

**BABERGH DISTRICT COUNCIL**

**FROM:** Director of Finance

**REPORT NUMBER** **K209**

**TO:** COUNCIL

**DATE OF MEETING** 22 February 2011

**BUDGET AND COUNCIL TAX 2011/12**

**1. PURPOSE OF REPORT**

- 1.1 To provide further information on the final proposals for the 2011/12 Budget following consideration of Papers K166 and K202 by the Strategy Committee on the 13 January and 10 February 2011.
- 1.2 To set out the necessary resolutions in relation to the Budget and for the setting and collection of Council Tax for 2011/12.

**2. RECOMMENDATIONS**

- 2.1 As set out in Appendix E.

**3. FINANCIAL IMPLICATIONS**

- 3.1 See Papers K166 and K202A.

**4. RISK MANAGEMENT**

- 4.1 See Papers K166 and K202A.

**5. KEY INFORMATION**

**Background**

- 5.1 Key aspects of the final proposed Budget for 2011/12 were reported to Strategy Committee on the 13 January and 10 February 2011 (Papers K166 and K202 refer) and the recommendations in the latter report were unanimously approved. These are reflected in Appendix E.
- 5.2 This paper brings together important information associated with the Budget, including the further information in the various appendices and sets out the necessary resolutions for approving Budget and the setting and collection of Council Tax for 2011/12.

## The Budget

5.3 Council approval to the Budget, including the cost pressures and the savings, efficiencies and additional income of £1.7m referred to in the 2011/12 Budget summary below (and further detailed in Appendices C and D) is sought:

	<b>2010/11 Budget £000</b>	<b>2011/12 Budget £000</b>
<ul style="list-style-type: none"> <li>• Previous year's Net Revenue Expenditure/Base Budget (before use of reserves)</li> <li>• Inflation and other Cost Pressures (Appendix C)</li> <li>• Concessionary Fares spending transferred to SCC</li> <li>• Efficiencies, savings and additional income</li> <li>• Allowance for uncertainties on cost pressures, and risk on savings and income</li> </ul>	11,242	10,938
	+1,080	+ 663
	-	- 772
	-1,384	-1,244
	-	+ 91
<b>Budget Requirement</b>	<b>10,938</b>	<b>9,676</b>
<ul style="list-style-type: none"> <li>• Use of reserves</li> <li>• Government Formula Grant</li> <li>• Council Tax Freeze Grant</li> <li>• Collection Fund Deficit/Surplus</li> </ul>	-100	-210
	-6,240	-4,692*
	-	-115
	+4	-20
<b>Council Taxpayers</b>	<b>4,602</b>	<b>4,639</b>
<ul style="list-style-type: none"> <li>• Council Taxbase</li> </ul>	33,106	33,373
<b>Council Tax for Band D property</b>	<b>£139.01 (+3%)</b>	<b>£139.01 (no change)</b>

\* Excludes one-off transitional grant, which is to be transferred to Earmarked Reserves.

5.4 In relation to the savings, efficiencies and additional income of £1.7m for next year, this is made up as follows:

- Staff savings from voluntary redundancies and the additional income from long-stay parking of £230k approved as part of last year's Budget
- The additional savings, efficiencies and additional income of £1,139k set out in Appendix D that have been identified and that are proposed by the Strategy Committee for next year
- The Government's Council Tax 'freeze' grant of £115k
- Continuation of staff PRP savings under the Collective Agreement of approximately £250k.

5.5 In addition to the above, the following key points are drawn to Members attention:

- The position on Government grants is slightly worse than the very bad cut predicted, with over a £0.8m or 15% reduction next year in Formula Grant. Some specific grants have also been cut
- A further significant reduction in Government Grant of nearly £0.6m (a further 10%) in 2012/13

- Therefore, on Government grant over the next 2 years, we are facing a 25% cash cut , which is very significant and the biggest cut in local authority funding ever
- The Budget proposals for 2011/12 again reflect significant reductions in staffing budgets and staff terms and conditions (on top of the very significant reductions made for 2010/11) as well as changes in the approach to service provision to minimise the impact of further cuts in some discretionary areas.
- In terms of staffing levels, Appendix A includes proposals that will reduce General Fund staffing levels by nearly 14 fte's, which equates to about a further 5% cut on top of this year's reduction. The reduced staffing levels will be realised largely through vacancy management and natural wastage and, where appropriate, through voluntary or compulsory redundancies
- The very limited capital funding available towards the capital programme, risk on capital receipts and the growing impact of borrowing on the revenue budget.

5.6 On Government grant, given that the Government's own Spending Review indicated that Local Government would face around a real terms 28% cut over the next four years, a 25% cash reduction in just two years would suggest that we are now looking at more like the prospects of a 35% to 40% cut over the next four years.

5.7 A balanced Budget can only be achieved by reflecting the following savings:

- The significant further reductions in staffing levels which, when combined with the voluntary redundancy and other staff savings from the Collective Agreement with Unison, result in the total saving from staffing budgets amounting to £899k next year (55% of the total savings)
- Efficiencies and other Budget reductions totalling £384k
- Savings of £165k by reducing or changing the approach to some areas of discretionary service provision
- Additional income of £171k including the full-year effect of long-stay car parking charges.

### **Review of Charges**

5.8 Discretionary charges have been reviewed in the light of the Council's Strategic Charging Policy. Changes to statutory charges will be implemented as and when these are notified to the Council. Main points to note are:

- Some charges are not being increased to ensure they remain affordable and, where necessary, competitive
- Where there are increases, these have generally been limited to no more than 2% unless there are good reasons for a different level of increase
- Some charges need larger increases such as trade waste charges, to recover the latest increase in landfill tax costs
- Some charges are being amended to achieve alignment with Mid Suffolk.

5.9 The Government is proposing, subject to consultation, to give Councils the power to set local Planning Fees from October 2011. Proposals on these will be brought to Members in due course.

6. **EQUALITY AND DIVERSITY IMPACT ASSESSMENT**

6.1 These have been undertaken by officers and were considered by the Overview and Scrutiny (Community Services) Committee on the 1 February 2011 – Paper K194 refers. They are attached at Appendix B.

