



2026/27

BUDGET STATEMENT and CONSULTATION

Medium-Term Financial Strategy

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SECTION 1 - LEADER'S FOREWORD

The past decade and a half has been an incredibly difficult time for local government in places like Stoke-on-Trent.

Central government austerity policies that began in 2010 hit councils particularly hard – and councils and families in towns and cities like ours harder than most.

As a result, this council's spending power – the total amount available to fund the delivery of services – fell by 25.1 per cent, in real terms, over 14 years. We had £96.8 million less to invest in 2024/25 than we had in 2010/11. Yet the legacy of the Covid pandemic, combined with inflation and other pressures, mean demand for services soared.

Like many councils, we continue to experience financial pressures around children's social care. We have acted on this, with programmes in place to safely reduce the number of children in care and, through Family Matters, bolster preventative work and support all families to thrive.

Last month, the government revealed a new financial settlement for local councils, based on a new funding formula. After years of austerity, the greater recognition of the impact of relative deprivation and significant increases in funding over the last two years is welcome. However, this has to be set against the magnitude of the challenges we face, and the fact some important national funding streams are coming to an end.

Helpfully, the new government settlement covers the next three financial years. That gives us the security, and the confidence, to push ahead with our bold programme of transformation. And that transformation is essential. We are by no means out of the woods, financially. The council will still need access to Exceptional Financial Support in 2026/27 to set a balanced budget.

That also means we have to use every pound wisely with the relentless focus on delivering better outcomes for the people of Stoke-on-Trent.

Our ambition remains to create a city that is strong, growing, and works for everyone. We remain absolutely committed to working in partnership to drive this growth, provide opportunity, remove barriers to opportunity and build stronger, safer communities. That means, for example, co-designing services with the communities they serve, maximising grant funding from national government and other sources, enabling people to self-serve, and making sure help is provided by the right organisation at the right time.

But to do this effectively in the current economic climate we need rapid and effective change. We need to take full advantage of AI and other technologies; change the way we procure goods and services to achieve better value and support local supply chains; and focus our work on building up neighbourhoods and communities that already exist. We need to think more creatively about how we can use the assets we have.

We have started on that path, and delivered important, tangible results on the things that matter to our residents. This document outlines some of those successes – and how we plan to go further and faster in the years to come.

We are committed to getting the basics right and investing in the things that matter. That's why we are setting money aside to step up flood prevention work – including gulley clearing – as well as increasing enforcement against fly-tipping and other environmental crimes, and bringing more empty homes back into use. We will provide extra money for heritage protection, including pursuing absentee landlords of heritage assets. Our five-year transformation of the bus network will continue apace as we continue to build a transport system that properly connects the city and wider North Staffordshire area.

We are also stepping in to continue funding for important projects that were previously paid for by national funding streams which are now running out. That includes our brilliant Money MOTs service, which has helped over 8,000 people access £4.2 million in entitlements they were owed, but not claiming.

Our proposed budget includes a reduced sum of Exceptional Financial Support. While our actions to drive down costs have shown a potential path to financial stability, the challenges are such that it remains necessary next year and, in all likelihood, the year after as well. That's why our transformation agenda, touching all parts of council work, is so important. And it is also why local government reorganisation is important as well. We need a bigger tax and rates base to underpin long-term financial sustainability.

We are proposing a council tax increase of 4.99% - in line with most other councils. No one welcomes tax rises, but it is important to understand that Stoke-on-Trent has – and will continue to have – by far the lowest council tax in Staffordshire. Currently the average per dwelling in the city stands at £1,227 a year. The national average is £1,770. Across the rest of county, the average ranges from a low of £1,508 in Cannock Chase to a high of £1,946 in Lichfield. We are just as determined to make sure we protect hard-up residents from unnecessary bills as we are to extract value from every penny of taxpayers' money that we spend.

As our hugely-successful Centenary year draws to a close, we can reflect with huge pride on the fact that the eyes of the country were on us – and we delivered. From major celebrations like the People's Parade and our world-record setting citywide tea party, to the myriad of smaller events in every corner of all six towns – this was Stoke-on-Trent at its finest. It was a year-long celebration of our innovation, industry and creativity. Those are the values that have driven this city forward throughout its history, and which underpin our transformation agenda today. Our Centenary chapter has ended; the story of this great city goes on.

