

COUNCIL TAX

2011-2012

How much you pay...

How it's spent...



YOUR COUNCIL TAX BILL

This is an extremely challenging time for both Sunderland and the City Council. The Government's public spending reductions are affecting all local authorities and will continue to do so for the next two years and beyond.

In 2011-12 we plan to spend over £744 million to provide services for the 280,300 residents of Sunderland.

Council Tax provides just 13% of Sunderland City Council's budgeted income.

The majority of the budget is made up from Government grants, so the heavy reduction in Government spending gives the council a significant challenge.

This year Council Tax will stay at the 2010/2011 level. Once again Sunderland's Council Tax will be among the lowest in Tyne & Wear.

This, together with the reductions in Government funding, mean that the City Council must reduce its spending by £58 million.

We intend to do this by reviewing services and targeting resources to areas of highest need. We will continue to reduce back office costs and protect front line services as much as possible. We will continue to find smart and efficient ways of working and innovative ways to generate additional income.

The reductions in funding and grants from Government may mean that some services cannot continue at their current level. Other programmes, including those to encourage people into employment through Working Neighbourhoods funding, will be delivered in a different way by the Government.

Despite all this we are continuing to invest in front line services and key projects that will help stimulate economic growth and improve job prospects for residents.

The last 12 months has seen some major achievements for Sunderland, these include:

- A £2.4 million upgrade of Houghton Sports Centre, which when complete will be linked to the new £21 million Houghton Primary Care Centre
- Over £1.5 million investment to invigorate the seafront at Roker and Seaburn
- Development of the new £10 million Software Centre, as a result of partnership working through the Software City initiative. The centre will help establish 60 new businesses and 150 new jobs in Sunderland, whilst its city centre location will support the local economy

We are working hard to ensure our priorities reflect yours.



Paul Watson

Cllr Paul Watson
Leader of the Council



D. Smith

Dave Smith
Chief Executive



Malcolm Page

Malcolm Page
Executive Director of Commercial and Corporate Services

WHAT YOU PAY

Normally the person living in the property will be responsible for paying Council Tax if it is their main home and they are over 18 years of age.

The amount of Council Tax that you pay depends on the value of your home. More valuable properties pay more Council Tax.

Each home is placed in a valuation band based on what your home was valued at, or would have been valued at, in 1991.

The table below sets out the Council Tax levels for 2011-2012 for each valuation band. Your Council Tax bill states the band that applies to your property, it is important to note that residents of Sunderland will pay the Total Council Tax level in column 5, whilst residents of Hetton will pay the Total Council Tax level in column 7.

1	2	3	4	5	6	7
Valuation Band	City Council Tax level	Tyne and Wear Fire and Rescue Authority Tax level	Northumbria Police Tax level	Total Council Tax level	Hetton residents only	
					Hetton Town Council Tax level	Total Council Tax level
	£ P	£ P	£ P	£ P	£ P	£ P
A	790.64	48.77	55.79	895.20	8.74	903.94
B	922.41	56.90	65.08	1,044.39	10.20	1,054.59
C	1,054.19	65.03	74.38	1,193.60	11.65	1,205.25
D	1,185.96	73.16	83.68	1,342.80	13.11	1,355.91
E	1,449.51	89.42	102.28	1,641.21	16.02	1,657.23
F	1,713.05	105.68	120.87	1,939.60	18.94	1,958.54
G	1,976.60	121.93	139.47	2,238.00	21.85	2,259.85
H	2,371.92	146.32	167.36	2,685.60	26.22	2,711.82

YOUR COUNCIL TAX HELPS

Children's Services



Having fun at the XL Youth Village

Providing services which help keep children safe and healthy and services for children, young people and families.

In 2010 this included taking two purpose built youth buses on the road on Friday and Saturday nights to provide activities for young people across the city. Last year Sunderland celebrated its best ever GCSE results and A-level results showed a strong improvement.

