

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM 4

REPORT TO CABINET

22 FEBRUARY 2018

**REPORT OF CORPORATE
MANAGEMENT TEAM**

COUNCIL/CABINET DECISION

Leader of the Council – **Councillor Cook**

MEDIUM TERM FINANCIAL PLAN UPDATE AND STRATEGY

1. Summary

This is the final report in setting the Council's 2018/19 Budget and Council Tax and outlining the Medium Term Financial Plan (MTFP) position to 2022.

2. Recommendations

COUNCIL DECISIONS

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

General Fund Budget

2. Approve a 2018/19 Council Tax requirement for Stockton-on-Tees Borough Council of £85,292,114.
3. Approve a 2018/19 Council Tax requirement for Stockton-on-Tees Borough Council inclusive of Parish Precepts (£831,506) of £86,123,620.
4. Approve the 2018/19 budget and indicative 2018/22 MTFP as outlined in paragraphs 77-80 and the use of borrowing to fund the one-off pressures set out in paragraph 76.

Business Rate Relief System

5. Note the changes introduced in the 2017 Spring and Autumn budgets.

Taxation

SBC

6. Approve the Council Tax for Stockton-on-Tees Borough Council prior to Parish, Fire and Police Precepts be increased by 5.9%, which includes the Government Levy of 3% in respect of Social Care, i.e. to £1,543.88 at Band D (£1,029.26 at Band A).

Fire, Police & Parish

7. The Council note the Police precept of £12,515,270 which equates to a Council Tax of £226.54 at Band D (£151.03 at Band A).
8. The Council note the Fire precept of £4,153,341 which equates to a Council Tax of £75.18 at Band D (£50.12 at Band A).
9. The Council note the Parish precepts as set out in paragraph 100 of the budget report.

Capital

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

Organisational and HR

11. The Pay Policy Statement attached at **Appendix C** to this report be approved.

Members Allowances

12. Approve that Members allowances are frozen for 2018/19.

Council Tax - Statutory Requirements

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

Treasury Management/Prudential Code

14. Approve the Treasury Management Strategy, Minimum Revenue Provision Statement, Investment Strategy, Treasury Management Practices and Prudential Indicators for 2018/19 – 2019/20 as set out in **Appendix E** to the report.

CABINET DECISIONS

15. Cabinet approve and note the Officer Appointments to Outside bodies and governing bodies at **Appendix C(1)**.
3. **Reasons for the Recommendations/Decision**

To update Members on the Council's financial position.

4. Members' Interests

Members (including co-opted Members) should consider whether they have a personal interest in any item, as defined in **paragraphs 9 and 11** of the Council's code of conduct and, if so, declare the existence and nature of that interest in accordance with and/or taking account of **paragraphs 12 - 17** of the code.

Where a Member regards him/herself as having a personal interest, as described in **paragraph 16** of the code, in any business of the Council he/she must then, **in accordance with paragraph 18** of the code, consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest and the business:-

- affects the members financial position or the financial position of a person or body described in **paragraph 17** of the code, or
- relates to the determining of any approval, consent, licence, permission or registration in relation to the member or any person or body described in **paragraph 17** of the code.

A Member with a personal interest, as described in **paragraph 18** of the code, may attend the meeting but must not take part in the consideration and voting upon the relevant item of business. However, a member with such an interest may make representations, answer questions or give evidence relating to that business before the business is considered or voted on, provided the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise (**paragraph 19** of the code)

Members may participate in any discussion and vote on a matter in which they have an interest, as described in **paragraph 18** of the code, where that interest relates to functions of the Council detailed in **paragraph 20** of the code.

Disclosable Pecuniary Interests

It is a criminal offence for a member to participate in any discussion or vote on a matter in which he/she has a disclosable pecuniary interest (and where an appropriate dispensation has not been granted) **paragraph 21** of the code.

Members are required to comply with any procedural rule adopted by the Council which requires a member to leave the meeting room whilst the meeting is discussing a matter in which that member has a disclosable pecuniary interest (**paragraph 22** of the code).

AGENDA ITEM

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DETAIL

1. The MTFP report for 2018/19 to 2021/22 is attached. The report outlines the Council Tax proposals and budget for 2018/19 and the indicative MTFP for the next three years.
2. The report updates the position from that reported to Cabinet and Council in February 2017 and in particular reflects implications arising from the Spring and Autumn Budgets and the Local Government Finance Settlement for 2018/19.
3. The Provisional and Final Financial Settlements have provided indicative funding allocations for the next two years, as the final two years of the four year settlement agreed with MHCLG. They confirm further funding reductions which will make the difficult financial position faced by the Council even more challenging. The report also outlines future changes to Local Government Finance, most noticeably the proposals to move to retention of a greater proportion of business rates by Local Authorities and to introduce changes to the funding

formulae. These are potentially major changes which are likely to have an impact on council funding. This means that the position for 2020/21 onwards, outlined in the report, needs to be treated with some caution.

4. Members will be aware that the Council has a strong track record of prudent financial management and delivering savings early. This has enabled the use of reserves to support a planned and managed approach to addressing the financial challenges and this will continue.

COMMUNITY IMPACT ASSESSMENT

5. As part of the process of making changes to policy or delivery of services, we consider the impact on our communities. No changes to policy or service delivery are proposed as part of this report.

FINANCIAL AND LEGAL IMPLICATIONS

6. To update the MTFP position for 2018/19 – 2021/22 and recommend the budget for 2018/19.

RISK ASSESSMENT

7. This review of the MTFP and projected outturn report is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

COUNCIL PLAN POLICY PRINCIPLES AND PRIORITIES

9. Deliver a balanced and sustainable Medium Term Financial Plan.

CORPORATE PARENTING IMPLICATIONS

10. No direct implications.

CONSULTATION, INCLUDING WARD COUNCILLORS

11. Consultation will be undertaken as part of the lead in to setting the 2018/19 budget.

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**MEDIUM TERM FINANCIAL PLAN
AND BUDGET
2018/19**

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SECTION 1 - BACKGROUND AND CONTEXT

Approach to Financial Management

1. Members will be aware from previous reports of the level of Government funding reductions in recent years and the significant challenges that this presents. There has been a reduction in Government funding between 2010/11 and 2019/20 of £74m.
2. The Council has recognised for a number of years the financial challenges and the need to prepare well in advance. Our approach to financial planning over the long-term has allowed us to plan ahead and has meant that we have been able to operate a managed approach to delivering savings. This includes opportunities for Invest to Save and exploring alternative models of service delivery.
3. The Council has a long history of providing value for money and delivering strong financial management which has again been reinforced by the External Auditor in his report to Cabinet in December 2017 which stated:

“The Council manages its finances carefully to balance service needs and available resources in the short and medium term. The Council’s most recent Medium Term Financial Plan recognises the ongoing financial constraints and the need to continue to review services to identify cost efficiencies.”

As part of this approach, there is a strong track record of delivering savings and efficiencies and the Council remains well prepared for the challenges ahead.

4. The approach has meant that savings have been delivered in a planned and managed way, most recently through a series of reviews approved by Council in September 2015 as part of the Big Picture Programme. Incorporating that programme, the Council will have delivered savings of around £45m by 2019/20. The Council has tried to protect front line services wherever possible and significant elements of the programme have been delivered through a series of reviews, freezing budgets and innovative changes to delivery models.
5. The delivery of savings becomes increasingly difficult and the Council is again challenging and thinking about how we can work smarter through our Smarter Working in Stockton Programme (SWIS). We will consider how we can improve through:
 - Provide digital access to our services
 - Use existing and new technologies to help us work differently
 - Make optimum use of the places where we work
 - Ensure that our policies, processes and procedures are as efficient and productive as they can be.

SECTION 2 – NATIONAL CHANGES

Government Funding – Provisional Settlement

6. The Provisional Local Government Finance Settlement was announced on 19 December 2017 and the key issues which impact on the Council’s financial position are outlined below.

New Homes Bonus – the 2018/19 allocations were announced (previously only indicative figures were available) and it is clear that we will still need to grow our taxbase above the 0.4% threshold.

Council Tax Referendum Threshold – There has been an increase to the referendum limit for Council Tax from 2% to 3%. The Government’s published data on Spending Power assumes a 3% increase in Council Tax. The implications are discussed further in Section 4.

NNDR Revaluation 2017 – Within the business rates retention system, the NNDR baseline and top up/tariff amounts have been amended to reflect the 2017 Revaluation.

Public Health Grant – No significant changes were announced.

Better Care Fund – No significant changes were announced.

Social Care Funding (Adults and Children) - Despite continued lobbying from within the Local Government Sector around pressures relating to Social Care, again no long term additional funding has been identified by Government to support these pressures.

Local Government Funding Reform – The Government has published the consultation paper “Fair funding review: a review of relative needs and resources” and has announced that the results of the review will be introduced in 2020/21. The Secretary of State also confirmed that there will be a business rates baseline reset in 2020/21 and, from 2020/21, business rates retention will be at 75% (with existing grants, including RSG, and Public Health Grant incorporated into business rates retention).

Government Funding – Final Settlement

7. On 6 February 2018 the Government presented the Final Local Government Finance Settlement. This confirms the information from the provisional settlement and also included the announcement of an Adult Social Care Support Grant for 2018/19 only. The allocation to Stockton is £528,000.

SECTION 3 - FINANCIAL POSITION TO 31 DECEMBER 2017

DIRECTORATE POSITION

8. The following table details the projected budget outturn position for each directorate in 2017/18, based on information to 31 December 2017. The reasons for any significant movements in variances from the last reported position (in excess of £100,000) are set out for each directorate below. Officers will continue to manage budgets carefully and explore opportunities to reduce the projected pressure. This projected in-year pressure will require to be funded within the MTFP and this is addressed at paragraphs 22 and 48.