7. **APPENDICES**

A – Budget Risk Assessment

B – Equality Impact Assessments

C – Cost Pressures

D – Savings, efficiencies and additional income

E – 2011/12 Budget and Council Tax Resolutions

8. **BACKGROUND PAPERS REFERRED TO:**

None.

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**2011/12 BUDGET - RISK ASSESSMENT**

**Background**

1. This document sets out the risk assessment that has been undertaken in relation to the Budget for 2011/12, including the capital programme. It covers key issues that the Director of Finance as Section 151 Officer is required to report on to Members under Section 25 of the Local Government Act 2003, specifically on the robustness of estimates and adequacy of reserves. Section 26 of the Act empowers the Secretary of State to set a minimum level of reserves for which a local authority must provide in setting its budget. Section 26 would only be invoked as a fallback in circumstances in which a local authority does not act prudently or disregards the advice of its Section 151 Officer.
2. The Director of Finance and Members have a responsibility to ensure, in considering the budget, that:
  - It is realistic and achievable and that appropriate arrangements have been adopted in formulating it
  - It is based on clearly understood and sound assumptions
  - It links to the delivery of the Council's Strategic Plan and priorities
  - It includes an appropriate statement on the use of reserves and the adequacy of these.
3. The risk assessment is very important in view of the significant level of savings, efficiencies and additional income that has been incorporated into the 2011/12 Budget.

**Overall Approach**

4. The following provides a good level of assurance on the Council's approach to formulating the budget for 2011/12:-
  - A strategic and integrated approach to service and financial planning, based on the Strategic Plan and Medium-Term Plans has been adopted, providing a robust framework that ensures that the Budget reflects the council's priorities
  - The Member Strategic Financial Planning (SFP) Task Group has carefully considered and scrutinised potential areas for savings, efficiencies and income generation opportunities. They have also ensured that Senior Management have considered a wide range of areas for cost reduction, with careful regard to the impact on service provision and particular residents or vulnerable groups (through Equality Impact Assessments)
  - The Deputy Chief Executive and other members of Management Team have ensured a strategic overview. Heads of Service and Managers have formulated and agreed savings proposals and budgets for their service areas, which have been thoroughly reviewed by Corporate Finance staff

- Key Assumptions have been made and continuously updated during the budget process to reflect the changing economic position and latest information. Risks and uncertainties have been identified and carefully considered. Further details are provided later
- On the capital programme, the timing of projects and anticipated funding sources has been assessed and reviewed with regard to capacity and the involvement of external partners and funding. The continuing impact of the economic situation with regards to asset sales has been taken into account in forecasting future capital receipts but risks still exist in this respect
- The Overview and Scrutiny Committees have examined the proposed budget for 2011/12 and the capital programme at their joint meeting in December 2010 and again on the detailed budget in January/February 2011, with appropriate observations and views being made to the Strategy Committee.

### **Revised Revenue Budget 2010/11**

5. In relation to the 2010/11 revised budget, the following also demonstrates that a robust approach has been adopted:
  - The continuing impact of the economic downturn on income levels has been allowed for. Revised assumptions have been made on expenditure in key risk areas such as concessionary fares
  - The total savings, efficiencies and additional income of around £1.6m built into the original budget, including significant savings on staffing budgets, have been achieved and reflected in the revised budget
  - The revised budget, therefore, is largely based on actual savings that have been realised and a robust assessment of expected outcomes on those budgets where some uncertainty still exists
  - This means that there is a very low risk that actual net expenditure for the year will exceed that forecast and further savings compared to the revised budget are possible. Where appropriate, these will be carried forward (with Member approval) or the Council will determine whether that money should be kept in reserves
  - Rigorous budget monitoring will continue for the remainder of the financial year to address any significant variances that are identified.
6. Based on the above and unless any unknown exceptional costs or income reductions arise, net expenditure and income for the year should be in line with the revised budget.

### **Revenue Budget 2011/12**

7. Insofar as the 2011/12 Budget is concerned, it again reflects a significant level of savings, efficiencies and additional income. For next year these amount to around £1.7m.

8. Key assumptions have been made as detailed below:

- Savings, efficiencies and additional income – All areas identified have been the subject of scrutiny by the SFP Task Group, Strategy Committee, a joint meeting of the two Overview and Scrutiny Committees, as well as full Council. Officers have assessed the risk in terms of deliverability
- Clearly, some risks still exist in relation to a number of these and some are dependent on efficiency/staffing reviews. There is also the review of the implementation of the new car park charging regime
- Interest rates – These affect both borrowing costs and also investment income and budget assumptions are based on advice from the Council's Treasury advisors. These are considered as being realistic based on current market expectations and the borrowing strategy. Both, however, will be dependent on the actual rates that apply next financial year and these will be carefully monitored
- Inflation and other cost pressures – the budget assumes no pay increase for in terms of the 2011 pay award for those earning more than £21,000 in line with Government policy. Other allowances for inflation have been made on some budgets including major contracts, where there is a contractual requirement to do so. Where appropriate, higher inflation allowances have been allowed for major contracts where multi-cost indexing mechanisms apply that reflect energy, fuel and other costs.

