

BABERGH DISTRICT COUNCIL

FROM: Director of Corporate Services
and Director of Finance

REPORT NUMBER: **K76**

TO: **OVERVIEW AND SCRUTINY
(STEWARDSHIP) COMMITTEE**

DATE OF MEETING: 10 August 2010

THE COUNCIL'S ANNUAL REPORT 2009/10

1. PURPOSE OF REPORT

- 1.1 This report recommends an Annual Report to provide Babergh residents and the business community with an analysis of achievements and financial performance for the 2009/10 year. It sets out a proposed format and content for the Annual Report which, when agreed, will be submitted to a meeting of the Full Council for ratification.

2. RECOMMENDATION TO COUNCIL

- 2.1 That the draft Annual Report attached as Appendix A be adopted subject to the Director of Corporate Services being authorised to make any necessary final amendments to the draft prior to its publication.

3. FINANCIAL IMPLICATIONS

- 3.1 The report will be published on the Council's website; therefore there are no financial implications.

4. RISK MANAGEMENT

- 4.1 The report relates to Significant Business Risk No.7 – Financial, Performance and Risk Management. Key risks are set out below:

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
Missing an opportunity to bring together all the Council's information that it is statutorily required to publish.	Very Low	Marginal	Annual Report has been produced which meets statutory requirements.

5. EQUALITY AND DIVERSITY IMPACT

- 5.1 There are no specific equality and diversity implications as this report provides monitoring information in relation to the actions and achievements of the Council and financial performance for the year 2009/10.

6. **KEY INFORMATION**

- 6.1 The overall objective in developing the Annual Report is to produce a publication for local residents and the business community in an accessible format providing an objective, balanced and clear assessment of the Council's activities, achievements and financial performance in the year.
- 6.2 The format and content have been informed by a consultation exercise carried out with key stakeholder organisations. This exercise asked the organisations to provide feedback on whether the document met their information needs. In response to the feedback we have made improvements to the format of the document and have added more comparative data and financial information on staffing levels.
- 6.3 The Annual Report enables the Council to co-ordinate the past year's statutory information in a short, easy to read, simple document. It will also signpost residents and other stakeholders to where more information on the Council's performance and finances can be accessed - for example, on the website. The Annual Report includes examples of the Council's key actions and achievements in relation to the five Strategic Plan Themes.
- 6.4 The Annual Report includes the following information:
- **Executive Summary** – Highlighting key achievements for 2009/10 and a précis of the main financial information.
 - **Key Financial Information** – summary of where our money comes from, how it is spent and other information including efficiencies and savings, and an analysis of staffing levels.
 - **Key achievements for each of the strategic priorities** – explanation of our theme outcomes and what has been achieved in 2009/10 linked to more detailed case studies.
 - **Environmental Footprint** – sets out our actions and achievements in relation to carbon reduction, waste and recycling and biodiversity.

7. **APPENDICES**

Appendix A- draft Babergh District Council Annual report 2009/10.

8. **BACKGROUND PAPERS REFERRED TO**

None.

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Babergh District Council – 2009/10 Annual Report

Overview

Babergh District Council's Annual Report covers the period from April 2009 to the end of March 2010. The report presents both our key achievements, and areas where we still need to improve for each of our Strategic Plan themes. It also includes information on how the Council is managing its finances to ensure value for money for local residents and explains what is being done to minimize the Council's impact on the local environment.

We recently consulted with a range of key stakeholders to find out how we could improve the way that this information is presented. We have acted on the feedback by adding an executive summary, including more financial information on staffing levels and, where appropriate, comparing our performance with other councils. This year's report also makes better use of bullet pointed lists and graphs to improve the style and readability of the document. Further detailed information on the Council's work can be found at www.babergh.gov.uk and at <http://twitter.com/BaberghDistrict>.

