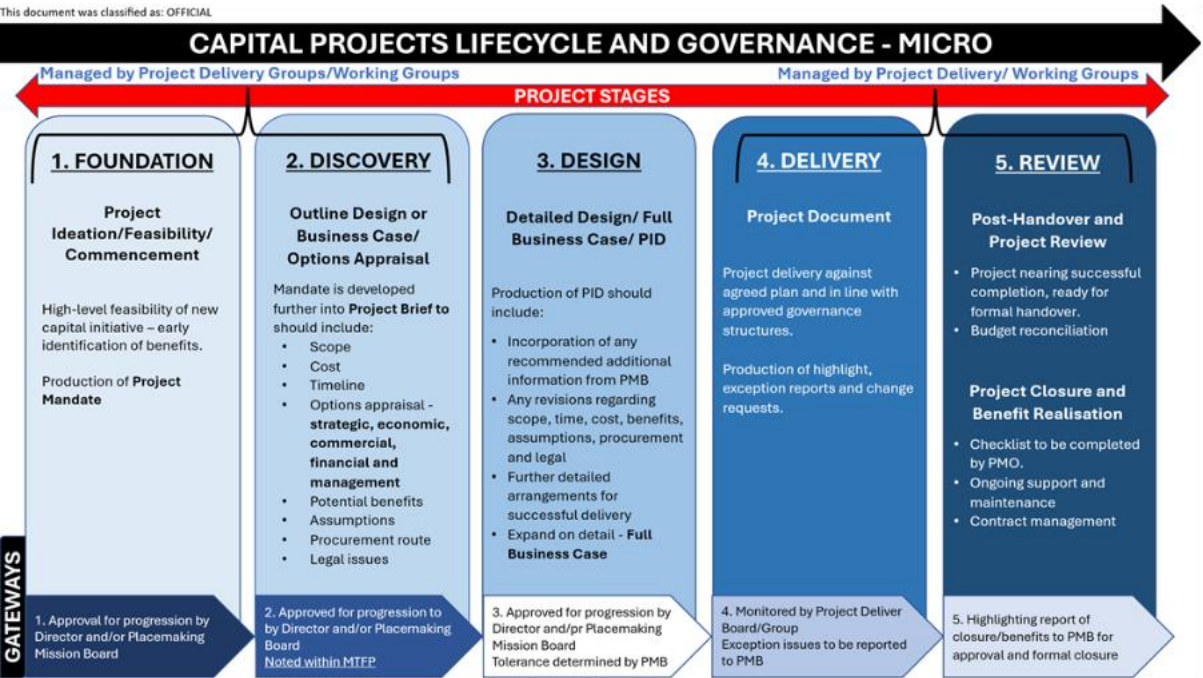
This should be sent as soon as is practicable after the council has determined and approved its strategy for the use of the direction but must be sent before the flexibility is used. Where local authorities update their plans during the financial year, an updated plan reflecting the changes must be sent to the Secretary of State. This requirement can be met by providing to the Secretary of State a copy of the authority's own strategy documents.

By submitting the information set out to the Secretary of State the council will have met the condition; there is no further requirement to receive explicit consent to use the flexibility as set out in this direction. It is expected that the council will evidence full compliance with this condition to their external auditors as necessary.

Schedule 3 – Capital Programme Governance Structure



Schedule 4 – Capital Programme Lifecycle



APPENDIX K

STOCKTON ON TEES TREASURY MANAGEMENT STRATEGY 2026/27

Introduction

Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Authority's prudent financial management.

Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

Investments held for service purposes or for commercial profit are considered in a different report, the Investment Strategy presented at Appendix L of this report.

External Context

Arlingclose, Stockton's Treasury Management advisors have provided us with the following commentary on the external environment.

Economic background: The most significant impacts on the Authority's treasury management strategy for 2026/27 are expected to include: the influence of the government's 2025 Autumn Budget, lower short-term interest rates alongside higher medium- and longer-term rates, slower economic growth, together with ongoing uncertainties around the global economy, stock market sentiment, and geopolitical issues.

The Bank of England's Monetary Policy Committee (MPC) cut Bank Rate to 3.75% in December 2025, as expected. The vote to cut was 5-4, with the minority instead favouring holding rates at 4.0%. Those members wanting a cut judged that disinflation was established while those preferring to hold Bank Rate argued that inflation risks remained sufficiently material to leave rates untouched at this stage.

Figures from the Office for National Statistics showed that the UK economy expanded by 0.1% in the third quarter of the calendar year, this was unrevised from the initial estimate. The most recent Monetary Policy Report (November) projected modest economic growth, with GDP expected to rise by 0.2% in the final calendar quarter of 2025. Annual growth is forecast to ease from 1.4% before improving again later, reflecting the delayed effects of lower interest rates, looser monetary conditions, stronger global activity, and higher consumer spending. The view of modest economic growth going forward was echoed by the Office for Budget Responsibility in its Economic and fiscal outlook published in line with the Autumn Statement which revised down its estimate of annual real GDP to around 1.5% on average between 2025 and 2030.

CPI inflation was 3.2% in November 2025, down from 3.6% in the previous month and below the 3.5% expected. Core CPI eased to 3.2% from 3.4%, contrary to forecasts of remaining at 3.6%. Looking forward, the MPC continues to expect inflation to fall, to around 3% in calendar Q1 2026, before steadily returning to the 2% target by late 2026 or early 2027.

The labour market continues to ease with rising unemployment, falling vacancies and flat inactivity. In the three months to October 2025, the unemployment rate increased to 5.1%, higher than the level previously expected by the BoE, while the employment rate slipped to 74.9%. Pay growth for the same period eased modestly, with total earnings (including bonuses) growth at 4.7% while regular pay was 4.6%.