9. In addition, the following key areas have been addressed as indicated. They are mostly seen as low or in some cases medium risk:

- Integration and merger with Mid Suffolk – a detailed business case has been approved by Members of both Councils and based on the latest updated business case, an assessment has been made as to the level of costs and savings that might fall in 2010/11 and 2011/12 and this has been included within the budget (estimated net cost of £250,000). Within this there is an assumption that the two councils will be given approval to capitalise certain one-off staff severance costs resulting from the integration of senior management and services. This and a number of variables have yet to be finalised and when they are the sum may need to be amended either up or down
- Shared Revenue Partnership (SRP) - the SRP between Ipswich Borough Council and Babergh and Mid Suffolk District Councils will become operational from April 2011 in Grafton House, Ipswich. The Council's budget contains its agreed contribution to SRP under the business case. A lot of detailed work has and continues to be undertaken to ensure that the new service will be successful and the Joint Committee is now established and overseeing the implementation plans for the new shared service, but until the service becomes fully operational and tested there will be some risk for each of the partner councils

- External Audit Fees - a reduction of £20,000 in external audit fees has been built into the Budget for 2011/12, to reflect the removal of external inspection regimes e.g. Comprehensive Area Assessment (CAA) including Use of Resources. The Audit Commission has recently consulted on the level of fees it proposes for 2011/12 and for Babergh the reduction is only £5,000. The Council has responded vigorously to the consultation document and the outcome is currently awaited. If the Audit Commission does not amend its proposals as a result of the consultation, further representations will be made to try and achieve what the Council believes is a fairer position
- Salary savings from staff vacancies management and other unidentified savings – there is an allowance in the budget of £200k. The allowance for vacancy savings from normal staff turnover of £125k and there is an allowance of £75k for other savings that will have to be delivered during the year. Both of these are seen as achievable as those allowances have been exceeded in 2010/11. These savings will be achieved through the ongoing rigorous challenge of the need to fill vacant posts and by identifying areas where additional efficiency savings are possible
- Housing Benefits – Budgets are based on experience in previous years but actual costs and income is dependent on recovery of overpayments and subsidy claims are subject to audit and potential adjustment/variation
- Planning inquiries and legal cases – Costs relating to these are uncertain although an earmarked reserve of £150k has been provided for in the budget for potential cases. It is recognised, however, that this would be insufficient should the Council have to meet costs in the event of losing a current significant case
- Uninsured losses and other claims – any that arise unexpectedly would not be covered by the budget
- Income - Whilst the budget for 2011/12 has been prepared on the basis of trying to ensure that income budgets are realistic and achievable, it is unknown to what extent the economy will recover during next year. These figures, along with estimates for new charges being introduced next year and the new arrangements for Councils setting planning fees locally are uncertain
- Land charge searches - Deregulation and uncertainties in relation to the ability to charge for certain information could continue to impact on fee income. An allowance has been made for this in the Budget but, again, the actual position could vary from that
- Grants towards certain activities, such as the Crime & Disorder Partnership are not yet known. Assumptions have been made in relation to the potential level of grants that could be received but these are not certain. Expenditure and priorities will have to be adjusted accordingly if less money is available.

10. Overall, therefore, although the 2011/12 Budget has a number of uncertainties and risks associated with it, the Council has established clear arrangements for managing these, both through its Risk Management strategy and the Performance Management Framework. Key issues are continuously monitored and reported to Members on a quarterly basis. As a result, the risks are considered to be manageable.
11. Should additional expenditure or income reductions arise, either additional savings will have to be found. The additional use of reserves should be avoided.

### **Capital Programme**

12. Capital spending plans are dependent on assumptions in relation to sources of capital finance, including certain significant capital receipts that have been assumed for future years, but the actual amounts and their timing is uncertain.

### **General Fund Working Balance/Earmarked Reserves**

13. General reserves, over and above those earmarked for specific purposes, are considered to be sufficient to cover unforeseen increases. An estimated general reserve working balance of around £1.3m is anticipated at the 31 March 2012. This excludes an assumed amount of £250k that could be received in relation to the Government's New Homes Bonus in 2011/12, which has yet to be confirmed. It is anticipated that the figures for 2011/12 will be announced before Council sets the Budget and Council Tax on 22 February 2011. The working balance is before any costs that may have to be met on the significant legal case referred to above.
14. This estimated potential level of the General Fund working balance is just above the previously approved minimum level of £1.2m. However, the significant legal case referred to above could impact on the position.
15. The Director of Finance has advised that the minimum reserve level could be reduced to £1m (which would then be in line with Mid Suffolk). However, the additional use of reserves should only be considered when there is more certainty on the integration costs with Mid Suffolk and the significant legal case. Over and above these specific issues, any additional use of the working balance will be seen as a last resort.
16. Taking all of these issues into account, the General Fund working balance is currently sufficient to meet a degree of unforeseen expenditure or additional lost income, although the aim would be to meet any such occurrences by finding additional savings, efficiencies or other budget savings.
17. It is considered that the estimated level of the General Fund working balance as at the 31 March 2012 is, therefore, appropriate and adequate taking into account the various risks associated with the Council's activities in the medium-term. A revised minimum level of reserves of £1m is also considered to be adequate.

18. In relation to earmarked reserves, amounts previously set aside to fund capital projects and to help towards the cost of legal cases will be spent by the end of 2011/12. The New Homes Bonus that is received in 2011/12 is to be set aside, along with the transitional one-off Government grant of £0.1m as these are not core sources of funding that should be used to support the general budget requirement. The Council will then decide during 2011 how this money should be used e.g. towards existing or new capital projects or to help towards future budget savings.
19. The reserves position and the scope for using the New Homes Bonus (and the one-off transitional Formula Grant) on capital or revenue projects will be reviewed later in 2011 once the overall level of these and the position on the significant legal case is more certain.

### **Monitoring and control**

20. There is a clear framework for managing and monitoring the budget with regular reports to the Overview & Scrutiny Committees, various Panels and Boards and senior management. These reports will continue to focus on identified risk areas.

### **Conclusions**

21. Based on the various elements of this risk assessment, it is believed that the 2011/12 Budget (and the 2010/11 revised budget) is sufficiently robust and is based on sound assumptions. The Director of Finance's opinion is that although a full assurance cannot be provided, there will be no unforeseen adverse variances. This is an expected and acceptable situation for any organisation that has to deal with a large number of variables and also in the context of the world economy.
22. Provided that the minimum safe level of reserves is maintained any variations arising as a result of lack of robustness in the estimates should be manageable.

Barry Hunter  
Director of Finance  
February 2011

**(PREVIOUSLY SUBMITTED TO OVERVIEW AND SCRUTINY (COMMUNITY SERVICES) COMMITTEE AS PAPER K194)**

**EQUALITY IMPACT ASSESSMENTS AND THE DRAFT 2011/12 BUDGET**

Equality Impact Assessments on the savings proposals set out in Appendix A of Paper K158 (as updated in Paper K166) have been completed.