Directorate	Annual Budget (Q3) £'000	Projected Outturn at Q3 £'000	Projected Variance at Q3 Over/(Under) £'000	Projected Variance at Q2 Over/(Under) £'000	Movement between Q2 and Q3 £'000
Children's Services	35,163	36,991	1,828	1,607	221
Adults and Health	69,336	68,971	(365)	128	(493)
Community Services	24,765	25,024	259	(168)	427
Economic Growth & Development	8,767	9,154	387	485	(98)
Culture, Leisure and Events	7,780	7,971	191	149	42
Finance & Business Services	8,259	7,850	(409)	(427)	18
HR, Legal and Communications	4,046	4,158	112	55	57
Corporate Areas	1,575	1,304	(271)	(271)	(0)
Admin/Democratic Services & Xenrall	6,146	6,166	20	20	0
Total	165,838	167,589	1,751	1,578	173

Children's Services

9. Despite being successful in recruiting social workers, continuing workload pressures have meant that we have had to retain a level of agency staff (£214,000).

Adults and Health

10. The MTFP for 2017/18 assumed that any growth pressures would be offset by savings and current indications are that growth will be managed within the service.
11. Savings on BCF funded schemes are anticipated relating to staffing savings in the Multi-Disciplinary Service and to savings on communications and contracts budgets (£120,000). Lower than expected activity on drugs dispensing will result in a lower than projected charge from the NHS (£140,000).

Community Services

12. The budgets for this Directorate were reconfigured in the updated MTFP agreed in February 2017, with additional resource allocated to Community Transport, Waste Disposal and Infrastructure maintenance. The service has successfully delivered a wide range of external contract work. This is becoming increasingly challenging to achieve, placing pressure on budgets particularly in HVE and Highways. The position will be monitored closely and reviewed over the next financial year.
13. Additional costs associated with the temporary shutdown of the Waste Recycling Facility amount to £240,000.

Economic Growth and Development

14. No significant variances from the previously reported position

Culture, Leisure and Events

15. No significant variances from the previously reported position. However, it should be noted that a reduction in income for the Learning & Skills service means that the service will need to draw down funding from their reserve at the year-end. The main cause is government

delays in the allocation of contracts for providing the new Apprenticeship programme. A review of this service, taking account of this changing landscape, is in progress.

Finance & Business Services

16. No significant variances from the previously reported position.

HR, Legal and Communications

17. No significant variances from the previously reported position.

Corporate Areas

18. No significant variances from the previously reported position.

Administration, Democratic Services and Xentrall

19. No significant variances from the previously reported position.

Managed Surplus

20. As previously reported, a small unallocated balance of £81,000 is currently available. It is recommended that this is utilised to offset the impact of the financial pressures in 2017/18, as set out below.

OVERALL REVENUE POSITION/GENERAL FUND BALANCES

21. This report documents evidence of a number of financial pressures in 2017/18. Within the overall figures there has been an increase in the hourly rate paid to personal assistants for Direct Payments to reflect the local employment market and minimum wage, which should encourage future take up in this area. There is a cost associated with this which is approximately £600,000 and it is proposed that this is funded from the new improved Better Care Fund (iBCF) given it meets that criteria. Paragraph 61 outlines the planned approach to IBCF and this would benefit the in-year position by £600,000 when agreed and will reduce the overall overspend to £1,151,000. The position is subject to rigorous management review and mitigating actions are being taken wherever possible. However, it is prudent to set out how such pressures would be funded and this is addressed below.

22. The Council aims to retain General Fund balances at a prudent level, currently £7,905,000. As reported to Cabinet previously, the level of balances currently exceeds that recommended level by £79,000. If the projected overspend of £1,151,000 materialises there will be a call on balances to fund this pressure. Given the reduction in funding and spend, we have reassessed the level of required balances and £7,400,000 is required. Based on current projections this would mean that £247,000 would be required to replenish the balances as set out in the table below:

	£'000
Current General Fund Balances	7,984
Projected Overspend in 2017/18	(1,151)
Managed Surplus	81
Additional S31 Grant re Business Rates	239
	7,153
Required Level of Balances	7,400
Shortfall	247

This balance will be funded within the MTFP (paragraph 48).

SECTION 4 - 2018/19 COUNCIL TAX LEVELS INCLUDING ADULT SOCIAL CARE LEVY

Core Council Tax

23. 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.
24. In previous years the Council has made decisions to increase Council Tax as opposed to freezing Council Tax levels. If these decisions had not been taken, the financial pressure facing the Council would be approximately £5m per annum higher than that outlined in this report.
25. As highlighted at paragraph 6, the Government have announced an increase in the Council Tax Referendum Threshold from 2% to 3% for both 2018/19 and 2019/20 and has assumed this level of increase in their spending power calculation. The current MTFP assumes a 1.9% increase in 2018/19. An additional 1% would generate £800,000 in 2018/19 and £1.7m on the base from 2019/20.
26. Given the scale of the financial pressures facing the Council over the medium term it is recommended that the Council increase the core Council Tax by 2.9% for 2018/19 and for planning purposes for 2019/20.

Council Tax Levy for Social Care

27. Members will be aware that in 2016/17 the Council reluctantly implemented the Government's Adult Social Care levy of 2% to fund the growing demands and pressures in Social Care. For 2017/18 to 2019/20 the Government altered the terms of the levy to allow an option for a levy of 3% in both 2017/18 and 2018/19, with 0% in 2019/20. A levy of 3% was adopted by Stockton for 2017/18 and the current MTFP assumes a further 3% in 2018/19 and 0% in 2019/20.
28. Despite continued lobbying from within the Local Government Sector around pressures relating to Social Care, again no long term additional funding has been identified by Government to support these pressures.
29. The Council continues to experience significant costs and pressures in Social Care and whilst every effort is being made to manage demand pressures, we are incurring costs in relation to the Government's National Living Wage commitment, new Deprivation of Liberty Safeguards (DoLS) responsibilities, together with Care Fee increases.
30. Therefore in line with the current MTFP it is recommended that the Council again implements the Government's levy for Adult Social Care at 3% which will result in a further increase of 56p per week (Band A) and 84p per week (Band D). The impact of the total increase of 5.9% in 2018/19 would be £1.10 per week (Band A) and £1.65 per week (Band D).

SECTION 5 – MEDIUM TERM FINANCIAL PLAN 2018-22

Current Approved MTFP

31. The current approved position in February 2017 was as follows:

	2018/19 £'000	2019/20 £'000	2020/21 £'000
Budget Gap	-571	1,188	1,783

Funding Outlook

32. Members will recall that the Council are part way through a 4 year financial settlement from the Government and this settlement ends in 2019/20 to coincide with the original parliamentary cycle.
33. There are a number of funding streams which fall outside of this settlement, notably New Homes Bonus, Public Health Funding and the Better Care Fund. The Provisional and Final Local Government Finance Settlements were announced on 19 December 2017 and 6 February 2018 respectively, and the main implications were as summarised in Section 2.
34. The Government have undertaken 'technical consultations' in respect of treatment of capital financing. We have discussed the issues with Technical Advisors and SIGOMA and have responded to the consultations accordingly. The position will therefore be closely monitored to assess any impact on the MTFP.
35. A key issue facing all Local Authorities is the lack of certainty in funding post 2020 and there are a number of key issues which come together at that time to make planning extremely difficult.
- Spending Review – It is highly likely that there will be a spending review during 2019/20 which will inform the quantum of resources available to Local Government, along with all Government Departments. It is currently impossible to know whether there will be any changes to the quantum level and what this will mean.
 - Retention of Business Rates – Government had intended moving to 100% retention of business rates by Local Government by 2019/20. This would have required primary legislation and this is not now planned within the parliamentary timetable. It is still the ambition of Government to increase the level of retention and the Settlement highlighted that MHCLG are working towards increasing the level from 50% to 75% by 'rolling in' some specific grants to the calculation. This will be introduced from 2020/2021. The detail of how this system will work is still unclear and therefore the impact on Stockton.
 - Fair Funding Review – linked to the matter above, the Government are conducting a review of the formula used to calculate the base level of funding for each Council which is used to redistribute elements of business rates through tariff and top ups. This is an extremely complex area and will result in winners and losers and it is unclear how this will be introduced. To inform this exercise, the Government have commissioned a study into the costs of Looked After Children as this is a pressure point for all council areas.
36. The Council will continue to monitor the situation on all these matters extremely closely and participate in working groups and consultation exercises to try and understand the position but all of these things together make planning post 2020 extremely difficult. We do however need

to continue to plan ahead and we have rolled forward the plan assuming allocations remain as they are in 2019/20.

Changes to current expenditure plans

37. There are a number of emerging issues which need to be reflected in the MTFP going forward and these are outlined below:
38. **Savings Programme** – members will be aware from previous reports that the current plan reflects that we have already delivered £34m with a further £12m planned to be delivered by 2020. In addition we have largely absorbed the impact of inflation pressures with inflation currently standing at 3% per annum. We have now delivered £9m of the £12m however savings are becoming increasingly difficult and this has again been re-assessed. In addition to changes in profile of some of the savings, it is prudent to reduce the expected savings by approximately £1.3m by 2020/21. The main reason is in relation to Children's Social Care. The plan assumes savings of £800,000 in 2018/19 as well as delivering reductions of £1.1m associated with temporary funded posts where the funding has now ceased. Given the current numbers of Looked After Children and the associated workload it is unrealistic to maintain the current savings plan. Significant work is underway in this area as part of the Smarter Working Programme considering use of technology, improvement utilising LEAN methodology and interaction with clients and this will look to make as many efficiencies and savings as possible whilst ensuring the Council can deliver the service required. The current plan includes further senior management savings of £225,000 to be delivered by 2020/21 and a report will be brought to Cabinet in the spring outlining how this will be achieved.
39. **Looked After Children** – Members will be aware from budget monitoring reports of the significant pressures around Looked After Children. Spend in this area has increased significantly in recent years and is now over £20m. This is a national issue with the majority of Councils experiencing the same situation and following significant lobbying a study has been commissioned by the Government. The Children's Strategy, approved by Cabinet in June 2017 agreed a series of measures to attempt to improve outcomes for children and reduce costs, such as increased focus on early help and work is underway considering ways to deliver these improvements.