The US Federal Reserve also continued to cut rates, including reducing the target range for the Federal Funds Rate by 0.25% at its December 2025 meeting, to 3.50%-3.75%, in line with expectations. The minutes of the meeting noted that most Fed policymakers judged that further rate cuts would be likely in 2026 if inflation continues to ease, however they were still divided in their assessment of the risks between inflation and unemployment.

The European Central Bank (ECB) kept its key interest rates unchanged in December for a fourth consecutive meeting, maintaining the deposit rate at 2.0% and the main refinancing rate at 2.15%. The ECB maintained that future policy decisions will remain data-dependent, that inflation is close to its 2% target and that the euro area economy continues to expand despite a challenging global environment, including heightened geopolitical risks and trade tensions.

Credit outlook: While lower interest rates may weigh on banks' profitability, strong capital positions, easing inflation, steady economic growth, low unemployment, and reduced borrowing costs for households and businesses all support a favourable outlook for the creditworthiness of institutions on (the authority's treasury management advisor) Arlingclose's counterparty list. Arlingclose's advice on approved counterparties and recommended investment durations is kept under continuous review and will continue to reflect prevailing economic and credit conditions.

Interest rate forecast (22nd December 2025): Arlingclose, the Authority's treasury management adviser, currently forecasts that the Bank of England's Monetary Policy Committee will continue to reduce Bank Rate in 2026, reaching around 3.25%. This forecast reflects amendments made following the Autumn Budget and an assessment of the fiscal measures and their market implications, and following the BoE MPC meeting held on 18th December.

Long-term gilt yields, and therefore interest rates payable on long-term borrowing, are expected to remain broadly stable on average, though with continued volatility, and to end the forecast period marginally lower than current levels. Yields are likely to stay higher than in the pre-quantitative tightening era, reflecting ongoing balance sheet reduction and elevated bond issuance. Short-term fluctuations are expected to persist in response to economic data releases and geopolitical developments.

A more detailed economic and interest rate forecast provided by Arlingclose is in Schedule 1.

Local Context

On 31st December 2025, the Authority held £136.4m of borrowing and £21.3m of treasury investments. This is set out in further detail at Schedule 2. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance sheet summary and forecast

	31.3.25	31.3.26	31.3.27	31.3.28	31.3.29
	Actual	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
General Fund CFR	195.86	200.52	212.96	238.78	255.27
Less: Other debt liabilities	(9.14)	(7.34)	(5.13)	(3.84)	(3.69)
Loans CFR	186.72	193.18	207.83	234.94	251.58
Less: External borrowing	(150.78)	(152.12)	(196.71)	(232.27)	(250.35)
Internal (over) borrowing	35.94	41.06	11.12	2.68	1.22
Less: Balance Sheet Resources	(75.29)	(59.34)	(29.40)	(20.95)	(19.50)
(Investments) / New borrowing	(39.35)	(18.28)	(18.28)	(18.28)	(18.28)

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying sums available for investment. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

The Authority has an increasing CFR due to the capital programme and will potentially be required to increase borrowing up to a total of £250.35m over the forecast period.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Authority expects to comply with this recommendation across the periods shown.

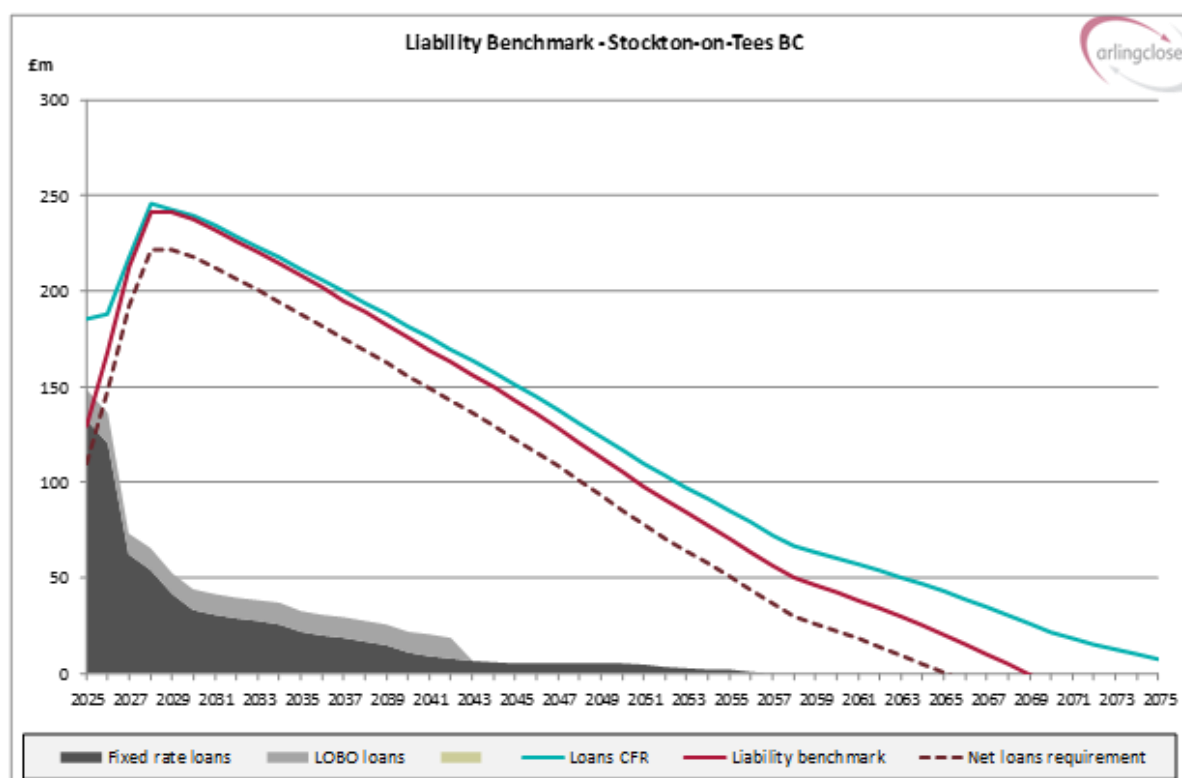
Liability benchmark: To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as table 1 above, but that cash and investment balances are kept to a minimum level of £5m at each year-end to maintain sufficient liquidity but minimise credit risk.