Jane Ashworth
Leader, Stoke-on-Trent City Council

SECTION 2 - THE FINANCIAL CONTEXT

Fair Funding

This year's budget document is the first to be prepared following the Government's implementation of the Fair Funding Review (FFR). This is the first substantial update in over a decade to the national formula used to distribute funding between councils, replacing a system largely based on historic data from 2013/14. The FFR is intended to provide a more up-to-date assessment of relative need and local resources and better recognise the levels of deprivation facing local authorities across the sector. The principles underpinning the FFR, including a stronger link between funding and deprivation, are welcomed; however, they must be considered within the context of the sustained pressures facing local government.

The Provisional Financial Settlement was announced on the 18th December. For Stoke-on-Trent the provisional settlement will see an increase in core spending power of 5.43% in 2026/27 (national average 5.7%, SIGOMA¹ average 7.4%) and 14.4% over the three year settlement period (national average 15.1%, SIGOMA average 19.1%). This equates to funding of £18.4m in 2026/27. After local council tax increases of 4.99%, increases in specific grants and other adjustments are taken into account this equates to an increase of £8.9m for 2026/27 against the previous budget assumptions made by the council. It should be noted that while welcome, this increase is set against an estimated inflation rate of 3.2%.

The improved financial settlement also needs to be considered in the context of the previous significant funding cuts facing local government. Over the last 15 years, councils have experienced

prolonged funding constraint alongside rising demand for statutory services and increasing costs driven by inflation, workforce challenges and market instability. Where funding increases have been provided, these have been insufficient to fully offset growth in demand and cost increases, meaning that the underlying financial challenges remain acute. For Stoke-on-Trent City Council, these challenges have been particularly significant. Independent analysis by SIGOMA indicates that the council has experienced a real-terms reduction in spending power of around 25% since 2010, requiring average annual savings of approximately £20 million over that period (circa £210m over the last 15 years). At the same time, the city faces high levels of deprivation, a comparatively weak council tax base (with 93% of properties in Bands A to C) and lower levels of reserves and financial resilience than many other authorities.

The council recognises the significant challenges national government faces in balancing the public finances and that developing a national funding formula which recognises the unique challenges of individual local authorities is a near impossible task. Based on the provisional settlement information, Stoke-on-Trent's Core Spending Power per head at the end of the settlement period is estimated to be £1,473 per resident. While this is above the national average, it remains lower than a number of other authorities with similar or, in some cases, lower levels of deprivation. We recognise that the national funding formula is not solely based on deprivation but current analysis by SIGOMA shows that our overall Core Spending Power per head is lower than it would be if this was directly correlated to deprivation rankings. For context, relatively small differences in Core Spending Power per head can have a significant impact on a council's ability to fund services; an increase

¹ SIGOMA - Special Interest Group of Municipal Authorities (Authorities with similar characteristics to Stoke-on-Trent)

of £110 per resident, which would put us roughly in line with these deprivation rankings in 2028/29, would equate to around £28 million per year extra for the city. In addition, funding for programmes supported through the UK Shared Prosperity Fund will come to an end in 2025/26, which supported a range of local initiatives aimed at economic growth, skills and community wellbeing. The end of this funding adds to the financial pressures faced whilst setting the budget.

The council will continue to engage constructively with central government to ensure that future funding arrangements reflect the city's needs and the cost of delivering essential services, particularly in areas such as children's social care. We will continue to make the case for fair and sustainable funding for Stoke-on-Trent as part of the ongoing consultation and finalisation of the settlement.

Demand Pressures

The city faces well-publicised, unique and significant challenges in relation to the number of children requiring care and support. A major driver of the council's current and forecast financial pressures continues to be demand-led services; this is particularly acute in children's social care. This has been an enduring challenge for the city over the last decade and we have seen a further increase in pressures in 2025/26, with more children with complex needs requiring expensive residential care. Market conditions, regulatory requirements and competition for placements have further driven inflation in fees, limiting the council's ability to control costs while continuing to meet its statutory safeguarding responsibilities. On a pro rata basis, Stoke-on-Trent has one of the highest rates of children in care in the country at 183 per 10,000 population. The national average is currently 70 per 10,000 and the average for our statistical neighbours is currently 95 per 10,000. Based on an

average unit cost of £1,700 per week for all placement types, this means that the council currently has to spend approximately £16 million per year more on supporting children's social care than comparable local authorities, resulting in less remaining funding available to spend on other frontline services. It is clear that the council cannot address this almost unique challenge alone and we will be further engaging with central government and other partners to consider options and solutions.

Whilst children's social care is the most significant challenge facing the council, adult social care also represents a substantial and growing area of financial pressure. Demographic change, increased life expectancy and higher levels of long-term ill health and disability are driving rising demand for both care packages and residential provision. The council is also exposed to ongoing market fragility in the care sector and the need to support provider sustainability. National policy changes, including increases in the National Living Wage, while welcomed, have had a direct and material impact on the cost of commissioned care and must be met locally in the absence of fully-funded national solutions. These challenges sit alongside the significant financial pressures facing the NHS. The council also continues to face increasing pressures relating to special educational needs and homelessness.