We have previously projected growth based on high level financial trends but improvements in monitoring arrangements now allow us to improve the way we project. An updated detailed financial analysis of the current children in care suggests that a budget overspend of £1.9m will occur in 2018/19. If no more children were to enter the system, this overspend would turn to an underspend of around £3.2m by 2021/22 as the current children leave the care system.

Although difficult to predict, it is extremely likely that new children will need to be looked after. In order to predict the numbers and potential cost we have looked at the average increase in numbers over the last few years and applied an average cost. The numbers have been slightly reduced to reflect the prevention activity aforementioned for example, in the highest cost area, residential placements, the average number of 'new' children over the last 3 years has been 8. We have assumed some reduction in numbers to reflect the ongoing work, phased to recognise the time required to implement changes and included 'growth' based on 6 children per year in 2018/19 and 4 thereafter.

The annual savings of £600,000, delivered through the Spark of Genius Joint Venture are helpful in offsetting some of the rising costs of supporting our Looked After Children.

40. **Pay Award** – the current plan includes provision for a 1% increase per year. Members will be aware that the pay offer made on 5th December includes a flat-rate increase of 2% for each of the next two years, together with significant bottom loading on the lower pay points. The total

increase to the national pay bill over two years was stated as being 5.6% by the Local Government Employers. The impact for Stockton has been assessed as an additional £2,225,000 in 2018/19 and £3,925,000 in 2019/20. The pay offer represents an increase of approximately 5.9% for Stockton across the two years covered by the offer and exceeds the current provision. The provision has been increased to cover the offer and also to provide for 2% per year thereafter. It also reflects the anticipated impact on rates paid to certain agency staff.

41. **Operation of the Globe** – The restoration of the Globe is progressing well on site. The HLF funded Heritage Learning Officer has been appointed. She is co-ordinating the programme of community engagement including the pop-up exhibition in the Rediscover Shop and the Hard Hat Tours. Social Media engagement continues to be high. Members will recall that Heads of Terms were signed with ATG in July following a rigorous competitive dialogue process with four market leading theatre operators. Detailed negotiations and discussions have taken place since then to agree the full operating contract. As a result, the final proposed operating contract is a revised proposition supporting a broader breadth of programme which requires upfront capital investment of £1m in technical fit out to enable the operator to take occupation of a fully functioning venue.

In the early years revenue investment in audience development and attraction of major artists and greater capacity will be required of £400,000 in 2019/20 reducing to £300,000 in 2021/22. As was always the intention, this position will be reviewed after 5 years' time and this is in the context of securing a 25 year operating lease.

The only part of the building that we have not been able to access for extensive surveys until recently, due to clearance of asbestos, is the roof void. Now that this has been examined, unfortunately it has identified that in order to future proof the building (not least in order to enable the hosting of the biggest stage sets), it would be prudent to reinforce the structure at this point at a cost of £1.75m. We have now completed all preparatory works and will progress to a fixed price contract. Funding for the capital items will be addressed in the section on one-off pressures (Section 6).

This proposition, agreed with ATG, will provide capacity and momentum to place the Globe firmly and quickly as a major regional entertainment venue, and in line with the business plan achieve profit share quicker than would otherwise be the case and realise significant benefit to the local economy estimated at £18m per year.

42. **Legal Costs** – there continues to be pressure around costs associated with Children's and Adult's Social Care. This includes a pressure particularly relating to community DOLS cases and the increased number and complexity of Looked After Children's cases.
43. **Energy Costs** – Members will be aware of the significant programme of lighting replacement across the Borough. This is an example of improving and enhancing the area and also delivering savings through Invest to Save. This has been really well received by the public, with over 94% satisfied with the outcome. However despite making significant savings of £1.8m per year Members will be aware of the continually rising inflation in energy costs and we now face a pressure of £250,000.
44. **Direct Payments** – As outlined in paragraph 21 the rates paid in respect of Direct Payments supporting personal budgets for Adult Social Care has been reviewed and increased to reflect the National Living Wage and local employment, and this will add £600,000 in costs to the plan.

45. **Transport for Learning Disability Clients** – A review of the transport costs associated with supporting adults with learning disabilities to live in the community has identified a requirement for additional passenger assistants, resulting in a cost pressure of £100,000 per annum.
46. **School support** – Members will be aware of the significant reduction in Education Services Grant and the work undertaken to mitigate the impact of the £1.4m reduction. The report to cabinet in October outlined the approach to reconfiguring the service and making savings and the report indicated that it was unlikely that the full amount could be saved. This will mean that £400,000 will need to be funded within the MTFP.
47. **Crematorium** – Members will be aware from the report to Council in November of the plans to develop a crematorium in the Borough. This will generate a return for the Council and this has been included in the plan. Prior to opening staff will be employed to shadow colleagues in another local authority with experience of crematoria operation. The cost (up to £150,000) has been incorporated into the plan.
48. **Replenish General Fund Balances** – As highlighted at paragraph 22, there is a projected requirement to fund the replenishment of General Fund Balances in 2018/19 (£247,000).
49. **Domestic Refuse Collection** – Extra refuse collection rounds are required as a consequence of housing growth.
50. **Operating Systems** – the current Microsoft operating system we use across the Council will by 2020 no longer be supported. We are currently exploring options and there are additional costs in the later years of the MTFP.
51. **Investment Income** – Following a review of the Treasury Management Strategy with our external advisors, additional investment income can be generated through a diversification of investments.
52. **National Living Wage Provision** - Members will recall from previous reports the allocation of significant resources to fund the implementation of the National Living Wage. Whilst we are still awaiting confirmation of the level and phasing of the National Living Wage over the medium term, it is expected to be lower than the £6m currently allocated.
53. **Pension Contributions** – The 2017/18 budget report indicated that the contribution rate to the pension fund was to increase by 1.5%. Following the receipt of the final charge and a re-assessment of contributions based on updated employee numbers, the actual payment to the fund will be lower than anticipated.

54. The overall changes can be summarised as follows:

	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000
Re-profiling of Savings Plan	3,109	2,129	1,359	1,359
Current Children's Social Care Pressure	1,892	1,254	-961	-3,170
Looked After Children Growth	1,781	2,809	3,787	4,763
Pay Award - Pay Offer	2,225	3,925	4,801	5,703
Operation of Globe Theatre		400	350	300
Social Care Legal Costs - Children	120	120	120	120
Social Care Legal Costs - Adults / DOLS	500	50	50	50
Energy	250	250	250	250
Direct Payment Rates	600	600	600	600
Learning Disabilities Transport	100	100	100	100
School Support	400	400	400	400
Crematorium	150			
Replenish General Fund Balances	247			
Domestic Refuse Collection Extra Rounds	200	200	200	200
Operating Systems				500
Income				
Crematorium		-100	-130	-170
National Living Wage Provision	-583	-620	-725	-725
Pension Fund Contributions	-177	-351	-337	-337
Pressures	10,814	11,166	9,864	9,943

Income and Resources

55. There are also some areas of additional income which can be brought into the plan.

56. **Business Rates** – members will recall the long running risk to business rates associated with an appeal from a telecommunications and utilities company and the need to make provision in case this was successful. The finance update report in July 2017 updated members on the positive news that the company have now withdrawn their consolidation appeal against the 2010 list which will release c£5m from the current reserve and also save approximately £2m per year. The longer term projection for Business Rates is extremely uncertain due to the revaluation effective from 1 April 2017 and also the impending move to c75% retention by 2020 as discussed in paragraph 35. We have assumed that there will be no significant future change to the current income levels other than inflationary uplifts.

57. **Increased Council Tax Levels** – the main element is a revised estimate of future years tax base increase based on the current year exceeding the original estimate resulting in increased income of £541,000 in 2018/19 rising to £1,550,000 in 2021/22. This is linked to the Councils drive and ambition to increase housing numbers across the Borough to support our growing population. There is also anticipated to be a surplus on the collection fund (Stockton share £836,000) due to the long term collection rates being strong.

The plan has assumed that an additional £1.7m is generated from Council Tax as per the recommendation in Paragraph 26.

58. **Increased New Homes Bonus** – As highlighted at paragraph 6, the Government announced in the Provisional and final Local Government Finance Settlements that there were to be no

further changes to the methodology for distribution of the new Homes Bonus. They also published allocations for 2018/19. These now reflect the impact of housing growth across the Borough.

59. **Adult Social Care Support Grant** – This grant was announced in the final Local Government Settlement. An allocation of £150m was made nationally for 2018/19 only, with Stockton’s share being £528,000.
60. **Review of Reserves** – The report to Cabinet in December 2017 identified an opportunity for reviewing reserves to help manage the longer term position and has identified two specific reserves which could be released to support the position in 2019/20.

Adult Services – Better Care Fund – There was an unallocated amount of £1.2m carried forward which was held to extend pilots and explore opportunities for changing the way services are delivered. Given that the intention is now to explore expansion of integration of services with Health associated with the BCF, and we have the additional BCF to use to pump prime any developments, this reserve can be released. Funding previously earmarked to support the development of service options is no longer required as we move forward with integration.

Commuted lump sums for maintenance work – The recent service reviews in Care for Your Area has incorporated resources which will deliver all maintenance which means that £700,000 can be released.