The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

Table 2: Prudential Indicator: Liability benchmark

	31.3.25	31.3.26	31.3.27	31.3.28	31.3.29
	Actual	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
Loans CFR	186.72	193.18	207.83	234.94	251.58
Less: Balance Sheet Resources	(75.29)	(59.34)	(29.40)	(20.95)	(19.50)
Plus: Liquidity Allowance	39.35	18.28	18.28	18.28	18.28
Liability Benchmark	150.78	152.12	196.71	232.27	250.35

Following on from the medium-term forecasts in table 2 above, the long-term liability benchmark assumes an estimated level of capital expenditure funded by borrowing, minimum revenue provision on new capital expenditure based on a 50 year asset life and income, expenditure and reserves all increasing by inflation. This is shown in the chart below, together with the maturity profile of the Authority's existing borrowing:



Borrowing Strategy

At the 31st December 2025 the Authority had £136.4m of loans, an increase of £7.3m on the same period last year, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 shows that the Authority expects borrowing to increase to £152.12m in 2026/27. The Authority may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £213.9m.

Objectives: The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.

Strategy: Given the significant cuts to public expenditure and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. Short-term interest rates are currently higher than in the recent past, but are expected to fall in the coming year, and it is therefore likely to be more cost effective over the medium-term to either use internal resources, or to borrow short-term loans instead. The risks of this approach will be managed by keeping the Authority's interest rate exposure within the limit set in the treasury management prudential indicators.

By doing so, the Authority will be able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal / short-term borrowing will be monitored regularly against the potential for incurring additional costs

by deferring borrowing into future years. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the authority borrows additional sums at long-term fixed rates in 2026/27 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

The Authority has previously raised all of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Authority intends to avoid this activity in order to retain its access to PWLB loans.

Alternatively, the Authority may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Authority may borrow further short-term loans to cover unplanned cash flow shortages.

Sources of borrowing: The approved sources of long-term and short-term borrowing are:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
- National Wealth Fund Ltd (formerly UK Infrastructure Bank Ltd)
- any institution approved for investments (see below)
- any other bank or building society or insurance company authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except Teesside Pension Fund)
- capital market bond investors
- retail investors via a regulated peer-to-peer platform
- special purpose companies created to enable local authority bond issues.

Other sources of debt finance: In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- similar asset based finance
- sale and leaseback

LOBOs: The Authority holds £16m (£16m 2024/25) of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. With long-term interest rates having risen in recent years, there is now a good chance that lenders will exercise their options. If they do, the Authority will take the option to repay LOBO loans to reduce refinancing risk in later years.

Short-term and variable rate loans: These loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.

Debt rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Authority may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk. The recent rise in interest rates means that more favourable debt rescheduling opportunities should arise than in previous years.

Treasury Investment Strategy

The Authority holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Authority's investment balance has ranged between £38m and £14m, but levels are estimated to reduce due to planned expenditure on the capital programme and use of reserves.

Objectives: The CIPFA Code requires the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Authority will aim to achieve a total return that is equal to or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested. The Authority aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.

Strategy: As demonstrated by the liability benchmark above, the Authority expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income.

The CIPFA Code does not permit local authorities to both borrow and invest long-term for cash flow management. But the Authority may make long-term investments for treasury risk management purposes, including to manage interest rate risk by investing sums borrowed in advance for the capital programme for up to three years; to manage inflation risk by investing usable reserves in instruments whose value rises with inflation; and to manage price risk by adding diversification to the strategic pooled fund portfolio.

ESG policy: Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Authority's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Authority will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.

Business models: Under the new IFRS 9 standard, the accounting for certain investments depends on the Authority's "business model" for managing them. The Authority aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

Approved counterparties: The Authority may invest its surplus funds with any of the counterparty types in table 3 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 3: Approved investment counterparties and limits

Sector	Time limit	Counterparty limit	Sector limit
The UK Government	3 years	Unlimited	n/a
Local authorities & other government entities	3 years	£5,000,000	Unlimited
Secured investments - Government Collateral *	3 years	£5,000,000	Unlimited
Secured investments - Other Collateral *	3 years	£2,500,000	Unlimited
Banks (unsecured) *	13 months	£2,500,000	Unlimited
Building societies (unsecured) *	13 months	£2,500,000	£5,000,000
Registered providers (unsecured) *	3 years	£2,500,000	£12,500,000
Money market funds *	n/a	£5,000,000	Unlimited
Strategic pooled funds	n/a	£15,000,000	£25,000,000
Real estate investment trusts	n/a	£5,000,000	£12,500,000
Other investments *	3 years	£2,500,000	£5,000,000

* Minimum credit rating: Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A. Where available, the credit rating relevant to the specific investment or class of investment is

used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

For entities without published credit ratings, investments may be made either (a) where external advice indicates the entity to be of similar credit quality; or (b) to a maximum of £15m per counterparty as part of a diversified pool e.g. via a peer-to-peer platform.

