

Council Tax

2009-2010


Sunderland
City Council



How much you pay...
Where your money goes...


Sunderland
City Council

Need a hand paying your rent?

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

We could take the weight off your shoulders...
Call free on **0800 633 5853**



Rent

Your Council Tax bill...

We plan to spend over £743 million to provide services for the 280,300 residents of Sunderland in 2009-2010.

But we haven't made the plans alone. The city belongs to us all – and we have been listening carefully to what you have to say. More than ever this year, we have included the views of local people in the process of setting the budget.

Council Tax is just 13% of the council's budget. It helps to pay for around 800 different services – overleaf you can see what you will be getting for your money.

This year we have ensured that the increase in Council Tax is as low as possible without impacting on services. In fact it is the lowest percentage increase, at 2.9%, in over ten years – and once again indications are that we will continue to have the lowest Council Tax in the region. We managed to do this by making efficiency savings of around £11 million.

This means you continue to get top quality services at what we believe is very good value for money.

Alongside your day-to-day services, we have also had some major achievements for the city. Amongst others:

- We opened Sunderland Aquatic Centre
- We opened the first of three Academy schools
- We opened five more Children's Centres
- We started work on three residential developments for older and vulnerable people

- And we recorded Sunderland's highest GCSE grades ever

Next year we will continue to improve and deliver on the key things you have told us matter to you – which include:

- Investing in a major project to help thousands of people into work
- Opening two new swimming pools
- Opening five new schools
- Creating 16 play parks
- Developing 175 more homes for people who need extra care

We hope you'll agree that you get a lot for your money in Sunderland. Of course anyone can seek advice to see if they are eligible to pay less Council Tax. Call freephone 0800 633 5853, pop into a Sunderland Customer Service Centre or benefit office or email enquiries@sunderland.gov.uk

Thank you to all of you who have taken the time to give us your views so far – we hope that many more of you will do so in the coming months as we move towards our goal of ensuring that we provide a better future for everyone who lives in Sunderland.



Paul Watson

Cllr Paul Watson
Leader of the Council



D. Smith

Dave Smith
Chief Executive

Delivering services for a better future

Your Council Tax helps pay for all of this...

Based on an average Band A Council Tax bill of approximately £17 per week – 64% of homes are in Band A in Sunderland

Children's Services

Providing services which help keep children safe and services for children, young people and families through schools, Children's Centres and youth projects.



Other services

These are the central services that keep the rest running, such as elections, finance, human resources, community safety and democratic services.



Planning and economic development

Building the city for the future – attracting investment and jobs and assisting new and existing businesses with support and premises.



Contingencies and strategic priorities

Whilst all known expenditure 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.

Precepts

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



Adult Services

Looking after adults who need care and support to live independently.



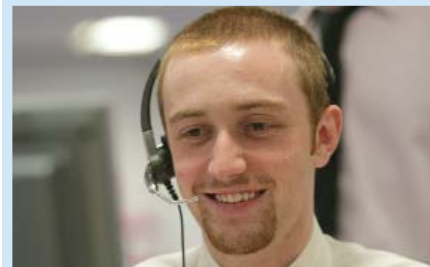
Highways

Looking after 700 miles of roads, 1,500 miles of footway and 48,000 street lights right across the city.



Housing services

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



Recreation and tourism

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



Refuse collection, disposal and environmental health

Collecting and recycling your rubbish, street sweeping, parks and open spaces and everything else that keeps the city clean, green and safe.



Levies

We pay a direct levy to the Passenger Transport Authority to support public transport and to the Environment Agency to support flood defence works.



Sunderland City Council	
ITEM	APPROX. NET COST PER WEEK AT BAND A
ADULT SERVICES	£2.57
CHILDREN'S SERVICES	£6.81
RECREATION AND TOURISM	£1.02
HIGHWAYS	£0.70
REFUSE COLLECTION, DISPOSAL AND ENVIRONMENTAL HEALTH	£0.62
PLANNING AND ECONOMIC DEVELOPMENT	£0.74
GENERAL FUND HOUSING SERVICES	£0.19
CONTINGENCIES AND STRATEGIC PRIORITIES	£0.75
OTHER SERVICES	£0.92
LEVIES	£0.71
TOTAL COUNCIL SERVICES	£15.03
NORTHUMBRIA POLICE AUTHORITY PRECEPT	£1.04
TYNE AND WEAR FIRE AND RESCUE AUTHORITY PRECEPT	£0.93
TOTAL BAND A CHARGE	£17.00
THANK YOU	
TC#	

Financial information

Legislation requires that certain financial information must be included with the Council Tax bill for the City Council, the Tyne and Wear Fire and Rescue Authority and the Northumbria Police Authority in a prescribed format and this is set out on pages 12 to 14 of this booklet.