Executive Summary

Key Financial Information

- We continued to achieve our Financial Strategy and aim of not increasing council tax by more than the rate of inflation. The total council tax for a Band D property in Babergh was £1,453 per annum. Of this, only £135, or less than 10%, is for Babergh's services.
- Babergh continued driving out savings and efficiencies and has now accumulated over £1.2m of cashable efficiencies since 2008.
- During 2009/10 Babergh spent £50.2m on providing services and delivering projects.
- £20m was collected from Babergh business tax payers on behalf of central government.
- Babergh spent £6.7m on improving facilities and maintaining the Council's land and property. 53% of this was spent on council housing

Key Achievements

Quality homes local people can afford

- 185 new homes were built in the Babergh area – 36 of these were affordable homes. In addition 91 affordable units were under construction as at 31 March 2010
- 98% of Babergh council homes now meet the Decent Homes Standard
- 616 council homes were insulated up to current building regulation standards, 129 energy-efficient heating systems installed and 54 air source heat pumps fitted
- The Council provided grants and loans to improve 27 private sector properties to the Decent Homes Standard

A greener and cleaner Babergh

- The Stour Valley Landscape Partnership, of which Babergh is a member, was awarded £910K to deliver the 'Managing a Masterpiece' project

- The Council was awarded 4 stars in the Chartered Institution of Wastes Management (CIWM), national 2009 Clean Britain Award.
- 918 new customers subscribed to the Garden Waste Scheme – 23% of Babergh's households are now participating

A safer and healthier Babergh

- In the market towns of Sudbury and Hadleigh, criminal damage has fallen by 15% and serious public order offences by 23%
- 90% of antisocial behaviour cases were closed within 3 months, which is above target
- Babergh launched its 5 Star Scores on the Doors programme for regulated food businesses. This has resulted in more food establishments meeting the required standard in respect of food hygiene law (91%)

A strong and sustainable Babergh economy

- Local business leaders met with Babergh staff and Councillors at a business evening organised by the Council. The event was very successful providing opportunities in which the Council can support the local business community through approaches to packaging and advertising potential contracts.
- Babergh was the only council in Suffolk offering interest-free loans to 'start up' businesses and small firms, with five staff or less, looking to grow.

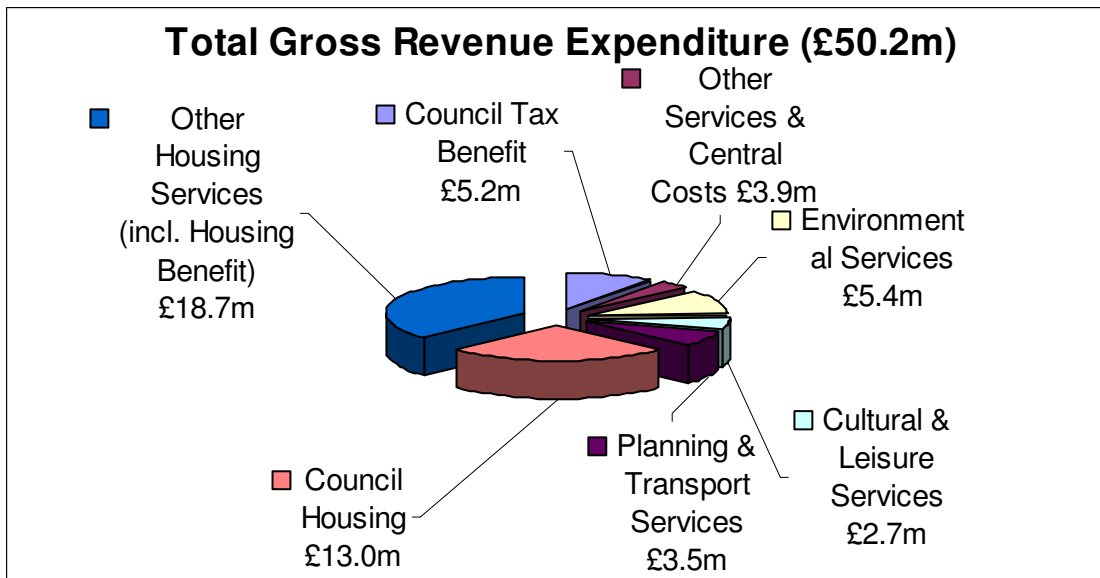
Vibrant places and strong communities

- Babergh's Community Grants scheme provided funding to 17 capital and 57 revenue projects - a total of £128,426 and £452,706 respectively
- Customers reported very high satisfaction levels in respect of contact with customer service advisers for the Council (98%)
- 34 private sector homes were adapted to meet the needs of older or disabled people. Babergh has secured £222K from EERA, and will provide an additional £113K, to continue this work during 2010/11