Government: Sterling-denominated investments with or explicitly guaranteed by the UK Government, including the Debt Management Account Deposit Facility, treasury bills and gilts. These are deemed to be zero credit risk due to the government's ability to create additional currency and therefore may be made in unlimited amounts for up to 3 years.

Local authorities and other government entities: Loans to, and bonds and bills issued or guaranteed by, other national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk.

Secured investments: Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds, secured deposits and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

Banks and building societies (unsecured): Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

Registered providers (unsecured): Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

Money market funds: Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Authority will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

Strategic pooled funds: Bond, equity and property funds, including exchange traded funds, that offer enhanced returns over the longer term but are more volatile in the short term. These

allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date but can be either withdrawn after a notice period or sold on an exchange, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Real estate investment trusts: Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

Other investments: This category covers treasury investments not listed above, for example unsecured corporate bonds and unsecured loans to companies and universities. Non-bank companies cannot be bailed-in but can become insolvent placing the Authority's investment at risk.

Operational bank accounts: The Authority may incur operational exposures, for example through current accounts, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £2m per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity.

Risk assessment and credit ratings: Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "negative watch") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other information on the security of investments: The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press, and analysis and advice from the

Authority's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

Reputational aspects: The Authority is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

Investment limits: The Authority's revenue reserves which will be needed to cover investment losses. In order that no more than 25% of available reserves will be put at risk in the case of a single default, the future maximum that will be lent to any one organisation (other than the UK Government) will be £5 million. A group of entities under the same ownership will be treated as a single organisation for limit purposes.

Limits are also placed on fund managers, investments in brokers' nominee accounts and foreign countries as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 4: Additional Investment limits

	Cash limit
Any group of pooled funds under the same management	£20m per manager
Negotiable instruments held in a broker's nominee account	£10m per broker
Foreign countries	£5m per country

Liquidity management: The Authority uses cash flow forecasting to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Authority being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Authority's medium term financial plan and cash flow forecast.

The Authority will spread its liquid cash over at least four providers (e.g. bank accounts and money market funds) of which at least two will be UK domiciled to ensure that access to cash is maintained in the event of operational difficulties at any one provider.

Treasury Management Prudential Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Liquidity: The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

Liquidity risk indicator	Target
Total cash available within 3 months	£5m

Interest rate exposures: This indicator is set to control the Authority's exposure to interest rate risk. The one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	£m
One-year revenue impact of a 1% <u>rise</u> in interest rates	-£0.090m
One-year revenue impact of a 1% <u>fall</u> in interest rates	£0.090m

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates.

Maturity structure of borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

	Upper	Lower
Under 12 months	60%	0%
12 months and within 24 months	70%	0%
24 months and within 5 years	80%	0%
5 years and within 10 years	90%	0%
10 years and above	100%	0%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Long Term Treasury Management Investments: The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management investments will be:

	2025/26	2026/27	2027/28	No Fixed Date
Limit on principal invested beyond year end	£60m	£50m	£40m	£20m

Long-term investments with no fixed maturity date include strategic pooled funds and real estate investment trusts but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

Related Matters

The CIPFA Code requires the Authority to include the following in its treasury management strategy.

Financial Derivatives: Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.

In line with the CIPFA Code, the Authority will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

Markets in Financial Instruments Directive: The Authority has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range

of the Authority's treasury management activities, the Chief Finance Officer believes this to be the most appropriate status.

Financial Implications

The budget for investment income in 2026/27 is £0.98m, and the budget for debt interest to be paid in 2026/27 is £6.02m. If actual levels of investments and borrowing, or actual interest rates, differ from that forecast, performance against budget will be correspondingly different.

Where investment income exceeds budget, e.g. from higher risk investments including pooled funds, or debt interest paid falls below budget, e.g. from cheap short-term borrowing, then an appropriate level of revenue savings will be transferred to a treasury management reserve to cover the risk of capital losses or higher interest rates payable in future years.

Other Options Considered

The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Chief Finance Officer believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below and will be considered if circumstances significantly change.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however, long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Schedule 1 – Arlingclose Economic & Interest Rate Forecast December 2025

Underlying assumptions:

- The Bank of England duly delivered on expectations for a December rate cut, but, despite softer economic data over the past two weeks, the minutes highlighted increased caution surrounding both the inflation outlook and the speed of future easing. With a close vote of 5-4 in favour of a rate reduction, this suggests that the bar for further monetary easing may be higher than previously thought despite the possibility of the CPI rate falling to target in 2026.
- Budget policies and base effects will mechanically reduce the CPI rate in 2026, on top of the downward pressure arising from soft economic growth and the looser labour market. However, many policymakers appear concerned that household and business inflation and pricing expectations are proving sticky following recent bouts of high price and wage growth, which may allow underlying inflationary pressure to remain elevated. While the Bank's measure of household expectations ticked lower in December, it remains above levels consistent with the 2% target at 3.5%.
- While policymakers hold valid concerns, these appear somewhat out of line with current conditions; CPI inflation fell to 3.2% in November, private sector wage growth continued to ease amid the highest unemployment rate since the pandemic, and the economy contracted in October after barely growing in Q3. Business surveys pointed to marginally stronger activity and pricing intentions in December but also suggested that the pre-Budget malaise was not temporary. These data are the latest in a trend suggesting challenging economic conditions are feeding into price and wage setting.
- Risks to the growth and inflation outlook lie to the downside, which may ultimately deliver lower Bank Rate than our central case. However, the minutes suggest that the bar to further rate cuts beyond 3.25% is higher and the near-term upside risks to our Bank Rate forecast have increased. Having said that, we believe inflation expectations will naturally decline alongside headline inflation rates.
- Investors appear to have given the UK government some breathing space following the Budget, with long-term yields continuing to trade at slightly lower levels than in late summer/early autumn. Even so, sustained heavy borrowing across advanced economies, the DMO's move towards issuing more short-dated gilts and lingering doubts about the government's fiscal plans will keep short to medium yields above the levels implied by interest rate expectations alone.