The assessment exercise found that two of the savings proposals will have a much greater negative impact on a number of the equality groups than they will have on the general population. The two proposals concerned are the public convenience closures and any changes to discretionary rate relief.

If Members agree to implement these savings proposals further work will need to be completed on ways to mitigate the effects on the equality groups in question. An outline of the impact of these two proposals is provided below:

**Public convenience closures**

The equality impact assessment identified that there would be a particular negative impact on older persons, carers and those with medical conditions that require access to conveniences when away from their home. Parents/guardians (especially those with babies and young children) and people with physical disabilities would be potentially the worst affected as alternative provision at nearby restaurants or public houses may not be fully adapted for use by people with disabilities or have baby-changing facilities.

Mitigation measures include the development of Community Toilet Schemes, securing alternative provision, for example, toilets at nearby public houses (although this may not fully address the issue highlighted above) and/or the possible transfer of management arrangements to Town and Parish Councils. Further detailed EIA will be necessary.

**Changes to discretionary rate relief**

Discretionary rate relief is aimed at charities, community groups, amateur sports clubs, non-profit making organisations and other businesses in rural areas of Babergh. A reduction in the level of discretionary rate relief for such organisations will mean that they will need to find ways of meeting the increase in their Business Rates bill.

The Business Rate Relief savings proposal has, however, been categorised as a 'last resort option' and, as such, is unlikely to be implemented in 2011/12. However, should this option be revisited in future, Members will be given details of the impacts that would result.

**ADDITIONAL DETAILS BELOW RELATING TO EQUALITY IMPACT ASSESSMENT AND COMMUNITY GRANTS FOR MEMBERS' INFORMATION**

An Equality Impact Assessment has been carried out on the effects of the proposed funding reduction for Babergh's Community Grants Scheme. Members are advised that the impact of the proposed grant reductions in 2011/12 for the equality groups has been assessed as negative but low. No organisations face closure or a substantial reduction in service as a result of the reduction in grant aid from Babergh.

The savings target has been achieved by making small reductions across a large number of organisations. This has meant that no single group face a withdrawal of grant next year. All the grant recipients concerned have been given the opportunity to explain what they see would be the impact of the proposed change in their funding from Babergh.

Members' attention is drawn to three particular groups (these reflect the Equality and Human Rights Commission strategic objectives):

- Violence against women and girls
- Funding to organisations providing information/advice to ethnic minority groups
- Transport services used by disabled people

Members have already had this information as part of the bigger package of information about Community Grants but the details are repeated here in order for Members to be absolutely clear what the proposed reductions are going to be in the above areas. The impact of these small reductions on the organisations concerned will be negative but low.

**Hadleigh Community Transport Group** - grant in 2010/11 was £500. Proposed Grant in 2011/12 is £450.

**Sudbury Town Area Rural Transport (Go START)** - grant in 2010/11 was £1500. Proposed Grant in 2011/12 is £1250.

**Suffolk Hate Crime** - grant in 2010/11 was £3500. Proposed Grant in 2011/12 is £3000.

**Ipswich and Suffolk Council for Racial Equality (ISCRE)**- grant in 2010/11 was £1500. Proposed Grant in 2011/12 is £1250.

**Ipswich Women's Aid** - grant in 2010/11 was £1500. Proposed Grant in 2011/12 is £1250.

**Additional Net Cost Pressures**

	<b>Increase/ (Decrease) £000</b>	<b>Assumptions/comments</b>
<b>Staffing</b>		
Annual increases	69	Incremental progression under PRP scheme.
Annual pay award	(9)	Based on 0.5% budget saving in 2010 and pay 'freeze' in 2011 (cost of £250 increase only for those earning less than £21k a year). Would be a further £21.5k or £43k cost if allowance were made for either a 0.5% or 1% increase but cost could be met from reserves or increased savings from vacancy management if it arose.
Other Staff-related costs	18.5	Govt. NI increase.
Other Staff-related costs	35	Pension Fund increases following March 2010 actuarial valuation.
<b>Service/other pressures</b>		
Indexation increases on Major/other Contracts	80	Open Spaces = estimated 2% increase, £19k. (MTFS 2.5% 24k); Waste Contract = allow 2% to be prudent, £36k. (MTFS 2.5% 45k). Some unavoidable inflation on other smaller contracts, premises and transport costs increases. Overall, £75k less than in MTFS.
Fees and Charges	(20)	The current MTFS reflects an overall 2% increase in fees and charges and potential income of £54,000. Some of this could result from charges that are currently set by the Government e.g. planning fees. Other increases are at the Council's discretion.
Active Sport / Sports & Leisure Promotion	6	Budget was removed for 10/11 but may still be required.
SSL Management Fee	9.5	Effect of last year's decision reducing discretionary rate relief. The existing arrangements to provide 100% rate relief for SSL will continue but will be subject to annual review and will take account of the financial performance of SSL.

	<b>Increase/ (Decrease) £000</b>	<b>Assumptions/comments</b>
Hadleigh Business Centre / Economic Dev.	15	Business Centre is not fully occupied, deficit in 11/12 is expected to be approx. £20k. There is a contractual obligation to pay for 50% of the losses. There still remains approximately 3.5 years to run on the lease and this may be an ongoing issue. Officers are investigating the possibilities of another organisation taking responsibility of the lease. Efforts continue to let the vacant units. As part of this process an open day was held on the 18th November 2010.
ASBO Officer – CDRP	8.5	Potential cost if Govt. funding of ASBO / CDRP work ceases (as seems likely). Some costs to be charged to HRA in future and Community Safety Partnership to determine priorities for funding.
Business Rates on BDC properties	8	Due to revaluation/inflation. Although large increases due to revaluation are offset by Transitional Relief, this relief is reduced year on year. Quotations being sought from specialist consultants on a no fee/no win basis to review our business rates assessments and appeal if necessary. Assume 50% success rate.
HQ Painting	17.5	Requirement of £30-35k split between 2011/12 and 2012/13.
Photocopying Costs	2.5	Estimated savings from rationalisation not fully achieved but increased efforts to minimise any cost pressures to be put in place.
HB/CTB Admin Grant	27	Likely reduction of 26% over 4 years – 8% reduction for first year.
Revs & Bens shared service set up costs	(15)	£50k base budget in 2010/11. Reflects estimated net initial set up cost of £35k in business case.
Investment income	10.5	Base rate is not predicted to rise until the third quarter of 2011/12, therefore, a small increase to income has been included against the original budget for 2010/11. However, £10k will again need to be transferred to S106 monies and £1m of earmarked/other reserves are now likely to be used in 2010/11.

