



**POLICY AND BUDGET
FRAMEWORK**

2010/11

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Message from the Chairman of Strategy Committee

The Council's Strategic Plan that was agreed in 2008 sets out our aims and priorities over a ten year period.

3-year Medium-Term Plans and a One Year Delivery Plan are then developed each year to deliver the aims and priorities in the Strategic Plan. The Medium-Term Financial Strategy and Budget for 2010/11 has been developed to integrate with and support these.

This ensures that the Council has a clear focus and future direction for the long-term benefit of the area so that we provide the services people want and achieve the desired outcomes for our residents and other stakeholders in the coming years.

A clear and understood Policy and Budget Framework is key to delivering all of this.

Our aim in recent years has been to do our best to deliver Council Tax increases that do not exceed the rate of inflation. We have managed that over the last 6 years, which is a considerable achievement.

The Budget for 2010/11 has been the most challenging that the Council has ever faced, with the need to find savings, efficiencies and additional income of £1.6m or around 14% of our net budget of approximately £11m.

This has meant that the Council has faced a number of very difficult issues and has had to make some uncomfortable decisions as part of this year's strategic financial planning process.

We have carried out a review of our strategic priorities and service delivery plans and have undertaken a detailed and comprehensive examination of all costs and income streams. In doing this, we have had extensive engagement with our stakeholders including staff and have undertaken appropriate risk and equality impact assessments.

Through this we have managed to prepare a balanced budget, identifying and agreeing the significant savings, efficiencies and additional income that are needed. All of this has been done with the aim of minimising the impact on service provision and ensuring that we will continue to deliver even greater value for money.

The result is a Council Tax increase for Babergh's services of 3% next year or 8p a week for a band D property. It is forecast that very significant further year-on-year efficiency and other savings or additional income will be needed beyond 2010/11.

This publication sets out and explains how the Budget has been arrived at and provides information on the savings, efficiencies and additional income that have been identified to achieve a balanced Budget for 2010/11.

Given the likely reductions in Government grants in future years, this will continue to pose some equally tough challenges for Babergh to maintain the balance between service provision, improvements and Council Tax increases. We will, by working in partnership with others and integrating services and management, strive to achieve the clear aim of improving service resilience and reducing costs further.

I hope that you will find this a useful document, and one that gives you a clear indication of what the Council is trying to achieve on your behalf.

Nick Ridley
Chairman of Strategy Committee
February 2010

Policy and Budget Framework Process

The suggested timescales for the Policy and Budget Framework process in 2009/10 is set out below and shows how the Strategic Financial Planning process should be integrated and linked to the Savings and Efficiencies Plan, Consultation, and the Strategic Plan/Medium Term Action Plans/One-year Delivery Plan. These will include relevant and appropriate consultation and engagement, both internally and externally.

Month	Savings and Efficiencies Plan	Strategic Plan and Medium-Term Action Plans	Medium-Term Financial Plan & Budget
2009			
May/June			Strategy Committee agrees approach to delivering the Strategic & Financial Planning (SFP) process.
	SFP Task Group gives initial consideration to these and the broad timetable involved.	Task Group considers the key financial issues relating to the Medium-Term Financial Plan.	
July/August	Work by officers on the various tasks relating to these to enable options and proposals to be presented to SFP Task Group, including review of capital investment plans.	Initial draft of a 3-year Medium-Term Financial Plan considered by the Task Group.	
	Scene setting and key issues/approach to this year's SFP process discussed at Members Seminar in July. Consultation and engagement with staff, the public, partners and other stakeholders starts.		
	SFP Task Group considers the issues (in mid/late August and into September) in order to report to Strategy Committee and Council in September/October.		
September/October	SFP Task Group gives further consideration to the issues, including an Efficiencies Review Programme, initial proposals on the Medium-Term Action Plans and the One-year Delivery Plan (including review of progress in 2009/10) and development of the 2010/11 Budget. Consultation and engagement continues, including the State of District Debate. Members' Seminar considers overall picture and position on the 29th October.		
	Strategy Committee (8th October/5 th November) and Council consider income generation and savings/efficiency options.	The various plans are reviewed further in the light of Member considerations and decisions (to be completed in November).	

Month	Savings and Efficiencies Plan	Strategic Plan and Medium-Term Action Plans	Medium-Term Financial Plan & Budget
November		SFP Task Group works with officers to finalise the 2010/11 draft budget proposals, the Medium-Term Financial Strategy/Plan, the Medium-Term Action Plans and the One-Year Delivery Plan.	
December	Joint meeting of Overview & Scrutiny Committees to consider report from the Task Group. Recommendations to Strategy Committee on the Medium-Term Financial Plan, Medium-Term Action Plans, One-Year Delivery Plan and the 2010/11 Budget. Further consideration by SFP Task Group as necessary.		
2010			
January		Strategy Committee to consider proposals on the Medium-Term Financial Plan, Medium-Term Action Plans, One-Year Delivery Plan and the 2010/11 Budget.	
February		Overview and Scrutiny Committees scrutinise Budget and related proposals.	
		Strategy Committee recommends and Council approves 2010/11 Budget.	