61. **Improved Better Care Funding** - Members will be aware from the finance update reports in July and December 2017 of the new allocations to the Improved Better Care Fund announced in the March 2017 Budget covering 3 financial years:

2017/18	£3,640,877
2018/19	£2,401,401
2019/20	£1,192,949

There are criteria to be met in determining the allocation of this resource. One of the clear criteria is to protect Social Care and it is therefore reasonable to fund some Social Care costs and also the Social Care pressures outlined in the table at paragraph 54 from this resource as outlined below:

Use of IBCF	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	TOTAL £'000
Allocation	-3,641	-2,401	-1,193			-7,235
Proposed use - protection of social care						
Direct Payment rates	600	600	600	600	600	3,000
Social Care Legal Costs		500	50	50	50	650
Learning Disabilities Transport		100	100	100	100	400
Realignment of savings programme		775	275			1,050
Total	600	1,975	1,025	750	750	5,100
Available for investment	-3,041	-426	-168	750	750	-2,135

62. The balance of £2.1m will be available for further investment and plans are being developed. These plans include work to Rosedale to support reablement activity at a cost of £300,000.
63. This would mean that resources outlined below are available:

	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Business Rates	-6,825	-2,209	-2,132	-2,243
Increased Council Tax Base	-541	-945	-1,281	-1,550
Council Tax Additional 1% Increase	-800	-1,676	-1,722	-1,770
Collection Fund	-836			
New Homes Bonus	-443	-611	-837	-1,080
2018-19 Adult Social Care Support Grant	-528			
Release Of Reserves		-1,900		
Investment Income	-600	-800	-800	-800
IBCF - Adult Social Care	-1,975	-1,025	-750	-750
	-12,548	-9,166	-7,522	-8,193

Initial Summary Position

64. A summary of the changes to the MTFP is set out below:

	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Approved Budget Position	-571	1,188	1,783	696
Pressures	10,814	11,166	9,864	9,943
Resources Available	-12,548	-9,166	-7,522	-8,193
Budget Gap	-2,305	3,188	4,125	2,446
C/F	2,305	-2,305		
Updated Gap	0	883	4,125	2,446

The section below sets out one-off pressures for which borrowing will be required. The costs of borrowing will then be required to be built into the MTFP (paragraph 77).

SECTION 6 – ONE OFF PRESSURES AND FINAL MTFP

65. There are a range of one off pressures which also need to be considered.
66. **Waste Disposal costs** – The current contract with SITA for waste disposal is due to end in 2020. In partnership with Tees Valley Authorities options were explored to determine the most cost effective approach for the next 5 years and this determined that a contract extension, albeit at increased prices was the best option as the increased costs were still well below market rates. Given that SITA required funds for investment in the plant, an upfront payment was negotiated in exchange for the price increase. If this were not agreed, it would increase the future pressure on the MTFP by £1m per annum. A project is underway to explore the longer-term option for waste disposal.

67. **Targeted Action Area** – members will be aware of the report to Cabinet in November outlining the issues relating to older housing stock in both Stockton Town Centre and Victoria and Mandale and the recommendation to earmark funding to support interventions.
68. **Additional Leisure Centre Investment** in the Ingleby Barwick Leisure, Customer Contact and Library Centre. Members will be aware of the scheme to develop a Leisure facility, library and customer contact centre at Ingleby Barwick. In order to minimise disruption to the school and local residents, this new facility is now being developed alongside significant investment in the school itself. The original cost estimates were provided more than 3 years ago and since that time prices and inflation in the construction industry have risen significantly. A more recent estimate indicated a cost increase of £3m. Although it would be possible to deliver a scheme within the original budget, the quality of the scheme would be extremely compromised. Instead, through significant negotiation and value engineering, we would be able to deliver our original ambition for the state of the art gym, split level pool and library with a further £1.8m investment.
69. **Stockton Town Hall** – the Town Hall is in need of significant renovation and reflecting its historic importance and its role in the birth of passenger rail we are pursuing support from English Heritage and Heritage Lottery as part of a wider Stockton-Darlington railway programme over the coming years and we now have Heritage Action Zone status. An element of match funding is required and there are some urgent repairs required so it is estimated £200,000 will be needed.
70. **Neighbourhood Service Improvement** – members will be aware of the significant reductions in spending in Neighbourhood Services following the delivery of savings and this is now having a real impact across the Borough. It is therefore proposed that we allocate a resource for 2 years to target specific areas requiring attention and work with residents and volunteer groups in order to retain our ambition for Stockton to be a great place to live, including funding and supporting community based activity including during the winter months. This will be reviewed thereafter.
71. **City Scale Events and Attractions** – As the Tees Valley has formally indicated its intention to apply to host 2025 City of Culture, it is anticipated there will be opportunities to attract major events in the run up to that date. Stockton’s international reputation & experience places us perfectly to host such events e.g. we are considering bidding to host National Armed Forces Day. Provision in the MTFP would allow us to work collaboratively with partners and provide match funding to enable opportunities to be pursued.
72. **WW1 Centenary Commemoration** – The Council will be supporting a range of events commemorating the anniversary of the end of World War 1, including The Yorkshire Regiment Freedom Parade, and it is suggested £40,000 will be required to provide support.
73. **Traveller Site Maintenance** – Following a detailed condition survey urgent maintenance works have been identified, with an estimated cost of £100,000.
74. **Event Security** – Members will be aware of the report presented to Cabinet in November outlining the work and costs associated with security and in particular providing some permanent/fixed physical infrastructure, complementing the removable equipment already purchased, to mitigate threats from terrorism.
75. **Forum Theatre** – Whilst the Forum Theatre is operated under a lease arrangement, the Council are responsible for the fabric and condition of the building. Maintenance issues have been identified associated with seating areas and this is anticipated to cost around £250,000.

76. The one-off pressures are summarised in the table below:

	TOTAL £'000
Waste Gate Fee	4,200
Additional Leisure Centre Investment	1,800
Globe	2,750
Targeted Area Action	750
Town Hall Condition Improvement	200
Neighbourhood Service Improvement	300
City Scale Events & Attraction	1,000
World War One Centenary Commemoration	40
Traveller Site Maintenance	100
Event Security	100
Forum Theatre	250
Pressures	11,490

Final MTFP

77. The Council has through careful use of one off money been able to make significant investments in recent years utilising both capital and revenue resources. Unfortunately there are no one off resources available and if members wish to proceed with the above schemes then we would need to borrow to generate the funds. Although some of the pressures above are defined as revenue and not capital, we are able to 'switch' resources previously approved to fund capital to release the funds required. If this were agreed it would add costs of approximately £630,000 per year to the medium term financial plan depending upon when the borrowing is required. The Council's prudent approach to borrowing means that borrowing costs are expected to amount to around 2.5% of the Net Revenue Budget by 2020/21, which is low compared to other authorities. The revised position incorporating the impact of the borrowing would be as set out below:

	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Approved Budget Position	-571	1,188	1,783	696
Pressures	10,814	11,166	9,864	9,943
Resources Available	-12,548	-9,166	-7,522	-8,193
Cost Of Borrowing One Off Items	162	431	632	632
Budget Gap	-2,143	3,619	4,757	3,078
C/F	2,143	-2,143		
Updated Gap	0	1,476	4,757	3,078

78. Given that significant work is ongoing around delivering the current savings programme and mitigating growth, both of which are already assumed in the above position, the assumption of further savings over the next 2 years would be extremely challenging given the level of capacity in the organisation.

79. Paragraph 35 has identified the significant level of uncertainty around funding from 2020 onwards and any long term plans on further reductions could change significantly following further clarity on these issues. Once there is further clarity around the funding position, we will revise the plan for future years. In the meantime we will continue to explore funding opportunities and options to address the 2019/20 position.

80. The updated Medium Term Financial Plan can be re-presented in the format below:

	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000
Income				
RSG (inc LCTS)	-9,839	-4,995	-4,300	-3,513
NNDR (incl s31 grants)	-48,019	-44,545	-45,281	-46,072
New Homes Bonus	-2,647	-2,336	-2,085	-2,328
Council Tax	-85,292	-88,889	-91,645	-94,395
Better Care Fund (incl Pooled Budget)	-13,329	-14,647	-14,372	-14,372
Public Health	-13,907	-13,545	-13,545	-13,545
<u>Additional Income</u>				
Collection Fund Surplus	-836			
Release Of Reserves		-1,900		
Adult Social Care Grant 2018-19	-528			
Total Income	-174,397	-170,857	-171,228	-174,225
Expenditure				
Childrens Services	37,311	36,601	35,364	34,133
Adults & Health	71,029	72,493	74,262	74,262
Community Services	25,076	24,836	24,784	24,744
Economic Growth & Development	8,883	8,923	8,923	8,923
Culture, Leisure & Events	7,680	7,980	7,812	7,762
Finance & Business Services	8,259	8,459	8,459	8,459
HR, Legal & Communications	4,165	3,925	3,825	3,825
Admin/Democratic Services & Xentrall	9,800	9,950	9,545	10,045
Corporate Items incl Pay Award Provision	51	1,309	3,011	5,150
Total Expenditure	172,254	174,476	175,985	177,303
Carry Forward	2,143	-2,143		
Revised Budget Position	0	1,476	4,757	3,078

SECTION 7 – CAPITAL PROGRAMME

81. The current Capital Programme as at 31 December 2017 which includes Housing and Town Centre schemes, School Capital, Transport, Ingleby Barwick Leisure Facility, is shown at **Appendix A** and summarised below:

Capital Programme December 2017 BC

CAPITAL PROGRAMME Up to 2020	Current Approved Programme £'000	Programme Revisions £'000	Revised Programme £'000
Schools Capital	53,037	- 86	52,951
Housing Regeneration & Town Centres Schemes	46,379	165	46,544
Transportation	8,017	165	8,182
Other Schemes	38,952	2,805	41,757
Total Approved Capital MTFP	146,385	3,049	149,434

Reasons for Movements over £100k

Additional Funding

Following Autumn budget announcement a further £129,038 DFG funding has been added to the capital programme.

