

Councillors met on 21 February 2024 and agreed the budget for the coming year and the indicative Medium Term Financial plan for the following two years up until 2026/27.

The Council continues to experience significant budget pressures including unprecedented demands on both Adult's and Children's Social Care as well as the impact of inflation on the cost of delivering services. This is leading to a potential budget gap of £9m by 2026/27. In order to resolve this gap, the Council is delivering a programme of transformation which will be crucial in delivering savings as well as service improvements. It ensures that the Council has a clear plan to address the financial challenges we face, at the same time as improving outcomes for communities.

Although we can no longer afford to meet the needs of our residents in the way we have in the past, we are confident we can work with our partners and communities to put in place new and innovative approaches that will not only save money, but also reshape what we do, in the best interests of our residents.

Given the financial pressures facing the Council over the medium term, the agreed increase in Council Tax is 2.95% plus the Government's Adult's Social Care Levy at 2%, making a total increase of 4.95%. This allows us to set a balanced budget for 2024/25 and an indicative planned balanced budget over the following two years of the Medium Term Financial Plan.

Stockton-on-Tees Borough Council's Spending Plans Compared With Last Year

| | 2023/24 | | | 2024/25 | | |
|--|----------------------------|-----------------|--------------------------|----------------------------|-----------------|--------------------------|
| | Gross Expenditure £'000 | Income £'000 | Net Expenditure £'000 | Gross Expenditure £'000 | Income £'000 | Net Expenditure £'000 |
| Adults & Health | 111,069 | -24,262 | 86,807 | 129,069 | -30,900 | 98,169 |
| Children's Services and Schools Funding | 151,375 | -99,910 | 51,465 | 72,307 | -17,070 | 55,237 |
| Community Services, Environment and Culture | 71,179 | -17,028 | 54,151 | 158,160 | -97,959 | 60,201 |
| Corporate Items | 15,709 | -5,069 | 10,640 | 19,374 | -6,752 | 12,622 |
| Corporate Services | 13,289 | -1,408 | 11,881 | 13,716 | -1,322 | 12,394 |
| Finance, Development and Regeneration | 74,495 | -55,648 | 18,847 | 71,804 | -55,625 | 16,179 |
| Subtotal | 437,115 | -203,324 | 233,790 | 464,429 | -209,628 | 254,801 |
| Port Health Levy | 22 | | 22 | 49 | | 49 |
| Environment Agency Levy | 202 | | 202 | 213 | | 213 |
| Total | 437,339 | -203,324 | 234,015 | 464,691 | -209,628 | 255,063 |
| Government Funding | | | -70,879 | | | -77,910 |
| Business Rates 50% Retained Share | | | -52,111 | | | -60,121 |
| Use Of / Transfer To Council Balances | | | -2,418 | | | -1,158 |
| Council Tax Requirement | | | 108,607 | | | 115,874 |

Adult Social Care Levy Statement

The Secretary of State made an offer to adult social care authorities. ("Adult social care authorities" are local authorities which have functions under Part 1 of the Care Act 2014, namely county councils in England, district councils for an area in England for which there is no county council, London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly.) The offer was the option of an adult social care authority being able to charge an additional "precept" on its council tax without holding a referendum, to assist the authority in meeting its expenditure on adult social care from the financial year 2016-17. It was originally made in respect of the financial years up to and including 2019-20. If the Secretary of State chooses to renew this offer in respect of a particular financial year, this is subject to the approval of the House of Commons.

Stockton-on-Tees Borough Council's funds are spent on providing services for residents and visitors to the Borough in accordance with the Council Plan (available on the Council website www.stockton.gov.uk)