Recreation and tourism



Keeping fit at Sunderland Aquatic Centre

Providing sport and leisure centres, museums, libraries, theatres and other visitor attractions and events.

Over the past two years Sunderland City Council has provided 28 new or significantly refurbished play areas across the city. Investment in sport and leisure means the number of residents participating in sport in the city is now above the national average.

Adult Services

Looking after vulnerable people who need care and support to help them live as independent, healthy and active a life as possible.

In 2010, Sunderland City Council continued to help people live independently in their own homes by giving more people choice and control over the services they receive.



Toni-Anne Cowe enjoys taking control of her care budget

PS PAY FOR ALL OF THIS

Refuse collection, disposal and environmental health

Collecting and recycling your rubbish, street cleaning, maintaining parks and open spaces and everything else that helps to keep the city clean, green and attractive.

The roll out of the blue bins across the city means that 94% of residents now regularly recycle and as a result the amount of household waste sent to landfill has reduced.

2011/12 will see the re-opening of Barnes Park following a Heritage Lottery funded refurbishment and the start of work at Doxford Park to provide a secret garden and improvements to the lake.



The newly refurbished Barnes Park

Highways

Maintaining over 750 miles of roads, 1,500 miles of footway and 48,000 street lights across the city.

Housing services

Making sure everyone has the chance of a decent home and help, where needed, with Housing Benefit.

Economic development services

We provide economic development services that assist existing businesses to develop and also help to attract new businesses into the city. We also provide advice and support to enable them to sustain their development and be competitive.

Other services

These include the central services that keep the rest running, such as finance, human resources and democratic services, but also includes some other high priority services such as community safety.

Contingencies and strategic priorities

Whilst all known spending pressures have been provided for within the budget, there is still uncertainty over some costs and it is important that we have sufficient contingencies to meet emergency funding requirements. In addition, provision is made for a range of strategic priorities including safeguarding of children, youth services, provision of free personal care for adults with assessed high care needs, and waste disposal costs.

Levies

We pay direct levies to the Integrated Transport Authority to provide financial support to help fund public transport and to the Environment Agency to support flood defence works.

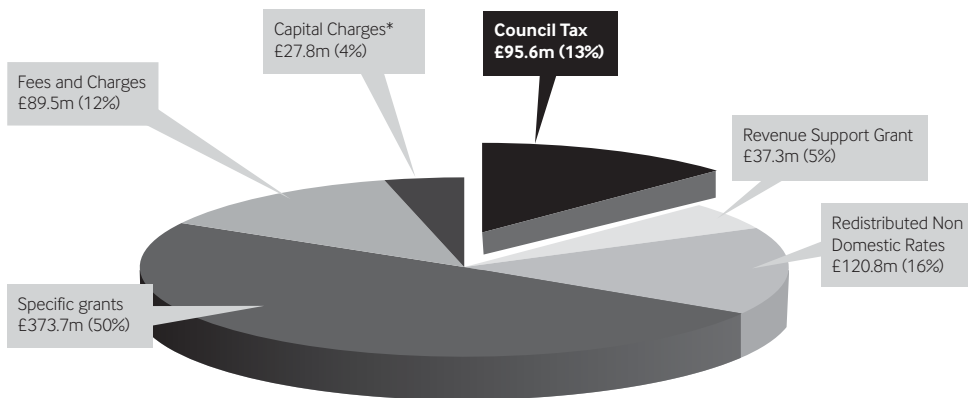
Precepts

We collect your contribution towards our police and fire and rescue services which is set by them.

WHERE THE MONEY WILL COME FROM IN 2011-2012

The council provides a wide range of services including schools, caring for the elderly, collecting rubbish and providing leisure facilities. The cost of running and maintaining the day-to-day services provided by the council is called Revenue Expenditure.

The Council Tax you pay forms only part of the funding to pay for these services. The chart below shows that over half of the money comes from the Government and the remainder from Council Tax and income received from users of council services.