Cabinet approved an additional £1,000,000 on 16 November to support the construction of a second chapel at Stockton Crematorium.

£1,500,000 Sport England grant funding has been added into the capital programme in respect of the Leisure Facility at Ingleby Barwick.

82. The updated Capital Programme 2012 – 2020 is attached at **Appendix B**.

SECTION 8 - BUSINESS RATE RELIEF SCHEME

83. The 2016 Autumn statement confirmed the doubling of rural rate relief available to eligible businesses from 50% to 100%. The Government intends to amend the relevant primary legislation to enable this change but as an interim measure the Council is expected to continue to use its local discount powers to grant 100% relief to eligible ratepayers.

The 2017 Spring and Autumn budgets introduced some additional changes regarding business rates relief schemes, which include:

- The extension of the pub relief scheme, initially introduced for the period 2017/18, for a further year. Eligible pubs with a rateable value of below £100,000 will continue to receive a £1,000 discount on their bills for 2018/19.
- The continuation of the supporting small businesses scheme introduced from April 2017, for those ratepayers facing large increases as a result of the loss of small business or rural rate relief due to revaluation.
- The continuation of the local discretionary revaluation relief scheme introduced from April 2017, for those businesses facing large increases as a result of revaluation. Funding of £241,000 was awarded in 2017/18, further funding of £117,000 has been approved for 2018/19.

These changes are reflected in the Council's discretionary rate relief government funded scheme.

SECTION 9 – PAY POLICY AND MEMBERS ALLOWANCES

84. Members will be aware that we have previously made a commitment to ensuring that our pay and rewards policies are fair and that the needs of the lowest paid staff are properly considered. From 1 April 2016 the pay and grading structure was amended to start at Grade C, spinal column point 10 (£8.09 per hour).
85. The Council's lowest pay point, spinal column point 10, is currently £8.09 per hour (from 1 April 2018 this would increase to £8.74 per hour under the Employer's pay offer) which is considerably more than the current National Living Wage of £7.50 per hour (increasing to £7.83 on 1 April 2018).
86. In view of the Employers' pay offer and proposed new pay spine it is not proposed to make any further changes to the Council's pay and grading structure at this stage. Work will however be undertaken to understand the implications of assimilating to the proposed new pay spine.
87. It should also be noted that from 1 April 2016 the Council agreed to pay its apprentices the national minimum wage for age (starting at £4.05 per hour for 16-18 year olds, which increases to £4.20 per hour from 1 April 2018) rather than the national apprentice rate of £3.50 per hour (£3.70 per hour from 1 April 2018).
88. The Council's pay policy statement is at **Appendix C**. The Council's current Median Hourly rate is £11.02 (£10.91 in 2017/18) and the pay multiple is 7.93 (7.93 in 2017/18). There has been a slight increase in median hourly rate as a result of a reduction in headcount. The pay multiple, which 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 2017 remains the same as the previous year.
89. It is proposed to amend the Pay Policy Statement to include a restriction on the employment or engagement of former employees who have left the Council with a severance, early retirement or redundancy payment under a voluntary arrangement. It is proposed that the Council would generally not employ or engage, under a contract for services, an employee who left the Council in such circumstances unless it was in the Council's interests to do so or the individual circumstances would justify the re-employment or engagement, such as career change or length of time since they were employed by the Council. Similar restrictions have been adopted by Local Authorities nationally and regionally and it is considered timely to similarly incorporate such a restriction in to the Pay Policy Statement in view of the significant reduction in the workforce in recent years and the organisational change which will continue to take place. The Trade Unions have been consulted and are supportive of the proposed change.
90. The plans in place to deliver the changes that are needed to meet the MTFP challenge have had a significant impact on our employees. There continues to be a reduction in the overall headcount and FTE of the workforce. Between 1 April 2011 and 31 December 2017, we have seen the following change:
 - A reduction in headcount of 1,160 (From 4,260 to 3100)
 - A reduction in FTE of 731 (From 3,142 to 2,411)

Since April 2017 to 31 December 2017, 123 employees have left the Council's employment due to redundancy (74 voluntary redundancy, 49 compulsory redundancy). The Council will

continue to manage service changes sensitively and proactively and has a long history of doing so. All change will continue to be managed in line with the Management of Organisational Change policy with each service review taken through its own consultation and implementation process. We will continue to minimise redundancies by requiring Director approval to any recruitment to vacant posts, seek expressions of interest in Voluntary Redundancy and reduction in hours (if appropriate) through the review process, and support employees seeking redeployment.

91. We continue to maintain close contact with the Trade Unions, regular update meetings are held with the Trade Unions and the Chief Executive, Deputy Chief Executive and Director of Human Resources, Legal & Communications. We will continue to provide regular updates for employees in KYIT on the financial situation and provide opportunities for employees to put forward ideas and suggestions as well as discussions during the formal consultation process. The HR Service are continuing to ensure that a package of employee support and targeted training is available to all employees at risk of redundancy.

Officer Appointments To Outside Bodies And Governing Bodies

92. All officer appointments to any Body, including a Governing Body, as a Local Authority representative need to be approved by Cabinet where that Body is concerned with functions which are a Cabinet responsibility, for example education, social care, regeneration
93. Attached at **Appendix (C1)** is a list of appointments that have been made to external bodies where officers are acting in a Local Authority capacity. It is intended that this list is kept updated and reported to Cabinet annually as part of the MTFP reporting process.
94. It should be noted that the Council's insurance and indemnity arrangements will apply to these appointments as the officer is acting on behalf of the Local Authority. In addition the external Body may have indemnity arrangements in place for its Directors, Trustees or Governors.
95. It is recommended that:
- Council approve the Pay Policy Statement at **Appendix C**
 - Cabinet approve and note the Officer Appointments to Outside bodies and governing bodies at **Appendix C(1)**.

Members Allowances

96. Members will be aware that allowances have been frozen since 2013/14 and it is proposed that this continues for 2018/19 to support the Council's difficult financial position.

SECTION 10 – PRECEPT LEVELS

Stockton Precept

97. Stockton's current tax level for 2017/18 at Band A (the biggest percentage of its properties) is £971.92 (£18.64 per week).

	Band A £	Band D £
2017/18	971.92	1,457.87
2018/19	1,029.26	1,543.88

Police Precept

98. The Police & Crime Commissioner has indicated a Council Tax Increase of 5.59%.

	Band A £	Band D £
2017/18	143.03	214.54
2018/19	151.03	226.54

Fire Authority

99. A report to the Fire Authority on 16 February 2018 outlines a proposed Council Tax increase of 2.9%.

	Band A £	Band D £
2017/18	48.71	73.06
2018/19	50.12	75.18

Parishes

100. Details of the Parish precepts are given below:

Parish	2017/18 Precept £	2018/19 Precept £	Precept Increase/ Decrease £	Precept Increase/ Decrease %	Band D Increase/ Decrease %	LCTS Grant Both Years £	2018/19 TOTAL £
Aislaby & Newsham	0	0	0	0.00%	0.00%	0	0
Carlton	4,498	4,498	0	0.00%	-2.27%	22	4,520
Castlelevington / Kirklevington	12,500	13,500	1,000	8.00%	-14.33%	348	13,848
Egglescliffe & Eaglescliffe	67,693	71,736	4,043	5.97%	4.75%	5,446	77,182
Elton	0	0	0	0.00%	0.00%	0	0
Grindon	22,000	34,000	12,000	54.55%	46.10%	0	34,000
Hilton	2,171	2,241	70	3.22%	3.29%	129	2,370
Ingleby Barwick	138,172	155,900	17,728	12.83%	11.36%	3,445	159,345
Long Newton	11,764	11,764	0	0.00%	-1.40%	236	12,000
Maltby	2,362	3,504	1,142	48.35%	0.00%	138	3,642
Preston	5,029	5,029	0	0.00%	-6.78%	471	5,500
Redmarshall	3,300	3,500	200	6.06%	1.74%	118	3,618
Stillington & Whitton	8,757	8,757	0	0.00%	0.36%	1,243	10,000
Thornaby	138,360	142,510	4,150	3.00%	1.39%	36,050	178,560
Wolviston	11,445	11,752	307	2.68%	2.27%	533	12,285
Yarm	93,359	118,057	24,698	26.45%	25.50%	6,141	124,198
Billingham	222,854	244,758	21,904	9.83%	9.54%	23,509	268,267
Total	744,264	831,506	87,242	11.72%	5.31%	77,829	909,335

Overall Tax Position

101. 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 £85,292,114 is given below:

Tax 2018/19			
	Current 2017/18 (Band A) £	Proposed 2018/19 (Band A) £	Increase %
Police	143.03	151.03	5.59
Fire	48.71	50.12	2.90
Stockton BC	971.92	1,029.26	5.90

Formal Tax Recommendations

102. The Council must approve precept/tax in line with statutory guidelines. These are contained at **Appendix D**.

SECTION 11 - TREASURY MANAGEMENT STRATEGY

103. The Council's Treasury Management Strategy is shown at **Appendix E** and this has been revised to support the need to explore alternative investment opportunities and to reflect the advice of our treasury management advisors.