Forecast:

- In line with our long-held forecast, Bank Rate was cut to 3.75% in December.
- Continuing disinflation, rising unemployment, softening wage growth and low confidence suggests that monetary policy will continue to be loosened.
- Arlingclose expects Bank Rate to be cut to 3.25% by the middle of 2026. However, near-term upside risks to the forecast have increased.

Schedule 2 – Existing Investment & Debt Portfolio Position

	31/12/2025	31/12/2025
	Actual Portfolio	Average Rate
	£m	%
External borrowing:		
Public Works Loan Board	89.04	3.69%
Local authorities	31.38	4.27%
LOBO loans from banks	16.00	4.87%
Total external borrowing	136.42	
Other long-term liabilities:		
Private Finance Initiative	3.76	
Finance Leases	5.39	
Total other long-term liabilities	9.15	
Total gross external debt	145.57	
Treasury investments:		
Banks & building societies	0.04	3.25%
Government (incl. local authorities)	0.00	0.00%
Money Market Funds	8.00	4.04%
Other pooled funds	13.30	4.53%
Total treasury investments	21.34	
Net Debt	124.23	

APPENDIX L

NON TREASURY INVESTMENT STRATEGY REPORT 2026/27

Introduction

The Authority invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as treasury management investments),
- to support local public services by lending to or buying shares in other organisations (service investments), and
- to earn investment income (known as commercial investments where this is the main purpose).

This investment strategy meets the requirements of statutory guidance issued by the government in January 2018 and focuses on the second and third of these categories.

The statutory guidance defines investments as “all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios.” The Authority interprets this to exclude (a) trade receivables which meet the accounting definition of financial assets but are not investments in the everyday sense of the word and (b) property held partially to generate a profit but primarily for the provision of local public services. This aligns the Authority’s definition of an investment with that in the 2021 edition of the CIPFA Prudential Code, a more recent piece of statutory guidance.

Treasury Management Investments

The Council typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of the Police, Fire, Parishes and Central Government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy.

Contribution: The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities.

Further details: Full details of the Council’s policies and its 2026/27 plan for treasury management investments are covered in a separate document, the Treasury Management Strategy, attached at Appendix K of this report.

Service Investments: Loans

Contribution: The Council can lend money to its subsidiaries, its suppliers, local businesses, local charities, housing associations, local residents and its employees to support local public services and stimulate local economic growth. Details of the loans provided as at 31st March 2025 are shown in table 1 below.

Security: The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Authority, upper limits on the outstanding loans to each category of borrower have been set as follows:

Table 1: Loans for service purposes in £ millions

Category of borrower	31.3.2025 actual			2026/27
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Subsidiaries / Joint Ventures	0.000	0.000	0.000	5.000
Local businesses	0.025	0.000	0.025	2.000
Residents	0.204	0.000	0.204	1.000
Employees	0.000	0.000	0.000	0.050
TOTAL	0.229	0.000	0.229	8.050

Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's statement of accounts are shown net of this loss allowance. However, the Authority makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

Risk assessment: In making loans the Council is exposing itself to the risk that the borrower defaults on repayments. The Council therefore ensures they are prudent and fully considers the risk implications, with regard to both the individual loan and that the cumulative exposure of the Council, is proportionate and prudent.

The Council will ensure that a full due diligence exercise is undertaken and adequate security is in place. The business case will balance the benefits and risks. All loans are approved in line with the constitution and approved policies. All loans will be subject to close, regular monitoring.

Service Investments: Shares

Contribution: The Council can invest in the shares of its subsidiaries, its suppliers, and local businesses if required to support local public services and stimulate local economic growth. The Council has limited shareholdings at present. The only shareholdings are,

Teesside Airport (value in the accounts £0), Hotel Company (Value in the accounts £1)
Stockton Holding Company (Value in the accounts £1).

Security: One of the risks of investing in shares is that they fall in value meaning that the initial outlay may not be recovered. In order to limit this risk, upper limits on the sum invested in each category of shares have been set as follows:

Table 2: Shares held for service purposes in £ millions

Category of company	31.3.2025 actual			2026/27
	Amounts invested £m	Gains or losses £m	Value in accounts £m	Approved Limit £m
Subsidiaries / Joint Ventures	0	0	0	5.000
Local businesses	0	0	0	2.000
TOTAL	0	0	0	7.000

Risk assessment: The Council will assess the risk of loss before entering into a purchase and whilst holding shares by:

Assessing the market that we will be competing in, the nature and level of competition, how the market will evolve over time, the barriers to entry and exit and any ongoing investment requirements.

- Utilise external advisors be they treasury management advisors, property investment advisors or any other relevant persons.
- Utilise credit ratings to assess risk and monitor these ratings on a regular basis.

Liquidity: Where the financial commitment is linked to a contractual arrangement then the contract period will determine the length of the financial commitment.