Key Financial Information

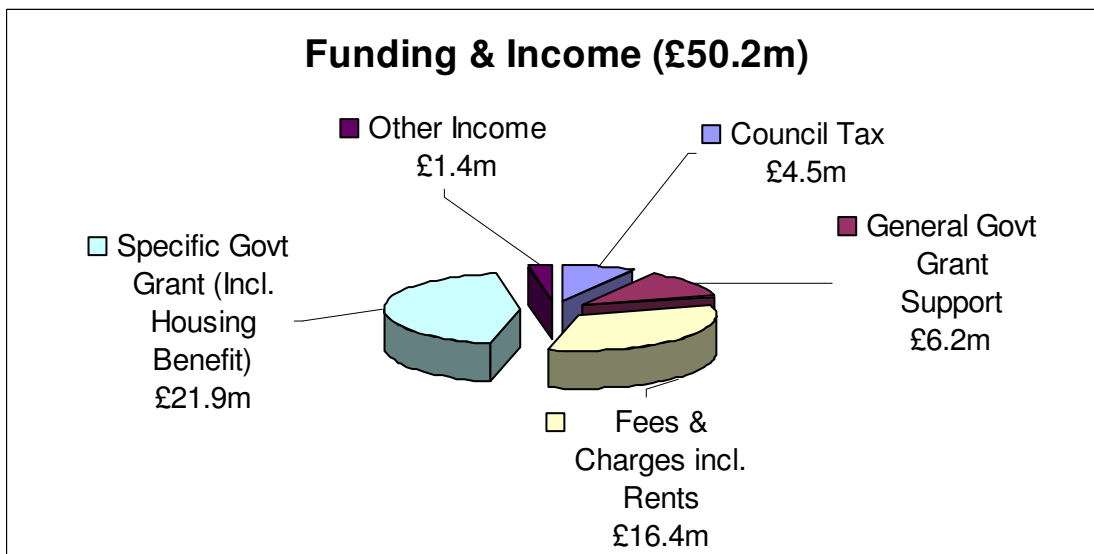
Services - where we spent the money

In 2009/10 Babergh spent £50.2m on providing services and on projects that benefit communities and council tenants. The following chart shows how much was spent on providing services to council taxpayers and on council housing (council housing is not funded through council tax).



Where the money came from

This chart shows how Babergh's services are funded.



Business Rates

In 2009/10 Babergh collected about £20m from business taxpayers. The amount payable by individual businesses is determined by the Government and the rateable value is set by the Valuation Office. This money is paid over to the Government and is redistributed to Babergh, Suffolk County Council and the Police Authority on a population basis.

Capital Investment

Babergh spent the following money on providing or improving facilities and maintaining our land and property. This included giving grants to individuals and organisations.

What we spent	Net Expenditure	Net Expenditure
	£m	%
Council Housing	3.6	54
Housing - Private Sector Renewal Grants/Loans	0.5	7
OD, ICT & E-Government	0.6	9
Community Development & Environment	0.4	6
Contract & Asset Management	1.6	24
Total Capital Investment	6.7	100
This was Financed by		
Capital Receipts	1.2	18
Council Housing Major Repairs Grant	2.6	39
Grants/external Contributions	0.8	12
Revenue Contributions	0.4	6
Borrowing	1.7	25
Total	6.7	100

Most of the revenue contributions and borrowing relate to Council Housing and this does not have an effect on Council Tax.

What is Babergh worth?