These demand pressures have been compounded by recent national pay awards, which are necessary to support workforce recruitment, retention and stability, but which have added significantly to the council's cost base. Wider inflationary pressures affecting energy, contracts and supplies have further intensified the financial challenge. As a result, the council faces an initial savings requirement of £31.2 million for 2026-27, as set out in the following table:

Revenue changes from last year - Initial Budget Gap

Detail	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m
Addressing original pressures in approved MTFS	(16.6)	(16.6)	(16.6)	(9.0)	(9.0)
Employee related increases including forecast pay increases	8.5	17.7	24.5	33.8	39.0
Pension benefit following actuarial revaluation of Pension Fund	(11.8)	(11.8)	(11.8)	(11.8)	(11.8)
Inflation in respect of contracts	4.0	7.6	9.9	9.9	9.9
Revenue investments - Children's Social Care services	16.5	16.8	15.8	14.5	13.1
Revenue investments - Adults' Social Care services	8.9	11.3	13.9	14.2	14.5
Revenue investments - other services	8.7	9.2	7.7	8.8	9.2
Capital Financing Costs	6.5	10.4	11.7	12.8	12.8
Corporate Budget Amendments	6.5	8.0	5.9	5.1	4.6
Initial Budget Gap (after assumed EFS)	31.2	52.6	61.0	78.3	82.3

Despite the improved financial settlement, the scale of the challenges faced means that the additional income received will not be sufficient to close the initial budget gap. Based on the funding available it is clear that continuing to deliver services in the same way is not sustainable. Therefore, over the coming three years the budget will be underpinned by a continued programme of transformation to redesign services, make greater use of digital and technological solutions, improve commissioning and contract management, and drive long-term efficiency, while focusing resources on outcomes that matter most to local communities. Some of the financial impact of these changes will take time to define and materialise as individual programmes are developed and therefore not all of these are included within our budget assumptions at this stage (further details relating to these areas is included later within the document).

Therefore, in the immediate term the council will need to take a number of measures to close the budget gap faced in 2026/27.

These include:

- A proposed council tax increase of 4.99%, which remains within government limits and would continue to result in council tax levels in Stoke-on-Trent being among the lowest in the country.
- In order to address the children's social care pressures, protect the council's financial resilience and maintain adequate levels of strategic reserves, it will again be necessary to request Exceptional Financial Support (EFS).
- The budget will also include a number of corporate efficiencies, budget reductions and savings.
- This approach is supported by retaining tight day-to-day financial controls and a disciplined approach to financial management.

Further details relating to these key areas are provided within next section of this document.

SECTION 3 - BALANCING THE BUDGET

COUNCIL TAX, EXCEPTIONAL FINANCIAL SUPPORT AND BUDGET REDUCTIONS

The council will need to take a number of steps over both the immediate and medium term to balance its budget in line with its legal obligations. Further details of these measures are provided below.

Council Tax

To maintain sufficient resources to deliver statutory and priority services, the budget for 2026/27 includes a proposed increase in council tax of 4.99%, which is within the limits set by Government. This comprises a 2.00% Adult Social Care precept and a 2.99% general increase. The proposal reflects the scale of financial pressures facing the council, particularly in demand-led services, and the limited flexibility available within the local government funding system. For a Band A property, which represents the majority of homes in the city, the proposed increase equates to approximately £1.09 per week. Whilst it is recognised that residents continue to experience cost-of-living pressures, the proposed increase is considered necessary to support the ongoing delivery of essential services. It is also consistent with the approach being taken by the majority of councils nationally.

Council tax is charged based on property bands, with higher value properties paying more than lower value ones. Stoke-on-Trent has a comparatively low council tax base, with around 93% of homes in Bands A to C, one of the highest proportions in England. While this