Non-specified Investments: Shares are the only investment type that the Council has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Council's upper limits on non-specified investments. The Council has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

Commercial Investments: Property

Contribution: The Government defines property to be an investment if it is held primarily or partially to generate a profit. The Council has for several years owned investment properties that meet this definition, and these make profits which are spent on local public services. Details of these are included in table 3 below.

Table 3: Property held for investment purposes in £ millions

Property	31.3.2025 Value
Estate Shops	0.290
Hampton by Hilton Hotel	12.100
Town Centre	0.000
Ground Leases	2.937
Garages	0.010
Agricultural	1.349
Advertising Hoardings	0.000
TOTAL	16.686

Security: In accordance with government guidance, the Council considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs. Some of the Investment Properties have been held by the Council for a number of years and it is prudent to assume that current valuations exceed original purchase price.

A fair value assessment of the Council's investment property portfolio has been made by the Council's Valuer and specialist external valuers as at 31st March 2025. These assets are valued on a rolling programme as part of the production of the Council's Annual Statement of Accounts.

Risk assessment: The Council assesses the risk of loss before entering into and whilst holding property investments by ensuring they are prudent and has fully considered the risk implications, with regard to both the individual property and that the cumulative exposure of the council is proportionate and prudent.

The Council will ensure that a full due diligence exercise is undertaken and adequate security is in place, before entering into any commercial property investment and the business case will balance the benefits and risks. All investments of this type are agreed by Cabinet / Council.

Liquidity: Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice and can take a considerable period to sell in certain market conditions.

Proportionality

The Council is not materially dependent on profit generating investment activity to achieve a balanced revenue budget. Table 4 below shows the extent to which the expenditure planned to meet the service delivery objectives of the Council is dependent

on achieving the expected net profit from investments over the lifecycle of the Medium-Term Financial Plan.

Table 4: Proportionality of Investments in £millions

	2024/25 Actual	2025/26 Forecast	2026/27 Budget
Gross service expenditure	520.930	490.971	545.016
Investment income	2.731	3.185	2.140
Proportion	0.52%	0.65%	0.39%

Borrowing in Advance of Need

Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. The Council has not and has no plans to borrow in advance of need.

Capacity, Skills and Culture

Elected members and statutory officers: The Council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The responsible officer will recommend and implement the necessary arrangements.

The responsible officer will ensure that Cabinet members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and those responsibilities.

Those charged with governance recognise their individual responsibility to ensure that they have the necessary skills to complete their role effectively.

Staff employed in the treasury management function will be qualified to the level that is appropriate to their post (as per the job description). All staff are required to undertake basic training prior to undertaking day to day treasury business and will, in addition, be expected to undertake continuous training as appropriate to enable them to keep up to date with all aspects of treasury management within their responsibility.

Training courses run by CIPFA and other training providers such as our Treasury Advisors will form the major basis of ongoing staff training. Records will be kept of all courses and seminars attended by staff as part of their annual appraisal. The authority will take all reasonable steps to ensure that staff are adequately trained.

CIPFA members are required to abide by CIPFA's Ethics Standard on Professional Practice (SOPP) which includes a section in relation to treasury management.

Commercial deals: The Council's in-house Land & Property team is represented by chartered surveyors who have the necessary knowledge and skills to undertake commercial transactions, and they undertake this work in accordance with internal procedures as well as compliance with Local Government Act 1972 and RICS Practice Statements.

Corporate governance: The Council is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

The Council has adopted and has implemented the key recommendations of the CIPFA Prudential Code. This, together with the other arrangements such as the production of Treasury Management Practices and Treasury Management Strategy are considered vital to the achievement of proper corporate governance in treasury management, which the responsible officer will monitor and, if and when necessary, report upon the effectiveness of these arrangements.

Investment Indicators

The Council has set the following quantitative indicators to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.

Total risk exposure: The first indicator shows the Council's total exposure to potential investment losses. This includes amounts the Council is contractually committed to lend but have yet to be drawn down and guarantees the Council has issued over third-party loans.

Table 5: Total investment exposure in £millions

Total Investment Exposure	2024/25 Actual	2025/26 Forecast	2026/27 Budget
Treasury management investments	39.400	18.500	18.500
Service investments: Loans	0.229	0.219	0.214
Service investments: Shares	0.000	0.000	0.000
Commercial investments: Property	16.686	16.686	16.686
TOTAL INVESTMENTS	56.315	35.404	35.399

How investments are funded: Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Authority's investments are funded by usable reserves and income received in advance of expenditure.

Table 6: Investments funded by borrowing in £millions

Investments funded by borrowing	2024/25 Actual	2025/26 Forecast	2026/27 Budget
Treasury management investments	0	0	0
Service investments: Loans	0	0	0
Service investments: Shares	0	0	0
Commercial investments: Property	17.000	17.000	17.000
Total Funded by Borrowing	17.000	17.000	17.000

Rate of return received: This indicator shows the investment income received less the associated costs, including the cost of borrowing, where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 7: Investment rate of return (net of all costs)

Investments net rate of return	2024/25 Actual	2025/26 Forecast	2026/27 Budget
Treasury management investments	6.4%	6.3%	4.3%
Service investments: Loans	4.4%	2.3%	1.9%
Commercial investments: Property	2.6%	4.1%	4.2%
ALL INVESTMENTS	4.9%	5.5%	4.2%