	<b>Increase/ (Decrease) £000</b>	<b>Assumptions/comments</b>
Housing and Planning Delivery Grant	44.1	HPDG has been scrapped by the Government. This is the revenue element (also capital implications). The 'New Homes Bonus' should more than offset this in future years though.
Planning Inspectorate - Examination of core strategy	15	Estimated cost in region of £30k - timing not certain but could commence late 2011/early 2012. So may be split between 2011/12 and 2012/13.
May 2011 District Elections	75	Council elections in May 2011. Statutory requirement.
Capital Programme – Borrowing costs	136	MTFS allowance only £54k but delayed capital receipts and additional borrowing costs will result in a significant increase over and above this unless projects are removed from the capital programme and/or delayed. The £136k includes £33k for additional costs should forecast capital receipts be delayed.
Mid Suffolk – net costs of integration/merger	130	See covering report. Met from reserves and payback in subsequent years.
<b>Total Net Cost Pressures</b>	<b>663.1</b>	

**Efficiencies, Savings and Additional Income proposals**

<b>CATEGORY – DEFINITE/PURSUE FURTHER</b>	<b>Amount £000</b>
<b>Service Efficiency/Staff reductions</b>	
Waste & Recycling Contract – introduce new customer access arrangements by embedding staff at the joint depot, thus reducing the number of staff by the equivalent of 1.5 FTEs. Introduce round changes to improve the efficiency of collection.	40
Countryside and health & safety work - staff shared as part of shared services with MSDC - 1.0 FTE staff reduction.	22
Planning Policy - Senior Planning Policy Officer post – part time replacement of full-time post - Staff Reduction of 0.4 FTE. Ensures adequate resource to delivery on LDF programme and related planning policy work on revised timetable. Adoption of Core Strategy by 2012. Already implemented.	15
Housing Standards – Revision of work practices and priorities. Further efficiencies to be made by potential integration with other posts using common skills. Staff reduction of 0.6 FTE.	18
Sudbury Tourist Information Centre - a management transfer to Sudbury Town Council ensures service continues at slightly reduced level, but at less cost. Redundancy payments in 2010/11. Equivalent of 2.5 FTE staff reductions.	24
Legal Services - integration of the Legal Services function with MSDC, including the Monitoring Officer. Already approved. BDC staffing establishment reduced by 0.4 FTE. Across both Councils, the shared saving equates to more than this.	25
A review of the workloads and staffing of the Policy and Performance, HR and OD, and Information Management teams has been carried out. Through the flexible use of staffing resources and vacancy management, an ongoing saving of £40k can be achieved.	40
ICT - review of how ICT staff resources were deployed. Amendments to the establishment have been agreed, including the absorption of some procurement and purchasing work by the Contract and Asset Management Division.	37.5
Information Management - the LAMP project has also streamlined the land charges process, which will allow a reduction in the Land Charges Officer establishment of 0.5 FTE.	8
Democratic Services - a review of the Section has been carried out. Because of improved working methods and a reduction in word processing volumes, it has been agreed that the Office Services establishment will be reduced by 0.5 FTE.	8
Corporate Support - a review has been conducted on the administrative support required for the division. It is proposed that the establishment is reduced by 0.5 FTE, but replaced by a 0.4 FTE bank of hours that can be used flexibly across the division.	1.6

<b>CATEGORY – DEFINITE/PURSUE FURTHER</b>	<b>Amount £000</b>
Corporate Finance - salary/external support budget provision for current/future pressures. Maximum – this would leave no scope for meeting IFRS and other requirements. Will need to scale down current activities to release capacity, which could have implications – 0.5 FTE reduction (75% GF share).	13.5
Corporate Finance - reshaping of Corporate Finance Team focusing on core/statutory activities and eliminating or revising unnecessary activities. More detailed work needed on scope and implications. Potential redundancy and 0.5 FTE reduction.	15
Internal Audit - reduce audit coverage to mainly 'Priority 1' and other essential work only, including reduction in audit work due to creation of SRP. This is based on renegotiating the current arrangement with SCC and/or appointing staff directly in conjunction with MSDC - equivalent to 1.0 FTE reduction.	18.5
Revs and Bens Shared Services Partnership - £4m savings over 10 years as a result of the revised Business Case for 3 Councils but these won't start to arise until 2012/13. Staff reductions in 2011/12 but implementation costs offset savings in year 1. Potential redundancies.	0 (in 2011/12)
Caretaking – 1.0 FTE Staff Reduction in the provision at the HQ through a voluntary redundancy package. Already approved. Redundancy costs in 2010/11.	18
	<b>304.1</b>
<b>Other Service Efficiency/Budget Reductions</b>	
Public Conveniences - closure of rural sites. Investigations to reduce impact by consideration of other means of service delivery, including local management by Parish Councils or use of other service sectors. Although it is estimated that at least £75k could be saved in 2011/12, the Task Group has taken a more cautious view than this.	50
Natural & Built Environment - OS data mapping costs. New route of funding for service through Govt procurement. However uncertain whether or not funding will be diverted from elsewhere.	10
Building Control – funding for partnership work that is no longer needed.	12.5
Waste Strategy - maintenance of recycling performance through re-negotiated gate fee at MRF. Subject to confirmation, £25 per tonne is a realistic estimate.	145
Joint Waste & Recycling Contract - Variation Order regarding the joint depot provision – due to the proposed 'energy from waste' facility there may not be such a need for a joint depot as originally planned. There is a possibility therefore that a contract reduction can be secured if we do not proceed with a new joint depot. A further £50k is being sought for 2011/12 (making the total saving £100k) but that does not affect the 2011/12 budget as £50k is already allowed for in 2010/11 Base Budget.	0
East House – no further requirement for revenue costs in maintaining the property if it is sold.	5