Other financial information has also been included to help show next year's spending on council services and the income received.

In relation to Sunderland's Council Tax, information is included on how it compares to other councils, and the main factors, such as the views of residents and some of the major spending issues, which have been considered in setting the budget for the council for 2009-2010.

The council's accounts are subject to detailed scrutiny and audit by independent external auditors. In addition, the auditors also assess how well the council uses its resources and achieves value for money.

The council's accounts continue to receive an unqualified opinion by the council's external auditor.

With regard to the council's use of resources assessment, the council was awarded the top rating of four stars for the third consecutive year which places the council as the highest rated council in Tyne and Wear.

Your Council Tax bill, included with this booklet, shows the amount you are required to pay for council services, and also includes the amounts to help fund both the Fire and Rescue and Police services.

For the first time, the council's performance, in relation to achieving efficiency savings is set out on the face of the Council Tax bill. This shows performance for the council of 3.8% during this year (2008-2009) which is well above the Government's target of 3.0% and has helped to limit the increase in Sunderland's Council Tax.

There are various ways to pay Council Tax and these are explained in full on the back of the bill along with information on how you may be entitled to claim Council Tax Benefit, and thereby reduce the amount payable. The free phone number for all benefit enquiries is 0800 633 5853.



Keith Beardmore
City Treasurer

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.

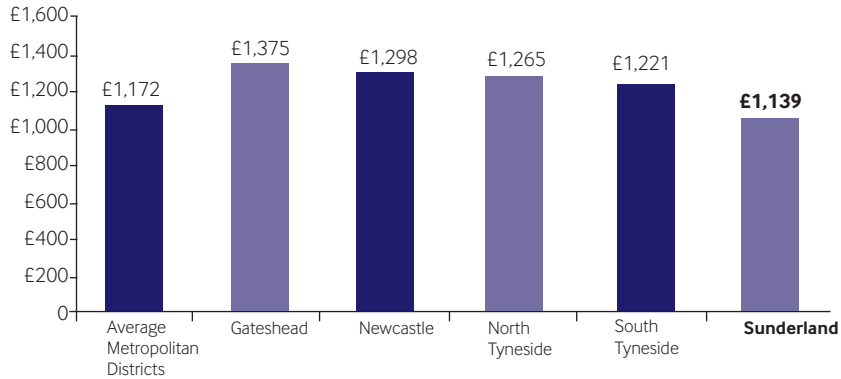
The table below sets out the Council Tax levels for 2009-2010 for Sunderland for each valuation band. Your Council Tax bill states the band that applies to your property.

Valuation Band	City Council Tax level	Tyne and Wear Fire and Rescue Authority Tax level	Northumbria Police Tax level	Total Council Tax level
	£ P	£ P	£ P	£ P
A	781.27	48.33	54.22	883.82
B	911.48	56.39	63.25	1,031.12
C	1,041.69	64.44	72.29	1,178.42
D	1,171.90	72.50	81.32	1,325.72
E	1,432.32	88.61	99.40	1,620.33
F	1,692.74	104.72	117.47	1,914.93
G	1,953.17	120.83	135.54	2,209.54
H	2,343.80	145.00	162.65	2,651.45

How does Sunderland's Council Tax compare?

In recent years, Sunderland has consistently had the lowest Council Tax in the Tyne and Wear area and in the last two years, the lowest in the North East region. The Council Tax compares favourably with the average for Metropolitan District Councils throughout the country and reflects the prudent approach the council has taken in setting the Council Tax each year.