Appendix M

Stockton on Tees Borough Council

Pay Policy Statement 2026/27

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- 1.** Introduction
- 2.** Definitions
- 3.** National and Other Conditions of Service
- 4.** Pay Structure
- 5.** Chief Officers
- 6.** Payments to Employees upon Termination of their Employment (including Chief Officers)
- 7.** Employment of Individuals already in Receipt of Local Government Pension
- 8.** Employment or Engagement of Former Employees
- 9.** The Council's Approach to the Pay of its Lowest Paid Employees
- 10.** Relationship Between Chief Officers and Other Employees' Remuneration
- 11.** General Principles Regarding the Recruitment of Employees
- 12.** Publication of and Access to Information Relating to Remuneration of Employees

1. INTRODUCTION

- 1.1 This document sets out the Council's Pay Policy in relation to the remuneration of its employees (excluding local authority school employees) in accordance with section 38 of the Localism Act 2011. The policy is subject to annual review which must be approved by Full Council before 31 March each year. Any amendments during the course of the year must also be considered and approved by Full Council. The policy will be published on the Council's website as soon as reasonably practicable after approval or amendment.
- 1.2 The Localism Act 2011 does not require the Council to consider individual schools therefore the arrangements set out in this document do not extend to members of staff employed by schools.
- 1.3 The Council is committed to ensuring fairness, transparency and equality of pay in the remuneration of its employees and will comply with all relevant employment legislation. The Council aims to deliver high quality services to residents of the Borough and in this regard aims to be an employer of choice recruiting and retaining high quality employees who are valued by their employer.

2. DEFINITIONS

- 2.1 The following definitions will apply throughout this policy statement.
- 2.2 All of the posts below are collectively referred to as **Chief Officer** and are defined within the Localism Act.

Statutory Chief Officers – which in this authority are:

Head of Paid Service - Chief Executive.

Monitoring Officer – Director of Corporate Services.

Section 151 Officer – Chief Finance Officer

Statutory Director of Adult Social Service - Director of Adults, Health & Wellbeing.

Statutory Director of Children's Services - Director of Children's Services.

Director of Public Health – Director of Public Health

Statutory Officers – which in this authority are:

Council's Senior Information Risk Officer – Director of Corporate Services

Data Protection Officer – Assistant Director, Procurement & Governance

Non-Statutory Chief Officer and Deputy Chief Officers - which in this authority are:

All other Directors and Assistant Directors and as defined in section 2(7) of the Local Government Act 1989.

3. NATIONAL AND OTHER CONDITIONS OF SERVICE

- 3.1 The appropriate National Conditions of Service are detailed in the table below and are automatically incorporated into employee's contracts of employment.

Negotiating Body	Employees
Joint Negotiating Committee (JNC) for Local Authority Chief Executives	Chief Executive
Joint Negotiating Committee (JNC) for Chief Officers of Local Authorities	Directors Assistant Directors
The Soulbury Committee	Educational Improvement Professionals Educational Psychologists Virtual School Head Teacher
Conditions of Service for School Teachers in England and Wales	Centrally Employed Teachers
National joint Council (NJC) for Local Government Services	All other employees

- 3.2 For legal and other reasons, some employees are employed on other conditions of service, for example as a result of TUPE transfers into the Council and apprentices.
- 3.3 The Council's Single Status Agreement which was introduced in 2008 is automatically incorporated into the employment contract of NJC employees, Chief Executive, Chief Officers and Soulbury employees as applicable.
- 3.4 The allowances within the Single Status Agreement are updated by either the national pay award or the retail price index. Details are included in the Agreement.

4. PAY STRUCTURE

- 4.1 The Council has established pay and grading structures, using the national pay spine and National Joint Council Job Evaluation scheme for jobs graded up to, and including, grade O and Local Government Association Senior Management Job Evaluation Scheme for jobs graded P and above, which ensures a fair and transparent approach to pay.
- 4.2 Nationally negotiated pay awards are automatically applied to employee rates of pay under the applicable national conditions of service.

5. CHIEF OFFICERS

Remuneration of Chief Officers

5.1 Under the definitions set out above the Chief Officers are as follows:

Job Title

Chief Executive

Chief Finance Officer

Directors

Director of Public Health

Assistant Directors

5.2 The salaries relating to the above grades effective from 1 April 2025 are:

Job Title	Salary
Chief Executive	£178,796
Director	£143,792
Chief Finance Officer	£125,000
Assistant Director – Level 1 (including Director of Public Health)	£108,141
Assistant Director – Level 2	£102,081

5.3 Chief Officers do not receive bonus payments or performance related pay, as it is assumed that they will perform to the highest level, nor do they receive any benefits in kind paid for by the employer.

5.4 Increases in pay for Chief Officers will occur only as a result of:

- Pay awards agreed by way of national/local collective pay bargaining arrangements; or
- Significant changes to a Chief Officer's role which result in a higher salary being appropriate as confirmed by the outcome of an appropriate job-evaluation process.
- Recruitment and/or retention payments which, in all the given circumstances at the relevant time, are deemed necessary in the best interests of the Council and which are determined under the relevant policy relating to such payments.

- 5.5 Remuneration of Chief Officers on recruitment will be in accordance with the pay structure set out on paragraph 5.2 (and as may be varied by paragraph 5.4). Arrangements for the appointment of Chief Officers are delegated to the Appointment Panel and in accordance with the Employment Procedure Rules. Any other new employee appointments offering a salary in excess of £100k will be subject to Elected Member approval.

Election Duties undertaken by Chief Officers

- 5.6 Fees for election duties undertaken by chief officers are not included in their salaries.

For Parliamentary elections the Council receive a Parliamentary Election Order from central government which has already set the fee for each constituency. In respect of local elections fees are determined separately in consultation with the other Tees Valley Councils. For contested elections the fees are based on an agreed sum for the first 1000 electors and a further sum for each additional 1000 electors or fraction thereof, and a set agreed sum for uncontested elections.