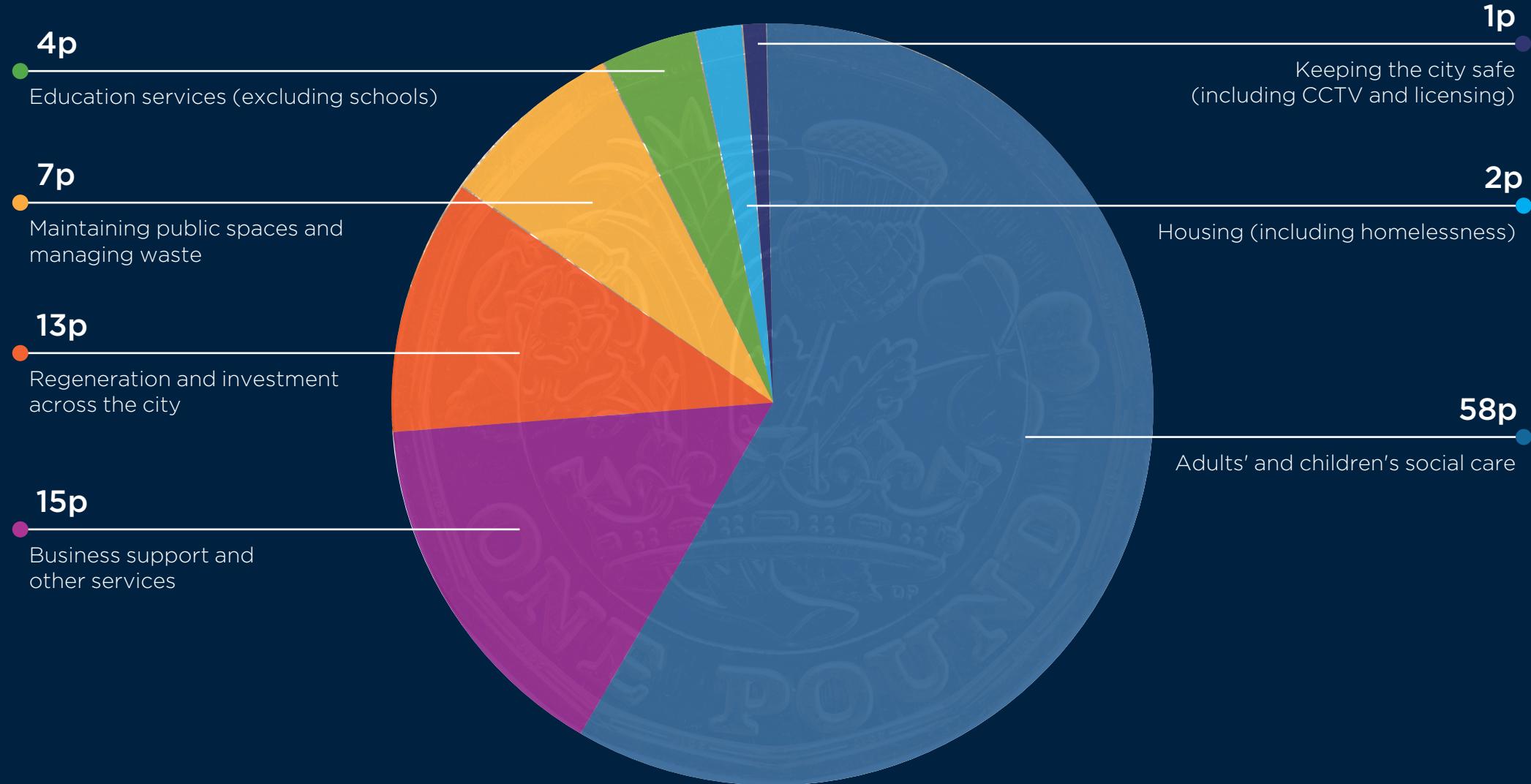
means many households pay less council tax individually, it also limits the amount of income the council can raise locally compared with areas that have a higher proportion of properties in higher bands. This structural feature of the city reduces the funding available to support local services and increases reliance on national funding. Even with the proposed increase for 2026/27, Stoke-on-Trent's council tax levels remain comparatively low. As set out in the table below, the council's Band D charge is the 7th lowest of 99 metropolitan and unitary councils and the city has the 3rd lowest average council tax per dwelling.

Authority	£	£ Stoke-on-Trent Difference
Stoke-on-Trent City Council	2,078	
Tamworth	2,210	-132
Stafford Borough	2,211	-133
South Staffordshire	2,220	-142
Staffordshire Moorlands	2,240	-162
Newcastle-under-Lyme	2,245	-167
East Staffordshire	2,257	-179
Lichfield	2,259	-181
High Peak	2,276	-198
Cannock Chase	2,282	-204
Cheshire East	2,333	-255
Cheshire West and Chester	2,392	-314

The table below sets out the proposed council tax charges for 2026/27 by property band, alongside illustrative weekly increases. A range of discounts, exemptions and payment options remain available, and the council continues to operate a Council Tax Support Scheme to assist households on low incomes. Advice and support are available to residents who may experience difficulty paying their council tax.