<b>CATEGORY – DEFINITE/PURSUE FURTHER</b>	<b>Amount £000</b>
Quay Theatre – reduce level of grant based on agreement for transitional funding in future years and a long term plan for Theatre.	17.5
South Suffolk Leisure Trust (SSL). The management fee payable to SSL is to be reduced through the mechanism of suspending RPI increases, which are contractually payable per annum. For 2011/12 this will deliver an estimated saving of at least £5k and the agreement to suspend RPI increases would continue for the next five years, delivering total estimated savings (depending on RPI levels) of between £25k and £35k over that period. In addition further savings are expected from improvements to carbon efficiency at the facilities managed by SSL. The exact amount of savings that this may generate will need to be assessed when the work is delivered but it is estimated that this could be up to £4k in 2011/12.	9
Contract & Asset Mgt - reduce the Asset Management budget for costs incurred in managing the Council's General Fund assets	12.5
Natural and Built Environment – further reduction to all controllable budgets including training. Risk that professional officers are unable to maintain competency. Could be challenged in event of prosecution in Court. Low risk. Seek efficiencies to maintain services or minimise impact on service provision.	20.7
Planning Control - appeal decisions statements brought in-house – use of existing resources. May need reconsideration in event of a significant increase in planning applications.	10
Planning Control – a reduction is possible in the budget for qualification/other training. Represents unspent funds as professional training courses are completed so no effect on team performance.	3
Emergency Planning - a review of the emergency planning budgets, other than the JEPU contract has been carried out. The Council has all the necessary emergency planning equipment at the moment. If there was an emergency to deal with, some of this may need to be replaced - but this is an area of minimum risk. The removal of the budget for emergency planning tools and equipment is therefore proposed. All internal emergency planning training is covered by the JEPU agreement; however external training is funded by the local authority. A 50% reduction in the emergency planning training budget is proposed.	2
ICT - a review of the ICT Capital Programme has been carried out, removing certain non-committed projects and shifting work between years. The results are reflected in the Capital Programme table.	N/A (reflected in cost of capital programme)
The ICT revenue budgets include the salary budget, which has been dealt with separately. The remainder of the budgets primarily deal with software licenses (approx £260k) and contract maintenance (approx £70k) where there is little if any scope for manoeuvre. The remaining budgets, including training, total approx £50k. However, a review has been undertaken and a saving made.	7.7

<b>CATEGORY – DEFINITE/PURSUE FURTHER</b>	<b>Amount £000</b>
Consultation - the corporate consultation budget will be reduced following the abolition of the Place Survey, leaving a core corporate consultation budget of £4,200.	7
Fairness and Equal Access - the next assessment level with regard to this includes an IDeA Peer Review as the final step. The Fairness and Equal Access Group supports the development of all the criteria necessary to achieve the next assessment level without the expense of the Peer Review.	3
Emergency Planning - discussions with the Joint Unit (JEPU) have identified a savings option that will be proposed to SCEG.	3.6
Cost of Democracy - a review of the budgets has been carried out. These include: the Special Responsibility Allowances budget; Members' subsistence allowances; meeting refreshments; and phone rental allowances.	13
Cost of Democracy - it is proposed that three out of the four Member Seminars are held in the Council Chamber.	2
HR & OD – the corporate training programme and budget have been reviewed and it is proposed that the budget is reduced by 10% - achieved by having an even more focused corporate training programme.	2.6
Corporate Services - a review of various budgets has been carried out. These include budgets for professional and consultancy services which, for example would be used for Counsel and employment law advice. By using the budgets in a more integrated way, it is felt that they can be reduced	5.6
Corporate Services - an greater focused approach to training would see a 10% reduction in the Corporate Services Division's training budgets. It is also proposed that the division's office equipment budget is reduced by 50%.	2.1
Recruitment – estimated reduction in budget requirement due to not filling vacancies.	11.3
Audit & Inspection fees – estimated reduced from abolition of CAA and Use of Resources assessments.	20
Insurance premiums – reduction in some areas of low risk cover	7
Collective agreement with Unison– ongoing savings on Leased cars (£11.1k) as part of 2010/11 collective agreement and other staff terms and conditions as part of 2011/12 collective agreement (£10k)	21.1
Vacancy Management – annual allowance for savings as a result of not filling vacant posts	125
	<b>529.2</b>

<b>CATEGORY – DEFINITE/PURSUE FURTHER</b>	<b>Amount £000</b>
<b>Service/Staff Reductions</b>	
Affording Housing - reduce staffing by 0.5 FTE by filling full-time vacancy with a part-time staffing resource. Some reduction in scheme development feasibility work.	17.5
Babergh has a vacant full-time Community Safety Officer post, a vacant part-time Sport/Leisure Development post and a part-time Substance Misuse Officer post (a total of 1.9 FTEs). Babergh 'buys in' 0.5 FTE of the work of the Substance Misuse Officer post from Suffolk Coastal DC. These posts deliver Community Safety work and BeActive developments. The savings proposal is to reduce the overall staffing resource by 0.5 FTE by deleting the current posts and creating 1.4 new FTE posts instead. This requires prioritising the work of all three posts and losing some tasks and ending the agreement with Suffolk Coastal DC.	17
Food and Safety Regulation - revise statutory inspection programmes for H&S – critical impact if fatality occurred that would impact on Council reputation. 0.3 FTE saving potentially through shared post with MSDC.	10
Cash Office - reduce the opening hours initially (in May 2011) and close completely (by October 2011) – 0.5 FTE reduction from partial and 1.0 FTE from complete closure. (75% GF share). Alternative payment arrangements to be put in place.	15
	<b>59.5</b>
<b>Service Reductions (no staff reductions)</b>	
Free swimming – end of programme/Babergh subsidy.	37
Grounds Maintenance and Street Cleansing - negotiations will be undertaken with the contractor to further reduce the spending provision in the contract on grounds maintenance and reduce the spending provision in the contract on street cleansing. Reductions in specification will be such that they minimise the impact on residents.	50
Concessionary Fares Scheme - remove Countywide discretion. This will depend on Countywide discussions with SCC following the transfer of responsibilities in April 2011.	0
Community Grants revenue budget – reducing this budget (in addition to the Quay Theatre grant cut) is achievable by spreading a mean average of 11% reduction across a wide range of existing grant recipients; it is still subject to further assessment of individual impacts, which may produce some variations. CAB and some service commissioning partners can be protected.	27
Sudbury Citizen Advice Bureau – not core funding but additional support for local surgeries and outreach work. Previously agreed budget not taken up; further discussions with CAB needed to clarify need in future years.	35
Economic Development - remove two small schemes designed to support new businesses (loans and new initiatives).	5.6