This shows the financial position of Babergh, i.e. its net assets and liabilities at the end of the financial year, 31 March 2010:

NET ASSETS	£M
Operational Assets (Buildings & Land owned by Council)	202
Non-Operational Assets	6
Long Term Debtors/Other	2
Total Long Term Assets	210
Net Current Assets (Debtors less Creditors)	(2)
Total Assets less Current Liabilities	208
Long-term borrowing	(1)
Deferred Liabilities/Grants/Capital Contributions	(1)
Pensions Liability	(32)
Total Assets less Liabilities	173

Council Tax

We continued to achieve our Financial Strategy and aim of not increasing council tax by more than the rate of inflation. The total council tax for a Band D property in Babergh was £1,453 per annum. **Of this, only £135, or less than 10%, is for Babergh's services.**

Organisation	Total Received £m	Amount per Band D property (£ p.a.)
Suffolk County Council	36.1	1,100.16
Suffolk Police Authority	5.1	156.06
Babergh District Council	4.4	134.96
Town / Parish Council	2	61.51
	47.6	1,452.69

Efficiencies and Savings

The Council is committed to delivering services for its residents at a reasonable and acceptable cost. This year we built on our considerable achievements to date and delivered cumulative savings and efficiencies of over £1m.

The Council, similar to many others, is faced with considerable budgetary challenges and is actively involved in a number of innovative and radical plans to meet these.

Staffing Levels

The Council continues to review its deployment of staff to ensure there is a focus on service provision and delivering value for money. The number of full time and part time staff (full time equivalents) has reduced during the year, as indicated below. A proportion of these staff (around 25%) are engaged on Council Housing services and the related costs do not, therefore, fall on Council Taxpayers.

1 April 2009	281.0
1 October 2009	277.3
31 March 2010	269.6

Statement of Accounts

Full details of the Council's Statement of Accounts and Summary Financial Information for the year can be found at

<http://www.babergh.gov.uk/Babergh/Home/Council+and+Democracy/Statement+of+Accounts>

BABERGH DISTRICT COUNCIL'S PRIORITIES 2009/10 – KEY ACHIEVEMENTS

The Council's vision, developed in consultation with Babergh's communities and partner organisations, provides an aspiration that the Babergh area will be:

“A great environment in which to live, work and visit, where people have the opportunity to develop their potential and feel that they belong to strong and vibrant communities”.

The Council's Strategic Plan (2008 – 2018) translates this vision into the following five priorities:

- Quality homes local people can afford
- A greener and cleaner Babergh
- A safer and healthier Babergh
- A strong and sustainable community
- Vibrant places and communities.

The Strategic Plan also identifies 28 challenging outcomes that the Council aims to achieve by 2018. Each outcome is managed and monitored through the Council's rolling 3-year Medium Term Plans and the Annual Delivery Plan. These documents are updated annually and take account of the Council's budget decisions. Because the outcomes cover a 10-year period, and some may be more of a priority than others in certain years, and budgetary pressures have increased the focus on where money is spent, not all outcomes are acted upon every year.

A copy of the Strategic Plan and 2009/10 Delivery Plan can be downloaded from the Council's website <http://www.babergh.gov.uk/Babergh/Home/About+us/How+We+Work/Strategic+Plan/>

The following section provides a summary of the progress the Council has made during 2009/10 towards achieving the Strategic Plan outcomes.

Quality homes local people can afford

In 2008 we made a 10-year commitment to deliver the following outcomes:

- There are enough good quality homes, which meet high environmental and sustainability standards, to meet the needs of the people of Babergh
- There are enough affordable homes to meet the needs of the people of Babergh
- New housing developments are supported by adequate infrastructure improvements
- Fewer people are homeless

So what did we achieve in 2009/10?