Band	No of properties 2025/26 base	% of properties	Proportion of Band D paid	City council element 2025/26	Proposed city council element 2026/27	Annual Increase	Per Week Increase
A	70,670	58.61%	6/9	£1,132.67	£1,189.19	£56.52	£1.09
B	25,671	21.29%	7/9	£1,321.44	£1,387.38	£65.94	£1.27
C	16,211	13.45%	8/9	£1,510.22	£1,585.58	£75.36	£1.45
D	5,209	4.32%	9/9	£1,699.00	£1,783.78	£84.78	£1.63
E	2,020	1.67%	11/9	£2,076.56	£2,180.18	£103.62	£1.99
F	551	0.46%	13/9	£2,454.11	£2,576.57	£122.46	£2.36
G	202	0.17%	15/9	£2,831.67	£2,972.97	£141.30	£2.72
H	41	0.03%	18/9	£3,398.00	£3,567.56	£169.56	£3.26
Total	120,575	100.00%					

WHERE HAS MY COUNCIL TAX POUND GONE?



Exceptional Financial Support (EFS)

Exceptional Financial Support (EFS) is a mechanism through which the Government may grant councils, in exceptional circumstances, permission to fund revenue expenditure using capital resources, such as capital receipts or borrowing. As set out in previous budget documents, EFS does not represent additional funding from Government; rather, it provides short-term flexibility to manage acute financial pressures while longer-term recovery plans are implemented.

Despite welcome increases in funding through the Local Government Finance Settlement, the council continues to face significant and ongoing financial challenges, as set out in this document. When considered alongside the proposed council tax increase, planned savings and reductions in expenditure, the funding received through the settlement and is insufficient to fully close the remaining budget gap. This position is further influenced by changes to funding assumptions, including the loss of UK Shared Prosperity Fund resources.

As a result, and following a review of the provisional financial settlement, the council is seeking £10.5 million of Exceptional Financial Support for 2026/27. This support is required to help manage unavoidable service cost pressures, protect the council's financial resilience, and maintain adequate levels of strategic reserves, ensuring the council can continue to meet its statutory

responsibilities and deliver sustainable services. The council has been clear that stabilising its financial position requires a multi-year recovery approach. The use of EFS forms part of this broader strategy, alongside the delivery of the Children's Improvement Plan, continued transformation activity and ongoing engagement with Government regarding the longer-term sustainability of the unique demands faced in relation to children's social care. The use of EFS is not a sustainable solution and it is critical that the reliance on such support is removed over the coming medium term financial strategy period. This will be achieved through the budget reductions and transformation programmes outlined within this document.

Budget Reductions

The budget for 2026/27 includes proposed budget reductions which form part of the council's Medium Term Financial Strategy and are necessary to help address the funding gap. In addition to these efficiencies, changes in the long-term market conditions, interest rates and the wider economy have resulted in a change in the forecast pension contribution requirements. This has enabled the council to work positively with the Pension Fund to negotiate significant reductions in the required pension contributions in the short and medium term against the previously budget projections. This has contributed significantly to reducing the overall savings requirement.

Indicative Revenue Budgets 2026/27

Detail	Budget 2025/26	Growth	Efficiencies and Budget Adjustments	Budget 2026/27
	£m	£m	£m	£m
Children and Families	119.2	19.0	(13.8)	124.4
Adult Social Care and All-Age Commissioning	86.9	13.3	(7.9)	92.3
Public Health, Protection and Wellbeing	(0.8)	0.8	(1.8)	(1.8)
Housing, Regeneration and Operations	37.8	3.9	(7.6)	34.1
Resources	21.7	1.4	(4.3)	18.8
Chief Executive's	15.0	(0.4)	(2.4)	12.2
Benefit Payments	2.3	1.3	(0.4)	3.2
Civic and Corporate Expenses	1.6	-	-	1.6
Financing and Non-Departmental Costs	32.1	3.7	16.6	52.4
Total	315.8	43.0	(21.6)	337.2
Funding	(304.8)	(21.9)	-	(326.7)
Exceptional Financial Support	(11.0)	0.5	-	(10.5)
Total	-	21.6	(21.6)	-

Whilst the financial challenges facing the council remain significant and savings and efficiencies are required to ensure a balanced budget is delivered in line with our statutory requirement the proposed reductions do not require public consultation as they are being delivered through internal efficiencies, improved commissioning and contract management, workforce reforms, service redesign and operational changes. In many cases, these measures build on transformation activity already undertaken in previous budget cycles, where front-line services have been reshaped to achieve efficiencies while continuing to meet statutory responsibilities.