Capital Programme – December 2017

CAPITAL PROGRAMME Up to 2020	Current Approved Programme	Programme Revisions	Revised Programme	Expenditure April 2012 - Dec 2017
SCHOOL CAPITAL				
School Investment Programme	53,036,809	(86,008)	52,950,801	11,480,567
SCHOOLS CAPITAL	53,036,809	(86,008)	52,950,801	11,480,567
HOUSING REGENERATION & TOWN CENTRES SCHEMES				
Housing Regeneration	5,100,829	99,122	5,199,951	2,782,295
Stockton Town Centre Schemes	35,992,689	66,000	36,058,689	6,886,811
Infrastructure Enhancements & Property Acquisitions	5,285,273	0	5,285,273	1,359,626
HOUSING REGENERATION & TOWN CENTRES SCHEMES	46,378,791	165,122	46,543,913	11,028,732
TRANSPORTATION				
Local Transport Plans	4,313,541	142,442	4,455,983	3,145,776
Other Transport Schemes	1,679,489	0	1,679,489	262,405
Developer Agreements	2,024,369	22,500	2,046,869	1,596,824
TRANSPORTATION	8,017,399	164,942	8,182,341	5,005,005
OTHER SCHEMES				
Private Sector Housing	2,387,968	108,990	2,496,958	1,351,274
Building Management & Asset Review	1,003,451	129,600	1,133,051	550,897
ICT & Infrastructure	180,215	0	180,215	139,685
Parks, Museums & Cemeteries	6,854,647	1,000,000	7,854,647	416,744
Energy Efficiency Schemes	14,240,000	0	14,240,000	13,792,860
Other Schemes	14,285,470	1,566,577	15,852,047	1,967,269
OTHER SCHEMES	38,951,751	2,805,167	41,756,918	18,218,729
Total Approved Capital MTFP	146,384,750	3,049,223	149,433,973	45,733,033

Appendix B

CAPITAL PROGRAMME	Current Approved Programme	New Approvals (Part of Report)	Total
SCHOOL CAPITAL			
School Investment Programme			
Planned Maintenance	3,675,331		3,675,331
Rosebrook School	1,000		1,000
30hr Nursery Provision	2,130,996		2,130,996
Primary School Expansions	9,894,151		9,894,151
Basic Need Capital Funding	37,249,323		37,249,323
	52,950,801	0	52,950,801
HOUSING REGENERATION & TOWN CENTRES SCHEMES			
Housing Regeneration			
Victoria Estate Regeneration	4,289,951		4,289,951
Affordable Housing	910,000		910,000
	5,199,951	0	5,199,951
Stockton Town Centre			
Stockton Town Centre - Infrastructure Projects	687,060		687,060
Townscape Heritage Initiative	1,035,149		1,035,149
TH Match Funding	624,200		624,200
Globe Theatre Refurbishment	15,042,000	2,750,000	17,792,000
Courtyard Improvements	1,670,280		1,670,280
Northshore Hotel	17,000,000		17,000,000
	36,058,689	2,750,000	38,808,689
Other Regeneration Schemes			
Strategic Acquisitions	500,000		500,000
Estate Shops	451,458		451,458
Employability Land	458,815		458,815
Infrastructure Enhancements & Property Acquisition	3,875,000		3,875,000
	5,285,273	0	5,285,273
TRANSPORTATION			
LTP - Integrated Transport	957,866		957,866
LTP - Structural Maintenance	3,498,117		3,498,117
Preston Park Additional Car Parking	158,195		158,195
NPIF 2017-18 - A689 Wolviston and Wynyard Ave	1,200,000		1,200,000
LGF Schemes	221,294		221,294
Developer Agreements	2,046,869		2,046,869
Event Security		100,000	100,000
Eaglescliffe Station Western Access	100,000		100,000
	8,182,341	100,000	8,282,341
OTHER SCHEMES			
Private Sector Housing			
Disabled Adaptations	1,785,593		1,785,593
Regional Loan Scheme	231,413		231,413
Empty Homes - Regional Scheme	479,952		479,952
	2,496,958	0	2,496,958

Building Management & Asset Review			
Building Maintenance Programme	391,100		391,100
Travellers Site Maintenance		100,000	100,000
Stockton Town Hall Renovation		200,000	200,000
Libraries Improvements	133,930		133,930
Billingham Campus Site Improvements	345,544		345,544
Playing Pitch Strategy	262,477		262,477
	1,133,051	300,000	1,433,051
Resources / ICT & Infrastructure			
A2S: ICT Cost	180,215		180,215
	180,215	0	180,215
Parks, Museums & Cemeteries			
Parks Improvement Programme	203,320		203,320
Cemeteries	301,327		301,327
Crematorium & Gardens of Remembrance	7,350,000		7,350,000
	7,854,647	0	7,854,647
Energy Efficiency Schemes			
District Heating Schemes	340,000		340,000
Street Lighting Investment Programme	13,900,000		13,900,000
	14,240,000	0	14,240,000
Other Schemes			
Childrens Social Care Investment	158,941		158,941
Foster Care Adaptations	93,440		93,440
Community Capacity Projects	208,615		208,615
ACMT ICT System	210,000		210,000
Social Care Mobile Working	53,057		53,057
Allensway Improvements	214,290		214,290
Ware Street Development	688,436		688,436
Independent Living LD Bid	202,000		202,000
Joint Venture Investments	493,077		493,077
School Pitches	128,000		128,000
Vehicle Replacement Fund	1,458,526		1,458,526
Tees Active - High Rope Course	36,532		36,532
Leisure Facility Ingleby Barwick	11,501,750	1,800,000	13,301,750
Community Centre Support	50,000		50,000
Halcyon Centre	30,000		30,000
Autism Grant	9,183		9,183
Halidon Way Flood Relief Scheme	51,700		51,700
Rosedale Car Park	145,000		145,000
Public Health Grant	73,600		73,600
Innovation Station (Libraries Opportunities for All)	45,900		45,900
	15,852,047	1,800,000	17,652,047
Total Approved Capital MTFP	149,433,973	4,950,000	154,383,973

CAPITAL PROGRAMME	Current Approved Programme	New Approvals (Part of Report)	TOTAL
Government Support	68,272,585	0	68,272,585
Earmarked Resources / Receipts	12,297,967	0	12,297,967
Earmarked Housing Regeneration Receipts	1,610,828	0	1,610,828
Prudential Borrowing	40,640,000	4,950,000	45,590,000
Other Contributions	2,552,797	0	2,552,797
Corporate One-Off Resources	24,059,796	0	24,059,796
Total Approved Funding Capital MTFP	149,433,973	4,950,000	154,383,973

**STOCKTON ON TEES BOROUGH COUNCIL
PAY POLICY STATEMENT
(Section 38, Localism Act 2011)**

This Pay Policy Statement applies to the financial year 2018/19.

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 31st 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 Council is committed to ensuring fairness, transparency and equality of pay in the remuneration of its employees. 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	<p>Lowest Paid Employees</p> <p>As part of its commitment to move towards the Living Wage the Council's pay and grading structure starts at Grade C, spinal column point 10 (from 01/04/2017 £8.09 per hour and are our lowest paid employees (other than apprentices).</p> <p>Since 1st April 2016 the Council agreed to pay its apprentices the National Minimum Wage relating to age (starting at £4.05 per hour for 16 to 18 year olds, compared to the national apprentice rate of £3.50 per hour). Given the specific nature of these appointments, apprentices have not been included within the definition of lowest paid employees for the purposes of this policy statement.</p>
2.3	<p>'Chief Officer'</p> <p>The Localism Act defines the following Chief Officer posts: Head of Paid Service designated under section 4(1) of the Local Government and Housing Act 1989; Monitoring officer designated under section 5(1) of that Act; Any statutory chief officer mentioned in section 2(6) of that Act; Any non-statutory chief officer mentioned in section 2(7) of that Act; Any deputy chief officer mentioned in section 2(8) of that Act.</p>