6. PAYMENTS TO EMPLOYEES UPON TERMINATION OF THEIR EMPLOYMENT (INCLUDING CHIEF OFFICERS)

- 6.1 Chief Officers who cease to hold office or be employed by the Council will receive payments calculated using the same principles as any other member of staff, based on entitlement within their contract of employment, their general terms and conditions, and existing policies.
- 6.2 In the case of termination of employment by way of early retirement, redundancy (voluntary or otherwise) or on the grounds of efficiency of the service, the Council's policies set out provisions which apply to all staff regardless of their level of seniority.
- 6.3. The Council's Pensions and Retirement Policy also sets out the applicable provisions in respect of awarding additional pension entitlement by way of augmentation or otherwise.
- 6.4 Under Guidance issued under the Localism Act 2011, where the cost to the authority of severance packages for Chief Officers is £100,000 or more, full Council will be given an opportunity to vote before the package is approved. However, if the employee would be contractually entitled to such a payment and where there is no discretion and a failure to comply would place the Council in breach of contract and leave it exposed to litigation, the payment would be exempt from the requirement of such a vote.
- 6.5 The Government has also issued statutory guidance for Local Authorities when making Special Severance Payments. *The payments are described as payments made to employees that are outside of statutory, contractual or other requirements when leaving employment in the public sector.* The Council would not usually make such payments, however, should it be necessary to do so the statutory guidance will be followed.

7. EMPLOYMENT OF INDIVIDUALS ALREADY IN RECEIPT OF A LOCAL GOVERNMENT PENSION

- 7.1 The approach to the employment of individuals already in receipt of a local government pension is set by the Teesside Pension Fund. The Fund has resolved not to abate pensions on re-employment, having regard to the enactment of regulations introducing flexible retirement, unless an enhanced ill-health retirement has been awarded.

8. EMPLOYMENT OR ENGAGEMENT OF FORMER EMPLOYEES

- 8.1 The Council will generally not re-employ or engage any individual under a contract of service or a contract for services who has previously been employed by the Council and left that employment with the benefit of a severance such as flexible retirement, early retirement or a redundancy payment under voluntary arrangements unless it is in the best interests of the Council to do so or there are exceptional circumstances which would justify doing so.
- 8.2 Should it be necessary to re-employ or engage a former employee who has left under the circumstances detailed in 8.1 above, this must be agreed by the Director of the service and the Director of Corporate Services in advance. If the re-employment is in Corporate Services, then the approval of the Head of Paid Service will be required.

9. THE COUNCIL'S APPROACH TO THE PAY OF ITS LOWEST PAID EMPLOYEES

- 9.1 The salaries used in this report are from 1 April 2025.
- 9.2 The Council's grading structure begins at spinal column point 3 Grade C, which currently is £12.85 per hour which is above the current National Living Wage which is £12.21 per hour from 1 April 2025. The National Living Wage is increasing to £12.71 per hour with effect from 1 April 2026. The trade union pay claim for 1 April 2026 is an increase of at least £3,000 or 10% (whichever is greater) across all NJC spinal column points and a minimum pay rate of £15 per hour for the NJC pay spine. The Council's lowest pay point will be above the 2026 NLW rate regardless of the pay award.
- 9.4 The Council has also agreed that apprentices, undertaking level 1, 2 and 3 apprenticeships, will be paid the National Living Wage for age. From 1 April 2026 this will start at £8 per hour for 16 and 17 year olds, rising to £12.71 for those who are aged 21 and over. For those apprentices undertaking a level 4 apprenticeship or above they will be paid a minimum of grade C which is currently £12.85 per hour.

10. Relationship between Chief Officer and OTHER EMPLOYEES' REMUNERATION

- 10.1 The 'pay multiple' for the Council is determined by comparing the pay of the highest paid employee (Chief Executive) against the median average pay, using hourly rates as at 31 December, for employees within the scope of this statement.
- 10.2 The Council will aim to maintain a pay multiple of less than 10.
- 10.3 The median hourly rate and multiplier has been calculated using the data from 31 December 2025. The Council's Median Hourly Rate is £16.08 as at 31 December 2025 (£15.58 at 31 December 2024) and the Pay Multiple remained the same at 5.76 as at 31

December 2025 (also 5.76 at 31 December 2024). The pay multiple has not changed this year as the Chief Executive pay award and the NJC pay award for 2025 were both 3.2%. The pay multiple is well within the stated aim of less than 10.

11. GENERAL PRINCIPLES REGARDING THE RECRUITMENT OF EMPLOYEES

- 11.1 All employees are recruited in accordance with the Council's Recruitment Policy and are appointed on the minimum of the grade unless there are exceptional circumstances which would warrant appointment above the minimum of the grade. However, where an employee is redeployed because of redundancy or ill health into a lower graded job they will generally be appointed to the highest spinal column point of the lower grade, where appropriate, with salary protection to minimise the financial loss for a maximum of up to two years.
- 11.2 The Council will consider all applicants on merit during the recruitment process and will not discount any applicant on the basis of previous public sector employment and/or the terms of that employment ending save as detailed in paragraph 8.1 above.

12. Publication of and access to information relating to remuneration of employees

- 12.1 The Council will publish their Pay Policy Statement, following approval of Full Council, on the Council's website. In addition, remuneration related data associated with the Pay Policy Statement and Code of Recommended Practice for Local Authorities on Data Transparency will be published on the Council's website no later than 31 March, Gender Pay Gap report by 30 March, and information related to the public sector equality duty no later than 30 June.