These changes do not directly impact on the frontline services provided to our residents and include ongoing demand management and care package reviews across children's social care (c£4m) and adult social care (c£2m), staffing structures and reviews (c£1.2m), additional income (c£2.5m) and other efficiencies (c£0.1m). Details of the budget reductions and savings not requiring public consultation will be provided to the relevant council overview and scrutiny committees for discussion.

Due to the significant cuts to frontline services that have taken place in previous years the council has worked hard to avoid savings that impact direct services provided to the public. Frankly, any low-hanging fruit has long been taken and any further direct savings of this type would mean either the council was not meeting its legal duties or residents would suffer. Therefore, for the first time in many years there are no individual savings proposals requiring direct public consultation. We are however, consulting on the overall budgetary position and the set of measures set out in this document. Please see details of how to share your views at the end of this document.

Revenue changes from last year - closing the budget gap

Detail	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m
Initial Budget Gap	31.2	52.6	61.0	78.9	82.3
Funding Adjustments:					
Revenue Support Grant	(62.8)	(66.7)	(70.8)	(72.8)	(74.8)
Retained Non Domestic Rates (Business Rates) including Top Up grant	8.1	5.7	3.6	1.6	(0.7)
Retained Non Domestic Rates returned levy distribution	1.0	1.0	1.0	1.0	1.0
Collection Fund (surplus) / deficit	(2.6)	(2.7)	(2.7)	(2.7)	(2.7)
Non-ringfenced grants	41.2	41.2	41.2	41.2	41.2
Council Tax Base (additional houses and other tax base changes)	(0.9)	(1.9)	(2.8)	(3.6)	(4.4)
Increase in Council Tax (includes Adult Social Care Precept element at 2%)	(5.9)	(12.2)	(18.8)	(26.0)	(33.5)
Total Funding Adjustments	(21.9)	(35.6)	(49.3)	(61.3)	(73.9)
Budget Management Actions / Non Consult Savings	(9.8)	(9.6)	(9.6)	(9.6)	(9.7)
Total Budget Management Actions / Savings	(9.8)	(9.6)	(9.6)	(9.6)	(9.7)
Total budget changes compared to 2025-26 base position (before Exceptional Financial Support)	(0.5)	7.4	2.1	7.4	(1.3)
Exceptional Financial Support from Government 2025-26 Base Position	(11.0)	(11.0)	(11.0)	(11.0)	(11.0)
Exceptional Financial Support from Government 2026-27 Request	(10.5)	(7.5)	-	-	-
Difference in request for government support compared to 2025-26 base position	0.5	3.5	11.0	11.0	11.0
Estimated Gap (subject to future financial settlements and transformation programme savings)	-	10.9	13.1	18.4	9.7

Closing the Budget Gap

Based on the additional funding received through national funding reform changes and the measures outlined above, the table below details how we intend to balance the budget in 2026/27. As outlined in the table based on the current projections a financial gap remains over the medium term and further steps will need to be taken to balance the position in later years. Further details on how the council intends to address this are set out in the following sections.

SECTION 4 – INVESTING IN WHAT MATTERS

We are committed to tackling the things that matter to the people and businesses of Stoke-on-Trent. Despite the financial challenges we have prioritised funding to enable us to invest in the things that matter to you.

Our budget proposals for 2026/27 include **extra money for flood prevention work – including increased gulley cleaning**. Recent incidents of severe weather have highlighted the need to invest in services to respond to the changing demand that our country is now experiencing.

We will also invest £462,000 in **enhanced environmental enforcement**. This will support our **zero-tolerance approach to flytipping**, ensuring our great city is always welcoming and pleasant, and allow us continue our successful IDIOT (Illegal Dumping Is Offensive Tipping) campaign.

And we will **increase the capacity of the empty homes team**, doubling the number of vacant homes we can bring back into use as affordable accommodation to a minimum of 200 by working with property owners and making full use of the council's legal powers where they are not cooperating.

We will continue to **prioritise transport infrastructure and improving the condition of Stoke-on-Trent's roads**. Since April 2023, we have repaired nearly 22,000 potholes and road defects – an increase of 80 per cent on the previous year in the first 12 months alone. We have introduced a one-pass approach to all highways repairs – meaning we fix as many issues as possible during a road closure, including potholes, resurfacing and gulley cleaning.