3.	CHIEF OFFICERS AND SENIOR MANAGEMENT TEAM																																																				
3.1	<p>Remuneration of Chief Officers</p> <p>Under the definitions set out in 2.3 above the Council's Senior Management Team Consists of the following posts:</p> <table border="0"> <thead> <tr> <th data-bbox="261 421 384 450">Job Title</th> <th data-bbox="1007 421 1110 450">Grade</th> </tr> </thead> <tbody> <tr> <td>Chief Executive</td> <td>Chief Executive</td> </tr> <tr> <td>Deputy Chief Executive</td> <td>Deputy Chief Executive</td> </tr> <tr> <td>Director of Children's Services</td> <td>Director Level 1</td> </tr> <tr> <td>Director of Adults & Health</td> <td>Director Level 1</td> </tr> <tr> <td>Director of Finance & Business Services</td> <td>Director Level 1</td> </tr> <tr> <td>Director of HR, Legal & Communications</td> <td>Director Level 1</td> </tr> <tr> <td>Director of Economic Growth & Development</td> <td>Director Level 1</td> </tr> <tr> <td>Director of Community Services</td> <td>Director Level 2</td> </tr> <tr> <td>Director of Culture, Leisure & Events</td> <td>Director Level 3</td> </tr> <tr> <td>Director of Public Health</td> <td>Assistant Director Level 1</td> </tr> <tr> <td>Assistant Director (Adult Social Care)</td> <td>Assistant Director Level 2</td> </tr> <tr> <td>Assistant Director (Xentrall Shared Services)</td> <td>Assistant Director Level 1</td> </tr> <tr> <td>Assistant Director (Safeguarding & LAC)</td> <td>Assistant Director Level 2</td> </tr> <tr> <td>Assistant Director (Schools and SEN)</td> <td>Soulbury</td> </tr> <tr> <td>Assistant Director (Business Support & Information)</td> <td>Assistant Director Level 2</td> </tr> <tr> <td>Assistant Director (Administration, Democratic & Electoral Services)</td> <td>Assistant Director Level 2</td> </tr> </tbody> </table> <p>The salaries relating to the above grades from 01/04/2017 are:</p> <table border="0"> <thead> <tr> <th data-bbox="261 1128 347 1158">Grade</th> <th data-bbox="935 1128 1023 1158">Salary</th> </tr> </thead> <tbody> <tr> <td>Chief Executive</td> <td>£168,511</td> </tr> <tr> <td>Deputy Chief Executive</td> <td>£136,211</td> </tr> <tr> <td>Director – Level 1</td> <td>£114,761</td> </tr> <tr> <td>Director – Level 2</td> <td>£104,050</td> </tr> <tr> <td>Director – Level 3</td> <td>£93,849</td> </tr> <tr> <td>Assistant Director – Level 1</td> <td>£89,259</td> </tr> <tr> <td>Assistant Director – Level 2</td> <td>£84,158</td> </tr> <tr> <td>Soulbury</td> <td>£76,748 to £83,574</td> </tr> </tbody> </table>	Job Title	Grade	Chief Executive	Chief Executive	Deputy Chief Executive	Deputy Chief Executive	Director of Children's Services	Director Level 1	Director of Adults & Health	Director Level 1	Director of Finance & Business Services	Director Level 1	Director of HR, Legal & Communications	Director Level 1	Director of Economic Growth & Development	Director Level 1	Director of Community Services	Director Level 2	Director of Culture, Leisure & Events	Director Level 3	Director of Public Health	Assistant Director Level 1	Assistant Director (Adult Social Care)	Assistant Director Level 2	Assistant Director (Xentrall Shared Services)	Assistant Director Level 1	Assistant Director (Safeguarding & LAC)	Assistant Director Level 2	Assistant Director (Schools and SEN)	Soulbury	Assistant Director (Business Support & Information)	Assistant Director Level 2	Assistant Director (Administration, Democratic & Electoral Services)	Assistant Director Level 2	Grade	Salary	Chief Executive	£168,511	Deputy Chief Executive	£136,211	Director – Level 1	£114,761	Director – Level 2	£104,050	Director – Level 3	£93,849	Assistant Director – Level 1	£89,259	Assistant Director – Level 2	£84,158	Soulbury	£76,748 to £83,574
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3.2	<p>Joint National Conditions of service (JNC) are incorporated into all Chief Officers' contracts of employment, save for the Assistant Director (Schools and SEN) which are Soulbury Terms and Conditions.</p>																																																				
3.3	<p>The salaries for Chief Officers have been determined through independent analysis and benchmarking and reflect rates which are reasonably sufficient to recruit and retain senior officers taking into account market conditions.</p> <p>The grades attributable to Senior Officer posts are subject to job evaluation and based on clear salary differentials which reflect the level of responsibility attached to any particular role</p>																																																				

3.4	<p>Chief officers do not receive bonus payments or performance related pay nor do they receive any benefits in kind paid for by the employer. Where a chief officer meets the criteria for entitlement to expenses these are paid in accordance with the Council's Single Status Agreement.</p> <p>Increases in pay for Chief Officers will occur only as a result of:</p> <ul style="list-style-type: none"> ○ 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.
3.5	<p>It is expected that senior officers will perform to the highest level. Performance related pay therefore does not form part of current remuneration arrangements. This position will be reviewed if legislation and/or guidance relating to senior officer posts changes.</p>
3.6	<p>In accordance with the requirements of the Localism Act 2011, in respect of new appointments, an offer of a salary package of £100,000 or higher will not be made in respect of any post without the prior approval of the Council.</p>
3.7	<p>Election Duties undertaken by Chief Officers</p> <p>Fees for election duties undertaken by chief officers are not included in their salaries.</p> <p>For Parliamentary elections the Council receive a Parliamentary Election Order form central government which has already set the fee for each constituency.</p> <p>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</p>
3.8	<p>Remuneration on appointment</p> <p>Chief Officers are recruited in accordance with the Council's Constitution and associated Scheme of Delegation to the appropriate salary of the grade.</p>
3.9	<p>Payments to Chief Officers upon termination of their employment</p> <p>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.</p>
3.10	<p>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 Pensions and Retirement Policy sets out provisions which apply to all staff regardless of their level of seniority.</p>
3.11	<p>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.</p>

3.12	Where a severance package is to be paid, where taken as a whole, has a cost to the authority of £100,000 or more (subject to section 3.14 below), the Council will be given an opportunity to vote before the package is approved.
3.13	Employees who would be contractually entitled to payments in excess of £100,000 where there is no discretion and a failure to comply would place the Council in breach of contract and leave it exposed to litigation would be exempt from the requirement of such a vote.
3.14	The Government is proposing to introduce a cap on Public Sector Exit Payments. The Council will amend its policy and payments made on termination to reflect any changes in legislation.
4.	EMPLOYMENT OF INDIVIDUALS ALREADY IN RECEIPT OF A LOCAL GOVERNMENT PENSION
4.1	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.
5.	EMPLOYMENT OR ENGAGEMENT OF FORMER EMPLOYEES
5.1	The Council will generally not re-employ or engage any individual under a contract for services whom has previously been employed by the Council and left that employment with the benefit of a severance, early retirement or redundancy payment under voluntary arrangements, unless there it is in the best interests of the Council to do so or there are individual circumstances which would justify doing so.
5.2	With the exception in 5.1 above, 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.
5.3	In addition the Government is has introduced legislation to enable the recovery of exit payments for higher paid employees returning to the public sector. The Council will therefore seek to recover the required proportion of any exit payment made to any former public sector employee in accordance with the proposed legislation.
6.	REMUNERATION OF LOWEST PAID EMPLOYEES
6.1	The Council introduced its Single Status Agreement on 1st April 2008. The lowest paid employees within the Council are appointed to jobs which have been evaluated using the NJC Job Evaluation Scheme and are remunerated accordingly. The Council is committed to ensuring that pay and reward policies are fair and that the needs of the lowest paid staff and continues to work towards paying the living wage.
7.	RELATIONSHIP BETWEEN CHIEF OFFICER AND NON-CHIEF OFFICER REMUNERATION
7.1	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 31st December, for employees within the scope of this statement.
7.2	The Council will aim to maintain a pay multiple of less than 10.
7.3	The Council's current Median Hourly Rate is £11.02 (£10.91 in 2017/18) and the Pay Multiple is 7.93 (7.93 in 2017/18). There has been slight increase in the Median hourly rate which is reflective of a reduction in headcount (but it has not had an effect on the pay multiple).

8.	GENERAL PRINCIPLES REGARDING THE REMUNERATION OF STAFF
8.1	<p>The Council have established pay and grading structures, founded on evaluation of job roles using job evaluation, which ensures a fair and transparent approach to pay and the same grading of jobs which are rated as equivalent. The Single Status Agreement was subject to an equality impact assessment by the Council as well as being approved by the respective trade unions equal pay units.</p> <p>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.</p> <p>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.</p> <p>Where an employee has secured promotion into a higher-graded job and there is an overlap of spinal column points between their current and new job, and the employee is already on the maximum of their current grade they will generally commence on the second spinal column point of the new grade.</p>
9.	PUBLICATION OF AND ACCESS TO INFORMATION RELATING TO REMUNERATION OF CHIEF OFFICERS
9.1	<p>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 31st March and information related to the public sector equality duty no later than 30th June.</p>

Appendix C(1)

Body	Role	Officer
Spark of Genius NE LLP	Board Member	Garry Cummings Director of Finance and Business Services, Martin Gray, Director of Children Services
North East Culture Partnership	Board Member	Reuben Kench, Director of Culture, Leisure and Events
Tees River Trust	Board Member	Reuben Kench, Director of Culture, Leisure and Events
Stockton Riverside College	Governor	Deborah Merrett, Chief Advisor
Bishopton Management Board	Governor	Angela White, Senior Advisor (11-19)
Grangefield Academy	LA Representative	Angela White, Senior Advisor (11-19)
North Shore Academy	LA Representative	Angela White, Senior Advisor (11-19)
Share the Vision	Trustee	Mark Freeman, Libraries and Information Services Manager
Culture Bridge NE	Board Member	Mark Freeman, Libraries and Information Services Manager
Society of Chief Librarians	Trustee	Mark Freeman, Libraries and Information Services Manager
Oliver and Norman Field Charity	Trustee	Sarah Runnacles, Senior Occupational Therapist
Achieving Real Change In Communities CIC (ARCC)	Board Member	Julie Danks, Deputy Chief Executive
Tees Valley LEP Area ESI Funds Local Sub-Committee	Board Member	Neil Schneider, Chief Executive
Stockton BID Company limited	Board Member	Neil Schneider, Chief Executive
Stockton Hotels Company Ltd	Board Member Company Secretary	Neil Schneider, Chief Executive; Garry Cummings, Director of Finance and Business Services; Richard McGuckin, Director of Economic Growth and Development Services Ged Morton, Chief Solicitor
Stockton Borough Holding Company Limited	Board Member Company Secretary	Neil Schneider, Chief Executive; Garry Cummings, Director of Finance and Business Services; Richard McGuckin, Director of Economic Growth and Development Services Ged Morton, Chief Solicitor
Northern Grid For Learning	Board Member	Jane Wright, Planning & Partnership Manager

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 on 22 December, 2017.