- 185 new homes were built in the Babergh area – 36 of these were affordable homes. In addition 91 affordable units were under construction as at 31 March 2010
- 98% of Babergh council homes now meet the Decent Homes Standard
- 616 council homes were insulated up to current building regulation standards, 129 energy-efficient heating systems installed and 54 air source heat pumps fitted

- 3 long-term empty private sector homes were returned to use and £125K funding has been secured from EERA for Babergh, Mid Suffolk and Suffolk Coastal to build on this work during 2010/11
- The Council provided grants and loans to improve 27 private sector properties to the Decent Homes Standard
- The Council has worked with Warm Front to improve the energy efficiency of private sector homes in Babergh. Warm Front spent a total of £486K on 79 replacement boilers, 26 cavity wall insulations and 55 loft insulations. This is 39% more than the amount spent in Babergh during 2008/09
- The Council worked with Orwell Housing to remodel Stour House, Sudbury to provide 12 self-contained flats. These are now being used to provide temporary accommodation for homeless people
- A 'Nightstop' service has been set up to provide emergency accommodation for young people in Sudbury
- The Homelessness Team dealt with 78 homelessness presentations. Only 2 households were in temporary accommodation as at 31 March 2010

Case Study – Affordable Housing Scheme Ipswich Road, Holbrook

12 affordable homes for social rent have been completed on a rural exception site on Ipswich Road, Holbrook. The development provides a mixture of 1, 2 and 3 bedroom houses and bungalows for local people.

Babergh, Holbrook Parish Council, Orwell Housing Association, Suffolk ACRE and the Homes and Communities Agency worked together to complete the development following a local housing needs survey and consultation with the community. The scheme attracted £430K Social Housing Grant and was delivered to Level 3 of the Code for Sustainable Homes.

A greener and cleaner Babergh

In 2008 we made a 10-year commitment to delivering the following outcomes:

- The right balance between protecting the natural environment and supporting development opportunities for the area and its people
- A smaller carbon footprint for the area
- Babergh's environment is clean, with little environmental vandalism such as fly tipping and is recognised as such by residents
- Less waste sent to landfill
- Better traffic management, air quality, improved road infrastructure and more effective public transport.

So what did we achieve in 2009/10?

- The Stour Valley Landscape Partnership, of which Babergh is a member, was awarded £910K by the National Lottery Fund to deliver the 'Managing a Masterpiece' project
- The Joint Waste Collection Service reviewed their collection rounds resulting in a 6% reduction in fuel consumption and hence carbon emissions

- The Council was awarded 4 stars in the Chartered Institution of Wastes Management (CIWM), national 2009 Clean Britain Award
- The survey of local street and environmental cleanliness showed that Babergh was exceeding its local targets on all measures (litter, detritus, graffiti and fly-tipping)
- Resident satisfaction with the way the Council manages and maintains its land remains high at 84%
- 918 new customers subscribed to the Garden Waste Scheme – 23% of Babergh's households are now participating
- Air pollution levels in Cross Street, Sudbury were monitored and a working group established to tackle this issue.

Case Study – Air Source Heat Pumps

Air source heat pumps have been fitted in 54 Council homes. They provided an optimum solution for the refurbishment of properties, particularly those in rural areas with no gas supply.

Outcomes include:

- Energy costs and carbon emissions reduced by at least 30% compared to oil fired installations
- The cost of the system, including installation, was slightly lower than the average £6,100 cost associated with oil fired installations

A safer and healthier Babergh

In 2008 we made a 10-year commitment to delivering the following outcomes:

- People living, working and visiting Babergh are safer and feel safer from crime and its effects
- A more active population with healthier lifestyles
- Improved health and life expectancy for residents, particularly in the most income deprived areas, with reduced levels of cancer, coronary heart disease and obesity
- Improved access to all aspects of public healthcare services to better meet the needs of individuals and communities
- Reduced levels of teenage pregnancies where they currently exceed the national average
- It is safer to travel on Babergh's roads
- The area is ready to respond effectively to emergency situations arising from environmental or other causes.

So what did we achieve in 2009/10?