Band D Council Tax levels for 2008-2009 for the City Council (excluding Fire and Police)

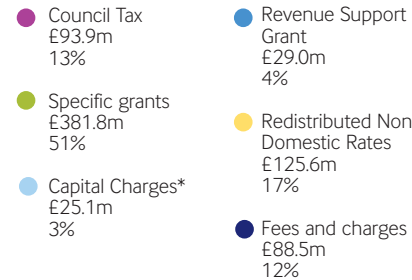
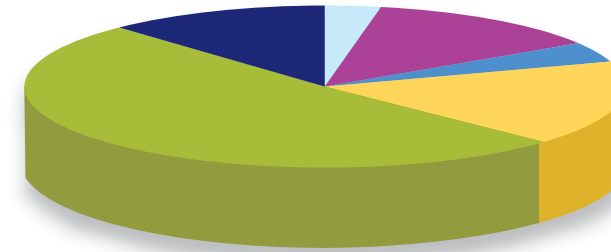


The indications are that for 2009-2010 the amount you pay in Council Tax will again be the lowest in the North East region.

Where the money will come from in 2009-2010

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 the various sources of funding.



**Total Income
£743.9m**

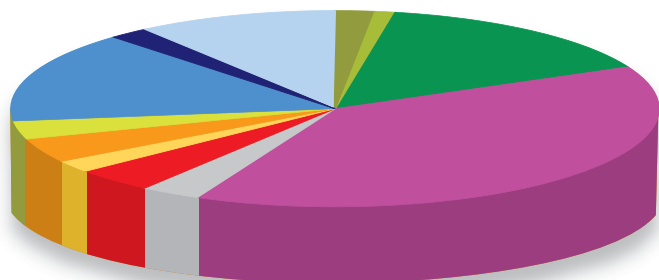
* Capital charges amounting to £25.1m are included in gross expenditure and income in accordance with the Best Value Accounting Code of Practice.

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 the development of the city. It's only by residents telling us what they want that we can set the 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 2009-2010

The chart below shows what the council plans to spend on its services in 2009-2010.



● Adult Services £108.3m 15%	● Capital Financing £24.8m 3%
● Children's Services £288.8m 39%	● General Fund Housing Services* £108.3m 15%
● Highways £25.5m 3%	● Provision for contingencies £7.4m 1%
● Planning and Economic Development £30.2m 4%	● Other Services £77.2m 10%
● Levies £18.4m 2%	● Refuse Collection, Disposal and Environmental Health £14.5m 2%
● Recreation and Tourism £28.5m 4%	● Provision for strategic priorities £12.0m 2%

**Total Revenue
Expenditure
£743.9m**

*This excludes council housing costs as this service has transferred to Gentoo (formerly Sunderland Housing Group). The amount detailed consists of Housing Benefit payments and the cost of the council's strategic housing role.

The major issues in setting the 2009-2010 budget

The budget for next year takes account of a range of increased costs including pay awards, more sustainable waste management, energy prices and increased contract prices.

During the budget process, the council has used balances of £3.496m together with efficiency savings of £11.681m in order to enable spending pressures to be addressed and to allow for some additional investment in high priority services whilst limiting the increase in Council Tax.

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 collect on their behalf. The table below gives a summary of the net cost of these services for 2009-2010 and how the Council Tax for Band D is built up.

Last Year 2008-2009 £m	Summary net cost of services	This Year 2009-2010 £m	Band D Council Tax £ p
91.151	City Council (including Levies)	93.856	1,171.90
5.731	Tyne and Wear Fire and Rescue Authority	5.806	72.50
6.265	Northumbria Police Authority	6.513	81.32
103.147		106.175	1,325.72

In addition Hetton Town Council is levying a precept of £51,455 in 2009-2010 (£50,268 2008-2009). This is equivalent to a Band D charge of £12.76 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 Revenue Support Grant and Business Rates.