Total Income £744.7m

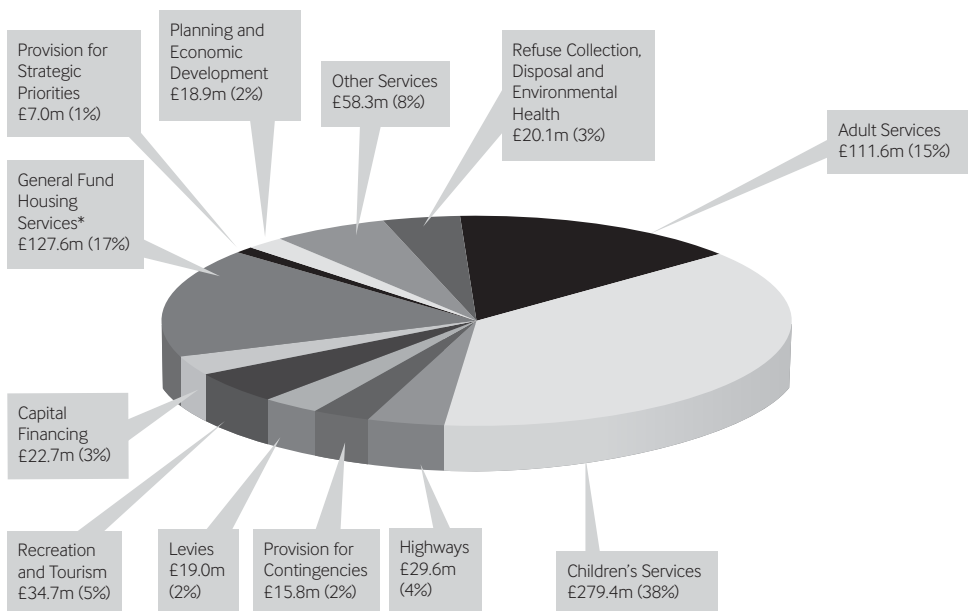
* Capital charges amounting to £27.8m are included in gross expenditure and income in accordance with the Service Reporting Code of Practice. This is a notional charge that has no impact on the level of Council Tax.

HOW RESIDENTS HELP SET THE BUDGET

We consult with thousands of residents all year round on a whole range of issues that help us plan our services and help to develop our city. It's only by residents telling us what they want that we can set the right priorities and make sure we're delivering the things that really matter to people. At budget time we have additional consultation sessions and we're particularly grateful for the help and support of residents who are members of our citizens' panel, "Community Spirit".

WHERE THE MONEY WILL BE SPENT ON SERVICES FOR 2011-2012

The chart below shows what the council plans to spend on its services in 2011-2012.



Total Revenue Expenditure £744.7m

* This excludes council housing costs as this service has transferred to Gentoo and mainly consists of Housing Benefit payments.

THE MAJOR ISSUES IN SETTING THE 2011-2012 BUDGET

The budget for the next financial year has been prepared taking account of the current economic conditions, the significant cuts in government funding and increases in costs, for example waste disposal cost and payments to contracted service providers.

During the budget process, the council has used balances of £4.849m in order to enable spending pressures to be addressed .

The cost of services

In addition to services provided by the council, other bodies including the Northumbria Police Authority and the Tyne and Wear Fire and Rescue Authority also provide services which the council must take into account. The table below gives a summary of the net cost of these services for 2011-2012 and how the Council Tax for Band D is built up.

Last Year 2010-2011 £m	Summary net cost of services	This Year 2011-2012 £m	Band D Council Tax £ p
95.185	City Council (including Levies)	95.128	1,185.96
5.872	Tyne and Wear Fire and Rescue Authority	5.865	73.16
6.716	Northumbria Police Authority	6.708	83.68
107.773		107.701	1,342.80

In addition Hetton Town Council will levy a precept of £52,663 in 2011-2012 (£53,000 2010-2011). This is equivalent to a Band D charge of £13.11 but is only paid by the residents of the Parish of Hetton Town Council.