Through our **Bus Service Improvement Plan** (BSIP) funding we are continuing to prioritise bus travel infrastructure. We are spending £9.9 million between March 2025 and April 2026 to support cheaper fares for millions of journeys, improve four junctions on the A52 Hartshill Road, and create more enhanced or new bus services on the city's network. This follows the work already completed that has paid for bus priority junctions, lighting and safety improvements at Hanley and Longton bus stations and bus shelter upgrades using the £31.6 million received since 2023. We have already delivered 14 new or enhanced bus routes across the city, making it easier for people to get to shops, hospitals, visitor attractions and key employment sites. They include Services 500 and 501, which provide a vital arterial link between Stoke-on-Trent Railway Station, Hanley Bus Station, Festival Park, Etruria Valley and Wolstanton Retail Park. We have been successful in receiving more BSIP funding, worth £33 million over the next four years, which will deliver an active travel link on Newport Lane, further bus shelter upgrades and Tap On Tap Off multi-operator ticketing technology.

We will shortly bring forward our active travel strategy as we continue to build an integrated transport network that keeps the city moving and offers convenience and choice.

Building thriving neighbourhoods and communities

Thriving communities make thriving cities. We are working in partnership with the voluntary, community and social enterprise (VCSE) sectors to identify the issues which make life more challenging in some parts of the city, and support communities to design and deliver effective solutions. Our **Strengthening Communities partnership** is based on building trust and agreeing shared principles and priorities.

It builds on the innovative City Alliance Agreement between the council and VCSE partners, developed last year. This aimed to ensure all parties could work cohesively to maximise their impact and create sustainable change. The agreement sets out key ambitions around close collaboration to strengthen and improve commissioning and procurement, communications and engagement, preventative service delivery and volunteering. VCSE have the trust of communities and can access funding from trusts and foundations that the council cannot.

The partnership approach is built on the belief that local communities should be at the heart of decision-making, shaping the services and opportunities that matter most to them. It is guided by the principles

of Asset-Based Community Development (ABCD), ensuring that people, relationships, and community assets remain at the core of our work. By embracing these principles, we create an environment where communities can thrive, working together to solve local challenges and create lasting improvements. By mobilising local strengths and assets, we aim to create a self-sustaining cycle of growth, resilience, and empowerment.

We are expanding this “communities first” approach to other important challenges, including building a more cohesive and united Stoke-on-Trent, and tackling domestic abuse and violence against women and girls (VAWG).

Our approach is not about imposing top-down solutions. It is about building on what works and tailoring support and services around existing networks and neighbourhoods.

The £40 million of Pride in Place funding secured for both Meir North and Bentilee & Ubberley will be an important test bed for this way of working, and the transformational changes it can bring.

Protecting the people and fabric of our city

As part of our budget for 2026/27, we are proposing to set aside money for a number of key priorities which were previously funded by the UK Shared Prosperity Fund.

These are projects that we believe provide excellent value for money, and which are having a profound and positive effect on the wellbeing of people in Stoke-on-Trent – not least those who need it most.

This includes our **Money MOTs service**, which helps people struggling with the cost of living to identify and receive all their entitlements, and to deal with financial crisis. The service has already helped around 8,000 people, identifying £4.2 million in unclaimed entitlements and leading to £900,000 in problem debt being written off.

Family Matters is giving children the best start in life in a brilliant example of the city looking after its own. The programme is directly supporting 600 families through six Locally Trusted Organisations. We have opened two new Family Hubs in last year - creating welcoming spaces where local families can access support, advice and activities – all under one roof. They are part of a network of hubs across the city - four main hubs in Bentilee, Normacot, Chell Heath and Shelton with satellite sites in Tunstall, Blurton and Abbey Hulton. Services are also currently running from Hanley Market and Stoke Library.

We are building on the success of Family Matters with Family Help - the city's local delivery of the national **Families First Partnership programme**. It will bring together everything from early advice to specialist services, so that children can grow up safe, well and

thriving – whatever their family's situation. By joining up services, the programme makes it easier for families to get the right support at the right time. Help is tailored to each family's circumstances – whether that means support for children with special educational needs and disabilities (SEND), guidance for families from different cultural backgrounds, or practical assistance for those with a parent in custody. Together, the two programmes will provide a seamless pathway of support across the city.

We are also working in partnership with the Integrated Care Board (ICB) on **a reform plan for SEND**, ensuring our approach is co-designed with parents, makes effective use of available data, and provides a high-quality service to all.

Stoke-on-Trent's **historic buildings** do not just belong to its past. They are part of our living heritage – a unique asset which should be enhancing value and enabling regeneration. Unfortunately, too much of this living heritage is in poor condition, acting as a physical blight and a drag on growth rather than an asset.