<b>CATEGORY – DEFINITE/PURSUE FURTHER</b>	<b>Amount £000</b>
Arts Development - reduce budget by 40% (will mean a reduction on the number of arts projects being delivered).	5
Economic Development and Tourism – Possible £5k or 25% reduction in our contribution towards inward investment and tourism support services provided by 'Choose Suffolk' (also known as the Suffolk Development Agency) in 2011/12. This may slightly reduce general economic and tourism developmental promotion and could have a negative impact on 'Choose Suffolk'. BDC's tourism budget still in place for district based initiatives.	0 (keep in the budget but only pay if clear evidence of benefits)
Affordable Housing - reduce budget for research work. Minimal impact on overall programme delivery.	2
Environmental Protection - discontinue Air Quality monitoring. Day to day knowledge of pollutants along A12 will be lost but no critical impact.	4
	<b>165.6</b>
<b>Income Generation</b>	
Building Control and Development Control fees – Building Control business plan to grow commercial income through provision of chargeable services to architects and agents and a return to pre 08/09 income for Building Control could arise next year. However, little sign of economic growth and increase in activity means increased income from planning applications unlikely but Government consultation proposals to enable local setting of fees from October 2011, which could result in additional income.	50
Chairman's reception - A review has been carried out to determine if savings can be made from Members and partners contributing towards the cost.	1.6
Car Parking - increase fines on Excess Charge Notices by £10. No increase for last 3 years.	23.8
Car Parking at Pin Mill - increase parking charges from 30p to 50p, and the annual residents parking fee by 50%, in order to compensate for the contribution of £5,000 pa to the new Community Interest Company at Pin Mill. In return the company will carry out the management of the car park.	0
Dedham Vale AONB – rent income from this group moving into the Hadleigh HQ building (75% General Fund)	5.6
	<b>81</b>
<b>TOTAL – DEFINITE/PURSUE FURTHER</b>	<b>1,139.4</b>

<b>CATEGORY – UNCERTAIN</b>	<b>Amount £000</b>
<b>Service Efficiency/Staff reductions</b>	
Finance: Internal Audit - further savings could be possible of around 0.6 FTE as a result of integration with MSDC and further prioritisation of essential/priority 1 audit work but these could be limited in 2011/12.	15
<b>Other Service Efficiency/Budget Reductions</b>	
Corporate subscriptions – review with Mid Suffolk DC to see if any savings can be achieved through a ‘joint’ approach. This work is ongoing and no saving should be assumed at this moment in time.	0
<b>Income Generation</b>	
Licensing - increase in applications and growth in licensing activity may provide additional income. Needs to be seen in light of 2010/11 projections	5
Capital Financing – generate a receipt of £300,000 through the sale of a ‘ransom strip’ at Bures, thus generating a reduction in borrowing requirements. First installment of £50,000 anticipated in 2011/12. (saving reflected in cost of capital programme).	N/A
<b>TOTAL- UNCERTAIN</b>	<b>20</b>

<b>CATEGORY – LAST RESORT (all service reductions)</b>	<b>Amount £000</b>
Discretionary Rate Relief (Option 1) - reducing level granted so that only 80% relief is awarded (excluding Post Offices). Option 2 - Stop discretionary relief for those ratepayers whose rateable value is above the limit set by the Government for small business rate relief (£12,000) except for Pubs/Petrol stations £12,500 and leave Post Offices at 100%.	14.8 - 18
Canteen – if a further reduction in subsidy cannot be negotiated with the contractor then there is an option not to extend the contract beyond 31 <sup>st</sup> March 2011, and close the facility.	10
Corporate Finance – further 0.5 FTE reduction to Corporate Finance establishment. Currently seen as too much of a reduction but further review of staffing/resource levels being undertaken to see what saving may be possible.	10
Contract & Asset Mgt - terminate the Village of the Year competition.	0.9
LGA Conference - do not attend or reduce attendance.	2
Democratic Services - withdraw from the Rural Services Partnership. Would remove Babergh’s voice and also not give us access to the SPARSE services such as benchmarking.	3.7
<b>TOTAL – LAST RESORT</b>	<b>41.4 – 44.6</b>