- In the market towns of Sudbury and Hadleigh, criminal damage has fallen by 15% and serious public order offences by 23%
- 6 responsible drinking campaigns and 25 education events were undertaken, engaging with over 3,000 people
- 90% of antisocial behaviour cases were closed within 3 months, which is above target of 80%.
- There was a doubling in the number of people using the pools at Hadleigh and Kingfisher Leisure Centres following the introduction of free swimming sessions for anyone under 17 or over 60

- Babergh launched its 5 Star Scores on the Doors programme for regulated food businesses. This has resulted in more food establishments meeting required standard in respect of food hygiene law (91%)
- The Council has developed a Major Incident Recovery Plan, Communications Plan and Suffolk Flood Plan with partner organisations to ensure that Babergh is prepared to deal with any emergency situations. A joint exercise has also been carried out with Mid Suffolk to test these arrangements
- £185K was secured from Sport England for renovating Hadleigh Pool – this was match funded by Babergh. Building work was completed in 2010, with the pool remaining open to the public throughout the project

Case Study – Improved CCTV monitoring arrangements

The decision to change the CCTV monitoring arrangements in the District has resulted in a large increase in the number of incidents being detected. CCTV cameras covering Sudbury and Hadleigh are now being monitored at Sudbury Police Station, rather than..... This has resulted in quicker intervention in a number of cases and has helped to limit the escalation of incidents.

Overall this is costing the Council less money than the previous arrangements.

A strong and sustainable Babergh economy

In 2008 we made a 10-year commitment to delivering the following outcomes:

- Babergh's economy has grown sustainably, with more small and medium sized enterprises situated here
- More skilled and higher paid jobs in the Babergh area with a higher proportion being taken up by Babergh residents
- Increased local educational opportunities and improved attainment and skill levels among Babergh's children, young people and working population – particularly in the more income deprived areas
- Improved infrastructure in our market towns to increase vitality and viability.

So what did we achieve in 2009/10?

- Babergh was the only council in Suffolk offering interest-free loans to 'start up' businesses and small firms, with five staff or less, looking to grow
- The Council provided managed workspaces at Hadleigh and Sudbury, where 62 people were employed
- Invoices from small and medium local suppliers and contractors were paid more quickly (within 10 days)
- Babergh held a Youth Conference giving 58 young people from local schools the opportunity to provide business skills and encourage entrepreneurship.
- The Council actively promoted the 'Train to Gain' programme to local companies. 25 Babergh employees achieved NVQ level 2 or 3 qualifications
- Babergh employed 3 apprentices and encouraged other local employers to do so through the Western Suffolk LSP and Babergh East LSP Apprenticeship schemes

- Local business leaders met with Babergh staff and Councillors at a business evening organised by the Council. The event was very successful providing opportunities in which the Council can support the local business community through approaches to packaging and advertising potential contracts.
- The Council conducted a mixed-media consultation campaign for the future development of the Hamilton Road quarter, Sudbury and 200 local people responded
- £185K was secured from Sport England for renovating Hadleigh Pool – this was match funded by Babergh. Building work was completed in 2010, with the pool remaining open to the public throughout the project

Case Study – Providing an excellent Benefits Service

The Council has exceeded its performance targets for processing benefits claims. The average time taken to process a Housing or Council Tax benefit claim has fallen to 6.4 days and this is despite a 9% increase in caseload over the year.

To improve benefit take-up the Council has participated in credit crunch road shows and held a number of surgeries targeting new parents. Customer Services staff also highlight benefits when dealing with customers either on the phone or face to face.

Vibrant places and strong communities

In 2008 we made a 10-year commitment to delivering the following outcomes:

- A reduction in the impact of rural isolation on parts of the district particularly limited access to affordable housing, transport and jobs
- Active local villages and communities
- Increased take up of developmental opportunities and activities by children and young people particularly from isolated or income deprived areas
- People have effective and convenient access to the public services they need by physical, telecommunications or other electronic means
- Public services appropriately reflect the needs, aspirations and choices of individuals from different groups, such as older people, in their design, resourcing and delivery
- Individuals have a sense of belonging within cohesive communities where everyone is valued
- Vulnerable people are supported to live in the community
- More people are involved in local decision making and participate in democratic processes which appropriately reflect the diversity of local communities.