Tax Base approved under the Scheme of Delegation on 22 December, 2017.

a) the amount calculated by the Council in accordance with Section 31B, as its Council Tax Base for the year: **55,245.29**

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	103.26
Carlton	307.23
Castleavington / Kirklevington	645.21
Egglescliffe & Eaglescliffe	3,040.44
Elton	135.29
Grindon	1,453.81
Hilton	209.86
Ingleby Barwick	7,573.60
Long Newton	340.73
Maltby	220.96
Preston	590.19
Redmarshall	153.66
Stillington & Whitton	350.56
Thornaby	5,577.46
Wolviston	395.85
Yarm	3,387.66
Billingham	8,955.78

2. The amounts for the year that were approved by the Council on 28 February 2018 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: **£391,816,268.**

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: **£305,692,648.**

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

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

Council, in accordance with Section 31A (4) of the Act, as its council tax requirement for the year: **£86,123,620.**

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); **£1,558.93.**

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: **£831,506.**

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: **£1,543.88.**

Stockton-On-Tees Borough's Basic Tax

B. Members are invited to Note:

3. a) Parish Precepts are:

Part of the Council's Area	2018/19 Precept	Band D Equivalent
	£	£
Aislaby & Newsham	0	0.00
Carlton	4,498	14.64
Castleavington / Kirklevington	13,500	20.92
Egglescliffe & Eaglescliffe	71,736	23.59
Elton	0	0.00
Grindon	34,000	23.39
Hilton	2,241	10.68
Ingleby Barwick	155,900	20.58
Long Newton	11,764	34.53
Maltby	3,504	15.86
Preston	5,029	8.52
Redmarshall	3,500	22.78
Stillington & Whitton	8,757	24.98
Thornaby	142,510	25.55
Wolviston	11,752	29.69
Yarm	118,057	34.85
Billingham	244,758	27.33
	831,506	

b) Parish Funding Allocations are:

Part of the Council's Area	2018/19 Funding Allocation
	£
Aislaby & Newsham	0
Carlton	22
Castleavington / Kirklevington	348
Egglecliffe & Eaglescliffe	5,446
Elton	0
Grindon	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
	77,829

4. Office of the Police & Crime Commissioner for Cleveland has stated the sum of **£12,515,270** 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	151.03
B	176.20
C	201.37
D	226.54
E	276.88
F	327.22
G	377.57
H	453.08

*Office of the Police & Crime Commissioner
for Cleveland Tax*

5. Cleveland Fire Authority has stated the sum of **£4,153,341** 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:

Cleveland Fire Authority Tax

Band	Sum
	£
A	50.12
B	58.47
C	66.83
D	75.18
E	91.89
F	108.59
G	125.30
H	150.36

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)**.

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

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.
2. The limit for council tax rises applicable to the authority as set by the Secretary of State for 2018/19 is 6.0%.

Determination whether Council tax rate is excessive

E. Members are asked to Note that the Council's basic amount of Council Tax for 2018/19 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.

**Council Tax - Parish Demands
2018/19**

Item	Parish	Band							
		A £	B £	C £	D £	E £	F £	G £	H £
1	Aislaby and Newsham	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	Carlton	9.76	11.39	13.01	14.64	17.89	21.15	24.40	29.28
3	Castlelevington / Kirklevington	13.95	16.27	18.60	20.92	25.57	30.22	34.87	41.84
4	Egglescliffe	15.73	18.35	20.97	23.59	28.83	34.07	39.32	47.18
5	Elton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	Grindon	15.59	18.19	20.79	23.39	28.59	33.79	38.98	46.78
7	Hilton	7.12	8.31	9.49	10.68	13.05	15.43	17.80	21.36
8	Ingleby Barwick	13.72	16.01	18.29	20.58	25.15	29.73	34.30	41.16
9	Long Newton	23.02	26.86	30.69	34.53	42.20	49.88	57.55	69.06
10	Maltby	10.57	12.34	14.10	15.86	19.38	22.91	26.43	31.72
11	Preston	5.68	6.63	7.57	8.52	10.41	12.31	14.20	17.04
12	Redmarshall	15.19	17.72	20.25	22.78	27.84	32.90	37.97	45.56
13	Stillington & Whitton	16.65	19.43	22.20	24.98	30.53	36.08	41.63	49.96
14	Thornaby	17.03	19.87	22.71	25.55	31.23	36.91	42.58	51.10
15	Wolviston	19.79	23.09	26.39	29.69	36.29	42.89	49.48	59.38
16	Yarm	23.23	27.11	30.98	34.85	42.59	50.34	58.08	69.70
17	Billingham	18.22	21.26	24.29	27.33	33.40	39.48	45.55	54.66

**Council Tax - Borough and Parish Demands
2018/19**

Item	Parish Factor	Band							
		A 6	B 7	C 8	D 9	E 11	F 13	G 15	H 18
		£	£	£	£	£	£	£	£
1	Aislaby and Newsham	1,029.26	1,200.79	1,372.34	1,543.88	1,886.97	2,230.05	2,573.14	3,087.76
2	Carlton	1,039.02	1,212.18	1,385.35	1,558.52	1,904.86	2,251.20	2,597.54	3,117.04
3	Castlelevington / Kirklevington	1,043.21	1,217.06	1,390.94	1,564.80	1,912.54	2,260.27	2,608.01	3,129.60
4	Egglescliffe	1,044.99	1,219.14	1,393.31	1,567.47	1,915.80	2,264.12	2,612.46	3,134.94
5	Elton	1,029.26	1,200.79	1,372.34	1,543.88	1,886.97	2,230.05	2,573.14	3,087.76
6	Grindon	1,044.85	1,218.98	1,393.13	1,567.27	1,915.56	2,263.84	2,612.12	3,134.54
7	Hilton	1,036.38	1,209.10	1,381.83	1,554.56	1,900.02	2,245.48	2,590.94	3,109.12
8	Ingleby Barwick	1,042.98	1,216.80	1,390.63	1,564.46	1,912.12	2,259.78	2,607.44	3,128.92
9	Long Newton	1,052.28	1,227.65	1,403.03	1,578.41	1,929.17	2,279.93	2,630.69	3,156.82
10	Maltby	1,039.83	1,213.13	1,386.44	1,559.74	1,906.35	2,252.96	2,599.57	3,119.48
11	Preston	1,034.94	1,207.42	1,379.91	1,552.40	1,897.38	2,242.36	2,587.34	3,104.80
12	Redmarshall	1,044.45	1,218.51	1,392.59	1,566.66	1,914.81	2,262.95	2,611.11	3,133.32
13	Stillington & Whitton	1,045.91	1,220.22	1,394.54	1,568.86	1,917.50	2,266.13	2,614.77	3,137.72
14	Thornaby	1,046.29	1,220.66	1,395.05	1,569.43	1,918.20	2,266.96	2,615.72	3,138.86
15	Wolviston	1,049.05	1,223.88	1,398.73	1,573.57	1,923.26	2,272.94	2,622.62	3,147.14
16	Yarm	1,052.49	1,227.90	1,403.32	1,578.73	1,929.56	2,280.39	2,631.22	3,157.46
17	Billingham	1,047.48	1,222.05	1,396.63	1,571.21	1,920.37	2,269.53	2,618.69	3,142.42
18	Areas without Parish Councils	1,029.26	1,200.79	1,372.34	1,543.88	1,886.97	2,230.05	2,573.14	3,087.76

**Council Tax - Total Demand (Borough, Parishes, Police and Fire)
2018/19**

Item	Parish Factor	Band							
		A 6	B 7	C 8	D 9	E 11	F 13	G 15	H 18
		£	£	£	£	£	£	£	£
1	Aislaby and Newsham	1,230.41	1,435.46	1,640.54	1,845.60	2,255.74	2,665.86	3,076.01	3,691.20
2	Carlton	1,240.17	1,446.85	1,653.55	1,860.24	2,273.63	2,687.01	3,100.41	3,720.48
3	Castlelevington / Kirklevington	1,244.36	1,451.73	1,659.14	1,866.52	2,281.31	2,696.08	3,110.88	3,733.04
4	Egglescliffe	1,246.14	1,453.81	1,661.51	1,869.19	2,284.57	2,699.93	3,115.33	3,738.38
5	Elton	1,230.41	1,435.46	1,640.54	1,845.60	2,255.74	2,665.86	3,076.01	3,691.20
6	Grindon	1,246.00	1,453.65	1,661.33	1,868.99	2,284.33	2,699.65	3,114.99	3,737.98
7	Hilton	1,237.53	1,443.77	1,650.03	1,856.28	2,268.79	2,681.29	3,093.81	3,712.56
8	Ingleby Barwick	1,244.13	1,451.47	1,658.83	1,866.18	2,280.89	2,695.59	3,110.31	3,732.36
9	Long Newton	1,253.43	1,462.32	1,671.23	1,880.13	2,297.94	2,715.74	3,133.56	3,760.26
10	Maltby	1,240.98	1,447.80	1,654.64	1,861.46	2,275.12	2,688.77	3,102.44	3,722.92
11	Preston	1,236.09	1,442.09	1,648.11	1,854.12	2,266.15	2,678.17	3,090.21	3,708.24
12	Redmarshall	1,245.60	1,453.18	1,660.79	1,868.38	2,283.58	2,698.76	3,113.98	3,736.76
13	Stillington & Whitton	1,247.06	1,454.89	1,662.74	1,870.58	2,286.27	2,701.94	3,117.64	3,741.16
14	Thornaby	1,247.44	1,455.33	1,663.25	1,871.15	2,286.97	2,702.77	3,118.59	3,742.30
15	Wolviston	1,250.20	1,458.55	1,666.93	1,875.29	2,292.03	2,708.75	3,125.49	3,750.58
16	Yarm	1,253.64	1,462.57	1,671.52	1,880.45	2,298.33	2,716.20	3,134.09	3,760.90
17	Billingham	1,248.63	1,456.72	1,664.83	1,872.93	2,289.14	2,705.34	3,121.56	3,745.86
18	Areas without Parish Councils	1,230.41	1,435.46	1,640.54	1,845.60	2,255.74	2,665.86	3,076.01	3,691.20
	Police Precept included - all areas	151.03	176.20	201.37	226.54	276.88	327.22	377.57	453.08
	Fire Precept included - all areas	50.12	58.47	66.83	75.18	91.89	108.59	125.30	150.36