Cost per head of population

The table below shows the total cost to each person in Sunderland of services provided by the council and Precepting Authorities after taking account of the income received from the Revenue Support Grant and Business Rates.

	Total Budget Requirement £	Revenue Support Grant £	Business Rates £	Collection Fund Surplus £	Net Budget Requirement £
City Council	901.47	(132.63)	(429.08)	(1.78)	337.98
Tyne and Wear Fire and Rescue Authority	50.53	(6.84)	(22.14)	(0.03)	21.52
Northumbria Police Authority	202.05	(108.31)	(67.97)	(0.15)	25.62
Total	1,154.05	(247.78)	(519.19)	(1.96)	385.12

BUDGET INFORMATION

Sunderland City Council budget information

Explanatory Notes

The Net Budget requirement is £95.1m with planned gross expenditure of £725.7m (£744.7m including levies) and gross income of £649.6m. The net increase in the total budget requirement is £1.0m, details of which are shown in the table opposite.

Borrowing liabilities outstanding at 31 March 2010 were £215.4m (of which £18.2m is on behalf of other public bodies such as the Tyne and Wear Fire and Rescue Authority).

	£m
Inflation and increased costs	1.1
Increase in levies	0.4
Reduction in service expenditure	(43.3)
Reduction in other income	13.2
Reduction in use of reserves/balances	2.4
Reduction in specific grants	27.2
Total	1.0

Last Year 2010-2011				This Year 2011-2012		
Gross Expenditure £m	Gross Income £m	Net Expenditure £m		Gross Expenditure £m	Gross Income £m	Net Expenditure £m
291.9	225.0	66.9	Children's Services	279.4	220.4	59.0
116.7	51.0	65.7	Adult Services	111.6	47.4	64.2
25.3	7.1	18.2	Highways	29.6	10.5	19.1
30.0	11.6	18.4	Planning and Economic Development	18.9	10.6	8.3
31.2	4.4	26.8	Recreation and Tourism	34.7	8.8	25.9
3.6	0.9	2.7	Environmental Health	4.4	1.1	3.3
15.9	1.4	14.5	Refuse Collection and Disposal	15.7	1.1	14.6
124.4	107.6	16.8	Housing (Non Council Housing Costs)	127.6	112.4	15.2
81.4	47.3	34.1	Other Services	58.3	41.7	16.6
0.0	39.5	(39.5)	Area Based Grant	0.0	0.0	0.0
0.0	0.0	0.0	Other Core Grants	0.0	2.7	(2.7)
25.3	0.0	25.3	Capital Financing Costs	22.7	0.0	22.7
745.7	495.8	249.9		702.9	456.7	246.2
5.5	0.0	5.5	Provision for contingencies	15.8	0.0	15.8
14.3	0.0	14.3	Provision for strategic priorities	7.0	0.0	7.0
0.0	1.7	(1.7)	Interest on Balances	0.0	1.7	(1.7)
0.0	7.2	(7.2)	Transfer to/(from) Reserves and Balances	0.0	4.8	(4.8)
0.0	26.7	(26.7)	Capital Charges	0.0	27.8	(27.8)
765.5	531.4	234.1	TOTAL EXPENDITURE	725.7	491.0	234.7
			Levies			
		18.4	Tyne and Wear Integrated Transport Authority			18.8
		0.2	Environment Agency - Flood Defence			0.2
		252.7	TOTAL BUDGET REQUIREMENT			253.7
		20.0	Less: Revenue Support Grant			37.3
		137.4	Redistributed Non Domestic Rates			120.8
		0.1	Collection Fund Surplus			0.5
		95.2	NET BUDGET REQUIREMENT			95.1

10,764 Total number of employees (Full-time equivalent)

10,185

BUDGET INFORMATION

Levies and precepts

Your Council Tax bill is made up of a number of elements besides the council's budget requirement. These include levies and precepts that the council is legally required to collect on behalf of other organisations. For Sunderland City Council these organisations are:

Levying Authorities

Environment Agency							
	Last Year 2010-2011			This Year 2011-2012			Change in levy (Total Budget Requirement) between years is attributable to:
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	
Flood Defence	16.5	14.6	1.9	23.0	21.0	2.0	Change in inflation and levels of service 6.5
Transfer to / (from reserves)			0.0			0.0	Increase in grants/other income (6.4)
Levy			1.9			2.0	0.1
							Sunderland's proportion of the Environment Agency levy is £0.196m in 2011-2012 (2010-2011 £0.191m)

Tyne and Wear Integrated Transport Authority							
	Last Year 2010-2011			This Year 2011-2012			Change in levy (Total Budget Requirement) between years is attributable to:
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	
Tyne Tunnels	7.4	13.6	(6.2)	29.1	15.3	13.8	Inflation and other cost pressures 3.7
ITA	4.0	0.1	3.9	3.7	0.1	3.6	Increase in grant to Nexus 1.8
Grant to Nexus	103.7	0.0	103.7	100.9	0.0	100.9	Budget reductions (8.5)
	115.1	13.7	101.4	133.7	15.4	118.3	Contribution from reserves (0.8)
Transfer to Reserves			5.4			(15.3)	(3.8)
Total Budget Requirement			106.8			103.0	
Less Rail Grants and Miscellaneous Grants			35.1			29.2	Sunderland's proportion of the Tyne and Wear Integrated Transport Authority levy is £18.788m in 2011-2012 (2010-2011 £18.382m)
Levy			71.7			73.8	

BUDGET INFORMATION

Precepting Authorities

Northumbria Police Authority							Change in Precept (Total Budget Requirement) between years is attributable to:	£m
Last Year 2010-2011			This Year 2011-2012					
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m		
Police General	344.3	51.8	292.5	329.6	41.9	287.7	Inflation and other changes	6.1
Total Budget Requirement	344.3	51.8	292.5	329.6	41.9	287.7	Budget savings/ use of reserves	(22.0)
Less:							Change in grant funding/ other income	11.1
Police Grant			113.9			124.3		(4.8)
Total Net Police Expenditure			178.6			163.4		
Less Revenue Support Grant			18.0			29.9	Sunderland's proportion of the Northumbria Police Authority precept is £6.708m in 2011-2012 (2010-2011 £6.716m)	
Business Rates			124.3			96.8	This represents £83.68 of the Band D council tax and equates to a council tax freeze.	
Collection Fund Surplus			0.1			0.2		
Precept			36.2			36.5		

Tyne and Wear Fire and Rescue Authority							Change in Precept (Total Budget Requirement) between years is attributable to:	£m
Last Year 2010-2011			This Year 2011-2012					
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m		
Fire Service	66.1	7.4	58.7	62.9	6.2	56.7	Inflation and other changes	0.5
Emergency Planning	0.6	0.6	0.0	0.5	0.5	0.0	Core Grant	(0.6)
	66.7	8.0	58.7	63.4	6.7	56.7	Reduction in pension costs	(0.1)
Contingencies			0.7			0.2	Efficiency savings	(3.0)
Interest on Balances			(0.1)			(0.2)		(3.2)
Core Grants			0.0			(0.6)		
Total Budget Requirement			59.3			56.1	Sunderland's proportion of the Tyne and Wear Fire and Rescue Authority precept is £5.865m in 2011/2012 (2010-2011 £5.872m)	
Less Revenue Support Grant			4.5			7.6	This represents £73.16 of the Band D council tax and equates to a council tax freeze.	
Business Rates			31.1			24.6		
Collection Fund Surplus			0.0			0.0		
Precept			23.7			23.9		

Need a hand paying your rent or Council Tax?

One free phone call is all it takes to find out if you can save money on your rent or Council Tax.

Call free on **0800 633 5853**, pop into a Sunderland Customer Service Centre or email enquiries@sunderland.gov.uk