	Total Budget Requirement £	Revenue Support Grant £	Business Rates £	Collection Fund Surplus £	Net Budget Requirement £
City Council	900.00	(104.80)	(454.04)	(1.81)	339.35
Tyne and Wear Fire and Rescue Authority	54.60	(6.13)	(26.58)	(0.09)	21.80
Northumbria Police Authority	203.67	(98.09)	(80.45)	(0.07)	25.06
Total	1,158.27	(209.02)	(561.07)	(1.97)	386.21

Budget information

Sunderland City Council budget information

Last Year 2008-2009			This Year 2009-2010			
Gross Expenditure £m	Gross Income £m	Net Expenditure £m		Gross Expenditure £m	Gross Income £m	Net Expenditure £m
293.6	223.1	70.5	Children's Services	288.8	223.7	65.1
114.7	44.4	70.3	Adult Services	108.3	42.1	66.2
28.9	10.7	18.2	Highways	25.5	7.4	18.1
28.5	14.7	13.8	Planning and Economic Development	30.2	11.1	19.1
29.8	2.8	27.0	Recreation and Tourism	28.5	2.3	26.2
3.5	0.8	2.7	Environmental Health	3.5	0.8	2.7
13.6	1.2	12.4	Refuse Collection and Disposal	14.5	1.2	13.3
101.8	97.9	3.9	Housing (Non Council Housing Costs)	108.3	103.4	4.9
65.1	41.7	23.4	Other Services	73.7	46.6	27.1
0.0	25.4	(25.4)	Area Based Grant	0.0	28.0	(28.0)
24.6	0.0	24.6	Capital Financing Costs	24.8	0.0	24.8
704.1	462.7	241.4		706.1	466.6	239.5
14.4	0.0	14.4	Provision for contingencies	7.4	0.0	7.4
0.0	0.0	0.0	Provision for strategic priorities	12.0	0.0	12.0
0.0	2.8	(2.8)	Interest on Balances	0.0	2.8	(2.8)
0.0	5.8	(5.8)	Transfer to/(from) Reserves and Balances	0.0	0.4	(0.4)
0.0	22.2	(22.2)	Capital Charges	0.0	25.1	(25.1)
718.5	493.5	225.0	TOTAL EXPENDITURE	725.5	494.9	230.6
			Levies			
		17.9	Tyne and Wear Passenger Transport Authority			18.2
		0.2	Environment Agency - Flood Defence			0.2
		243.1	TOTAL BUDGET REQUIREMENT			249.0
		18.5	Less Revenue Support Grant			29.0
		132.9	Redistributed Non Domestic Rates			125.6
		0.5	Collection Fund Surplus			0.5
		91.2	NET BUDGET REQUIREMENT			93.9

10,698 Total number of employees

10,433

Explanatory Notes

The Net Budget requirement is £93.9m with planned gross expenditure of £725.5m (£743.9m including levies) and gross income of £494.9m. The net increase in the total budget requirement is £5.9m, details of which are shown in the table opposite.

Borrowing liabilities outstanding at 31 March 2008 were £204.2m (of which £19.3m was on behalf of other public bodies such as the Tyne and Wear Fire and Rescue Authority).

	£m
Inflation and increased costs	5.8
Increase in levies	0.3
Changes in service levels	10.7
Increase in other income	(1.4)
Increase in specific government grants	(3.2)
Change in use of reserves / balances	5.4
Efficiency savings	(11.7)
	5.9

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 2008-2009			This Year 2009-2010			Change in levy (Total Budget Requirement) between years is attributable to:	£m
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m		
Flood Defence	9.2	7.5	1.7	11.6	9.7	1.9	Change in inflation and levels of service	0.2
Transfer to / (from) reserves			(0.2)			(0.1)	Use of reserves	0.1
Levy			1.5			1.8		0.3

Sunderland's proportion of the Environment Agency levy is £0.182m in 2009-2010 (2008-2009 £0.151m)

Tyne and Wear Passenger Transport Authority

	Last Year 2008-2009			This Year 2009-2010			Change in the Total Budget Requirement between years is attributable to:	£m
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m		
Tyne Tunnels	5.5	15.3	(9.8)	5.8	14.6	(8.8)	Inflation and other cost preasures	0.1
PTA	4.3	0.7	3.6	4.1	0.1	4.0	Increase in grant to Nexus	2.3
Grant to Nexus	99.9	0.0	99.9	102.2	0.0	102.2	Decrease in Income	1.3
	109.7	16.0	93.7	112.1	14.7	97.4	Contribution to reserves	(3.6)
Transfer to Reserves			9.9			6.3		0.1
Total Budget Requirement			103.6			103.7		
Less Rail Grants and Miscellaneous Grants			34.2			33.0		
PTA Levy			69.4			70.7		