Our budget for 2026/27 includes extra money for heritage protection. We will also consider targeted investments to protect key assets, work to maximise grant funding, and work proactively with landlords, potential investors and community groups to preserve our built heritage and bring individual assets back to life. People should however be in no doubt as to the scale of the challenge: Stoke-on-Trent, a world craft city and world capital of ceramics, is facing a heritage emergency. We believe this heritage is an asset, and an opportunity, and will do our part to protect it. We encourage others to do the same.

SECTION 5 – TRANSFORMING THE COUNCIL

In addition to addressing immediate financial pressures, the council remains committed to a continuous programme of transformation aimed at improving efficiency and value for money on an ongoing basis. This will improve and modernise the way in which the council supports residents and drive the efficiencies needed to remove the need for Exceptional Financial Support in future. Key areas of transformation and investment are outlined below. As the programmes develop, further proposals may be brought forward, subject to appropriate consultation and approval processes.

Harnessing technology to deliver more for less

We have begun a root-and-branch digital transformation programme aimed at reshaping the way services are delivered to residents, how internal operations are managed, and how employees can harness the rapidly advancing opportunities that AI provides. It is built around a vision of faster, smarter, more connected public services, with a strong emphasis on community benefit.

By providing customers with a simple, personalised, single access point we can enable more self-service while also meeting rising expectations around convenience and user experience. We can empower staff with smarter digital tools and reduce time spent on repetitive, routine tasks.

From a financial perspective, expanding online services and automating back-office functions will generate significant savings. Digitisation will reduce duplication and streamline processes, allowing

the council to reshape the workforce to reflect the ways services can best be delivered in a digital age. Roles can be redesigned to ensure staffing levels align to service demand, supported through investment in digital tools, automation, and streamlined operating models. This is a long-term process and any reduction in overall staffing levels will occur mainly through natural turnover.

Other councils have demonstrated the savings and improved services that can be delivered through digital transformation and smart use of AI. Here in Stoke-on-Trent, we have revolutionised the way we monitor and maintain our highways, using AI technology to survey the roads and identify issues early. We have also saved social workers considerable time on paperwork, which means they can spend more direct time with their clients. But we need to move much further, and much faster – the digital transformation we are proposing will touch every aspect of our work.

We have also developed a comprehensive data strategy to make better use of available technologies, and “put to work” our abundant and valuable datasets in a secure, GDPR-compliant manner. The council is developing proof-of-concept use cases, including leveraging predictive modelling to forecast future demand in children’s social care, and automating land-charge searches by combining data from multiple departments. We are also evaluating forecasting tools that allow us to better anticipate demand in adult social care and housing – meaning we can more effectively direct resources before pressure points emerge.

Driving efficiency while building a stronger local economy

As a council, we believe we have a responsibility not only to extract the maximum value to the taxpayers of Stoke-on-Trent, but to play our part in strengthening the city's economy - for everyone.

We are changing the way we procure services to achieve maximum value and efficiency, and to actively target the development of dense local supply chains. Our progressive procurement agenda aims to achieve maximum value when deploying public funds, by wilfully supporting and enabling SMEs, employee-owned businesses, social enterprises, cooperatives and other forms of community businesses. In adult social services, we are enabling more local carers to operate as micro-providers, meaning more residents can access personalised care and support via a direct payment.

Through our Community Wealth Building work, we will explore avenues through which we can make sure money remains in the city's economy and is put to work for the people and communities we serve.

In November 2025, we partnered with Shropshire based Just Credit Union to open a credit union in Stoke-on-Trent. The Potters' Bank is designed to combat illegal lending, and to offer safe, affordable financial services to the people of this city. It provides confidential savings accounts, quick and easy access to money, affordable loans for members, and an annual dividend, depending on the union's financial performance. It is a not-for-profit, community-focused co-operative, ensuring members' savings help support other people locally.

There will also be a major focus in the coming year on reducing our internal costs. This includes a drive to reduce the council's use of agency and interim staff, and our reliance on use of overtime. We will continue to reduce sickness absence levels as we know a happy, healthy workforce best serves the people of this city.

GET IN TOUCH

There are a number of ways that we're engaging with people to get views on our budget proposals. In addition to the methods below, you can comment through our social media channels or by contacting your local councillor. We will be engaging with stakeholders, including trade unions, schools, and partners in the voluntary sector. We will also be engaging with our employees through regular updates.

If you have any other ideas to help us generate income or make savings please contact us via one of the methods shown below. The deadline for any feedback on the budget proposals is 9 February 2026. All feedback will be considered by cabinet before the final budget is presented to city council for approval on 26 February 2026.



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WRITE TO US AT

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City of
Stoke-on-Trent