So what did we achieve in 2009/10?

- Babergh Community Grants scheme provided funding to 17 capital and 57 revenue projects - a total of £128K and £453K respectively
- Customers reported very high satisfaction levels in respect of contact with customer service advisers for the Council (98%)
- 34 private sector homes were adapted to meet the needs of older or disabled people. Babergh has secured £222K from EERA, and will provide an additional £113K, to continue this work during 2010/11

- Mulberry House in Sudbury, a vulnerable single person's housing scheme, was completed and occupied by December 2009
- Babergh's approach to equality and diversity is to understand the needs of the communities we serve and work with those communities to meet their needs whilst maintaining fair and equal access to all our services. Adopting the new Equality Framework for Local Government (EFLG) has helped the Council to focus on what needs to be done to ensure real progress is made on age, disability, gender, race, religion and belief, sexual orientation and broader equality and human rights issues. During 2009/10 the Council has made good progress towards the 'achieving' level of the framework (equivalent to level 3 of the old standard) and has plans in place to ensure this progress is maintained in 2010/11.
- A grant was secured from the Haven Gateway Partnership to regenerate Pin Mill. Work started on site in March 2010
- A panel was established to help the Council consult with under-represented groups in the community
- Focus groups were held with Babergh residents to find out which of the Council's Strategic Plan outcomes were most important to them. The findings were fed in to the Annual State of the District debate and used to review the Council's Medium Term Plans and One Year Delivery Plan and to inform the Council's budget for 2010/11

Case Study – Shotley Youth Group

A group of teenagers from Shotley were supported by the Council and Community Service Volunteers Media to shoot a film that challenged the stereotypical view of young people in their community. The film, which highlighted the lack of local facilities for young people, was screened in the village hall in May 2009.

The group bid for funding to establish a youth group and were awarded nearly £20K from the Suffolk CC Youth Opportunity Fund and the Extended Schools Fund. Shotley Youth News Crew now has 39 members and is supported by adult volunteers from the local community.

Babergh's Environmental Footprint

The Council recognises that it has a significant role to play in achieving sustainable development and reducing its environmental footprint through efficient use of resources. To support this, Babergh has been establishing systems and processes to help:

- understand and then reduce its use of energy, fuel, water and raw materials through reducing demand and using more efficient approaches or products;
- reduce the waste it produces, reuse and recycle resources wherever possible; and
- promote, enhance and protect biodiversity on Babergh District Council land.

Key actions and achievements:

Carbon Reduction

- The Council monitors and manages its consumption of gas, electricity, water and transport fuel

- Babergh has worked with the Energy Saving Trust and Carbon Trust to assess its carbon footprint and the impact of its estate. A Carbon Management action plan has been produced and capital programme funding has been allocated to the priority actions in the plan
- Affordable homes that are commissioned by the Council will be built to Code for Sustainable Homes (CfSH) Level 3 standard
- The Council has procured a new, more energy efficient fleet of refuse / recycling vehicles
- 129 energy efficient heating systems and 52 air source heat pumps have been installed in council homes
- A mini Combined Heat and Power plant has been installed at Playford Court, one of the Council's sheltered housing schemes, to provide all the energy requirements for the complex. The resulting savings in energy efficiency and costs are being monitored and the Council is looking to roll this out to other sheltered homes following evaluation

Waste and recycling

- Waste generated from works undertaken on our housing stock and other fixed assets (offices, depots etc) is monitored and managed
- Babergh staff are expected to recycle their office waste

Biodiversity

- 4 of our 9 countryside sites are managed by local conservation charity landowners along with their adjacent sites to ensure an holistic approach to biodiversity in the locality
- Woodland biodiversity has been encouraged by a positive management regime which includes coppicing, habitat piles of both wood and herbaceous vegetation and re-planting with local provenance plants where possible
- Grass cutting and hedge trimming frequencies have been reviewed to allow seasonal growth of wild flowers, ensuring habitats remain attractive to birds and insects and that nesting sites are not disturbed