Sunderland's proportion of the Tyne and Wear Passenger Transport Authority levy is £18.177m in 2009-2010 (2008-2009 £17.929m)

Precepting Authorities

	Last Year 2008-2009			This Year 2009-2010			Change in Precept (Total Budget Requirement) between years is attributable to:	£m
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m		
Police General	323.7	49.4	274.3	339.4	54.3	285.1	Inflation and other changes	1.9
Contingencies			3.5			0.0	Variation in quantity / quality of service	6.2
Total Budget Requirement			277.8			285.1	Change in other income	(0.8)
Less:								7.3
Police Grant			108.8			111.3		
Use of Balances			0.0			0.0		
Total Net Police Expenditure			169.0			173.8		
Less Revenue Support Grant			16.5			26.0		
Business Rates			118.5			112.6		
Collection Fund Surplus			0.2			0.1		
Precept			33.8			35.1		

Sunderland's proportion of the Northumbria Police Authority precept is £6.513m in 2009-2010 (2008-2009 £6.265m)

This represents £81.32 of the Band D council tax and equates to a 3.90% increase over last year.

Tyne and Wear Fire and Rescue Authority

	Last Year 2008-2009			This Year 2009-2010			Change in Precept (Total Budget Requirement) between years is attributable to:	£m
	Gross Expenditure £m	Gross Income £m	Net Cost £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m		
Fire Service	65.0	7.8	57.2	64.6	6.8	57.8	Inflation and other changes	1.1
Emergency Planning	0.5	0.5	0.0	0.6	0.6	0.0	Reduction in pension costs	(0.3)
	65.5	8.3	57.2	65.2	7.4	57.8	Change in other income	(0.2)
Contingencies			0.9			0.9		0.6
Use of Balances			0.0			0.0		
Total Budget Requirement			58.1			58.7		
Less Revenue Support Grant			4.2			6.6		
Business Rates			30.5			28.6		
Collection Fund Surplus			0.2			0.1		
Net Budget Requirement			23.2			23.4		

Sunderland's proportion of the Tyne and Wear Fire and Rescue Authority precept is £5.806m in 2009-2010 (2008-2009 £5.731m)

This represents £72.50 of the Band D council tax and equates to a 1.24% increase over last year.

Becoming more efficient

All councils are required to measure and report the value of efficiency savings they have achieved since April 2008. For the 2009-2010 Budget, Sunderland City Council has continued to work hard to identify and deliver projects which both improve the services the council provides while achieving efficiencies. Services have been reviewed and modernised and there are a range of service improvement and council wide projects in place that will generate savings in 2009-2010 and beyond. An efficiency saving occurs when the cost of an activity falls, but its effectiveness is not reduced.

The table below shows the value of efficiency savings forecast to be achieved by the end of March 2009.

	By March 2009
Sunderland City Council	£11,097,000
Tyne and Wear Fire and Rescue Authority	£1,028,000

To put these figures into perspective, the efficiency savings forecast to be achieved by March 2009 represent:

3.8% of Sunderland City Council's spending in 2007-2008.

1.8% of Tyne and Wear Fire and Rescue Authority's spending in 2007-2008.

The table below shows the value of efficiency savings forecast to be achieved for a Band A and Band D dwelling and compares that with the average figure for similar authorities across England:

	Savings per dwelling		National average for similar authorities	
	Band A	Band D	Band A	Band D
Sunderland City Council	£93	£139	£75	£112
Tyne and Wear Fire and Rescue Authority	£2	£3	£1	£2

Each year, councils are assessed by the Audit Commission on their use of resources and given a score out of 4 (4 being "performing strongly" and 1 being "inadequate performance"). In December 2008, Sunderland City Council again achieved the top score of 4, a score which has been achieved every year since the Use of Resources assessment was introduced in 2002. The Tyne and Wear Fire and Rescue Authority also scored 4 out of 4. These scores recognise the strong performance in financial management.

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if you can save money on your Council Tax.

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