

**MEETING OF MIDDLESBROUGH COUNCIL**

At the Meeting of Middlesbrough Council, lawfully convened, and held in the Town Hall, Middlesbrough on 1 March 2017.

**PRESENT:** Councillors S E Bloundele (Chair), R Brady (Vice-Chair), S Biswas, J Blyth, D J Branson, J Brunton, Mr D Budd, M Carr, D P Coupe, P Cox, D Davison, S Dean, E Dryden, J Goodchild, T Harvey, A Hellaoui, C Hobson, J Hobson, B A Hubbard, N Hussain, T Lawton, L Lewis, T Mawston, J McGee, L McGloin, J McTigue, J Rathmell, C M Rooney, D Rooney, J Rostron, M Storey, B E Taylor, Z Uddin, J A Walker, N J Walker, M Walters and L Young

**OFFICERS:** J Bromiley, B Carr, G Field, L Henman, A Hoy, E Kunonga, A Pain, K Parkes, T Parkinson, B Roberts and I Wright

**APOLOGIES FOR ABSENCE** were submitted on behalf of Councillors Councillor R Arundale, Councillor T Higgins, Councillor D McCabe, Councillor F McIntyre, Councillor G Purvis, Councillor P Purvis, Councillor M Saunders, Councillor J Sharrocks, Councillor M Thompson.

**DECLARATIONS OF INTERESTS**

None Declared

16/85 **REVENUE BUDGET, COUNCIL TAX, MEDIUM TERM FINANCIAL PLAN AND PRUDENTIAL INDICATORS 2017/2018**

Council received and considered a report, presented by the Mayor, which set out the recommended Revenue Budget, Council Tax, Medium Term Financial Plan and Prudential Indicators for 2017/2018.

The proposed budget had been subject to consultation which had included three presentations for Members as well as a consultation meeting with the business sector.

The Mayor advised that the report set out the Revenue Budget, Council Tax and Prudential Indicators as well as refreshing the Medium Term Financial Plan and Investment Strategy. Many of the figures had been discussed during the last year. The Mayor explained that austerity hadn't gone away and government cuts continued. From 2020 the Council would have to be self-financing and would have to rely on income from Council Tax, Business Rates and generated income.

There was some recognition from the government that the increasing costs of social care needed to be addressed. The government's solution was to allow Councils to add 6% to Council Tax over next 3 years. The Council had agreed to add 2% per year to the Middlesbrough Council Tax. The Mayor stated that there was a growing consensus that this was a national problem that required a national solution as it was not right or fair to fund social care through local taxation

Paragraph 11 indicated that further consultation was needed in respect of the proposal to charge social care clients for the management of their finances. This would mean that the overall savings would be £10.3m rather than £10.4m. The reduction in savings in 2017/18 would be dealt with by additional utilisation of the Council's general reserves.

The report detailed the Local Government Finance Settlement which was not as much as expected. The report also outlined principles and assumptions in relation to the Revenue Budget, and details of the continuing pressures particularly around safe-guarding and young people. Paragraphs 36 - 43 described reserves and balances and their use. Paragraph 51, described the scale of budget reductions required over the next three years which were still substantial.

A calculation of Council Tax showed an increase of 3.99% or 3.66% when taking Police and Fire precepts into account. Paragraph 67 onwards detailed the Medium Term Financial Plan

to 2021 detailing assumptions and pressures.

The Mayor stated that he wished to thank all the Council staff for the way in which they had embraced change and continued to deliver good services despite budget constraints. The Mayor advised that there was a growing sense of optimism in the town and the town should be defined by what it could do and not by what it couldn't do.

The Mayor formally proposed the recommendations set out in paragraph 100 of the report and invited members to comment on the proposals.

The Chair advised that as this meeting concerned the budget setting for the Council, with the agreement of Members, he would depart from the Constitution and allow those members who wished to comment, five minutes in which to do so.

Several Members commented on the report and congratulated officers and the Executive on the content. Members commented on the sale of Council assets; the appointment of the Mayoral Assistant; that the impact of the increase in Council Tax on the 13,200 council tax payers currently in receipt of council tax support would be mitigated in 2017/2018; that the Council had set aside £2m to invest in school improvement services between 2017/18 and 2019/2020; the fact that the Council was borrowing money to lend to companies; the fact that employees had not received a decent pay rise in the last 8 years; regarding the situation arising from a decision to change the definition of Deprivation of Liberty.

Suggestions were put forward that more use be made of Centre Square and that outside body Special Responsibility Allowances be paid into the Council budget.

It was highlighted that Middlesbrough Council had the fourth lowest Council Tax in the North East and the lowest in the Tees Valley. The Council loaned money to companies to fund regeneration in the town and borrowed to invest. The Mayor responded to the comments and suggestions.

In accordance with statutory regulations a recorded vote was taken by roll call of those Members present at that time, the results of which were as follows:-

Votes for (29):

The Mayor, D Budd, Councillors Biswas, Bloundele, (Chair), Blyth, Brady, Branson, Brunton, Carr, Cox, Davison, Dean, Dryden, Goodchild, Harvey, Hellaoui, Hussain, Lewis, Mawston, McGee, C Rooney, D Rooney, Rostron, Storey, Taylor, Uddin, J A Walker, N J Walker, Walters, Young.

Votes against (8):

Councillors Coupe, C Hobson, J Hobson, Hubbard, Lawton, McGloin, McTigue, Rathmell.

Abstained from Voting (0).

Moved, seconded and **ORDERED** as follows:

- a) That the budget reductions outlined at Appendix A be approved.
- b) That the budget requirement for 2017/2018 be set at £113,669,000, as detailed in Appendix B.
- c) That having taken into account the matters set out in Section 32 of the Local Government Act 1992 and the items set out within the report, that the basic amount of Council Tax (Band D) for 2017/2018 be set at £1,492.34, being a 1.99% increase in general Council Tax and an annual precept of 2.00% for adult social care which was introduced by the Government in November 2015 to contribute towards the shortfall of funding for social care. In total, this represented an increase of 3.99% in the Band D Council Tax for the whole of the Borough.
- d) That the basic amount of Council Tax in areas with parish precepts be set at:-  
Nunthorpe Parish - £1,495.76

Stainton and Thornton Parish - £1,501.65

- e) That the amounts of Council Tax for each category of dwelling be set in accordance with table 4 of Appendix E within the report .
- f) That the Investment Strategy, as set out in Appendices G and H be approved.
- g) That the refreshed Medium Term Financial Plan set out in the report, be noted.
- h) That the Treasury Management Strategy, Minimum revenue Provision Statement, Investment Strategy and Prudential Indicators as outlined in Appendix F be approved.