<b>CATEGORY - UNACCEPTABLE</b>	<b>Amount £000</b>
<b>Income Generation</b>	
Car parking - short stay charging.	<b>200 - 400</b>
<b>Service/further staff reductions</b>	
CABs - Debt Priority Advice service - Withdraw support. This service gives BDC debtors priority to see the CAB debt advisor.	5.2
Benefits - reduce or stop disregarding the 10% discretionary element of war widows and war disablement pension.	8
Environmental Protection - staff reduction of 0.6 FTE on nuisance response/investigations – reduce to minimal standards and close cases. Prioritise planning enforcement and only undertake essential investigations. No natural wastage so potential redundancy, which would offset savings.	20
Food & Safety Regulation – by agreement with regulatory body (FSA) reduce inspection programmes of food premises by 50% -0.6 FTE staff saving possible but no natural wastage so potential redundancy costs that would have to be offset against the savings. High risk if not meeting statutory minimum requirements and reputational damage in event of Food poisoning outbreak.	20
Community Safety - removal of CCTV services.	43
Community Achievement Awards - change to being a bi-annual event.	2
Business Evening - change to a bi-annual event.	2.7
Withdraw from JEPUs completely - this would necessitate emergency planning arrangements being carried out in-house, so would negate any proposed saving to the Policy establishment. If there was an emergency, we would have to call on JEPUs resources, which just would not be acceptable.	20
<p>Policy and Communications - a review of the comms. unit has been carried out. A reduction in the establishment (practically this would be the 0.6 FTE Communications and PR Officer post) would significantly reduce the resource available during a crucial period. In addition the team has an important role in supporting and leading project based work (i.e. editor role for Babergh Matters and department specific publications). The following options are being looked at:</p> <ul style="list-style-type: none"> <li>• Review work scheduling and range of functions provided (i.e. concentrate on core functions i.e. press/PR and corporate communication).</li> <li>• Revise Communications plan to fit reduced resources</li> <li>• Consider integration of communications function with MSDC (linked to BMI project)</li> <li>• Consider joint working with SCC and other public sector organisations for the communications function, (management buy out/JEPUs model).</li> </ul>	12.8

<b>CATEGORY - UNACCEPTABLE</b>	<b>Amount £000</b>
<p>Reduce <i>Babergh Matters</i> from 2 to 1 per year or stop completely. This is the only communication medium which reaches every Babergh household; reducing frequency by one edition will significantly reduce the ability to provide detailed information for residents at this key period of change. Cutting Babergh Matters completely will have the result of removing any means of communication with all Babergh residents. This would hamper the work of the merger/integration project at this challenging time of change.</p> <p>An alternative means of communication could be to issue topic specific publications as required (i.e. merger referendum etc). This would however still incur significant distribution costs. Alternative options could be joint communications with MSDC and SCC and use of other media to provide information to residents (i.e. through press contacts, electronic social media etc).</p> <p>The meeting of the joint O&amp;S Committees asked for this issue to be reviewed. The SFP Task Group remains of the opinion that the budget for publications will be required in 2011/12 either for <i>Babergh Matters</i> in one form or another, or for other publicity matters.</p>	16.8 – 33.6
Members training - a 10% reduction in Members' courses and conferences - Could affect Members' knowledge and skills and, as there will be a new Council next year, this is not appropriate.	0.9
LGA – withdraw.	11
Regional Employers' Group – withdraw.	8.7
	171.1 – 187.9
<b>TOTAL - UNACCEPTABLE</b>	<b>371.1 – 587.9</b>

## RECOMMENDED

(1) That the details set out below be noted:-

## Parish Council Taxes per Band D Equivalent Property 2011/12

PARISH	2011/12 Parish Precept £	Tax Base	2011/12 Amount Band D £	PARISH	2011/12 Parish Precept £	Tax Base	2011/12 Amount Band D £
Acton	44,000.00	644.17	68.30	Kersey	5,930.00	183.96	32.24
Aldham	1,100.00	84.76	12.98	Kettlebaston	500.00	36.84	13.57
Alpheton	2,613.00	111.29	23.48	Lavenham	27,000.00	866.98	31.14
Arwarton	0.00	54.95	0.00	Lawshall	7,000.00	368.18	19.01
Assington	6,500.00	173.99	37.36	Layham	8,500.00	250.43	33.94
Belstead	8,000.00	91.89	87.06	Leavenheath	18,200.00	601.52	30.26
Bentley	11,500.00	327.41	35.12	Lindsey	2,195.00	83.98	26.14
Bildeston	18,000.00	400.78	44.91	Little Cornard	2,250.00	142.75	15.76
Boxford	32,890.00	518.23	63.47	Little Waldingfield	4,230.00	155.04	27.28
Boxted	400.00	53.88	7.42	Little Wenham	0.00	20.39	0.00
Brantham	41,073.00	903.37	45.47	Long Melford	72,500.00	1,494.85	48.50
Brent Eleigh	500.00	83.03	6.02	Milden	850.00	54.69	15.54
Brettenham	4,150.00	114.52	36.24	Monks Eleigh	14,416.00	249.06	57.88
Bures St Mary	22,496.00	391.73	57.43	Nayland with Wissington	32,175.00	534.13	60.24
Burstall	4,000.00	93.32	42.86	Nedging with Naughton	4,650.00	163.20	28.49
Capel St Mary	67,703.00	1,141.27	59.32	Newton	8,000.00	216.22	37.00
Chattisham / Hintlesham	6,000.00	314.84	19.06	Pinewood	123,162.00	1,500.72	82.07
Chelmondiston	23,000.00	422.01	54.50	Polstead	14,500.00	386.34	37.53
Chelsworth	900.00	82.24	10.94	Preston St Mary	4,000.00	88.35	45.27
Chilton	6,000.00	153.91	38.98	Raydon	8,700.00	214.42	40.57
Cockfield	10,500.00	384.13	27.33	Semer	400.00	70.43	5.68
Copdock & Washbrook	24,000.00	433.26	55.39	Shelley	0.00	32.27	0.00
East Bergholt	23,000.00	1,129.15	20.37	Shimpling	4,600.00	189.08	24.33
Edwardstone	4,935.00	168.87	29.22	Shotley	44,325.00	781.34	56.73
Elmsett	9,500.00	313.13	30.34	Somerton	420.00	40.24	10.44
Freston	800.00	49.70	16.10	Sproughton	46,540.00	548.96	84.78
Glemsford	83,000.00	1,231.04	67.42	Stanstead	8,568.00	150.91	56.78
Great Cornard	198,466.00	2,730.30	72.69	Stoke by Nayland	11,000.00	312.44	35.21
Great Waldingfield	30,500.00	571.74	53.35	Stratford St Mary	13,800.00	328.03	42.07
Great Wenham	0.00	63.00	0.00	Stutton	10,000.00	352.13	28.40
Groton	3,850.00	130.31	29.54	Sudbury	580,000.00	4,548.76	127.51
Hadleigh	295,935.00	2,887.53	102.49	Tattingstone	8,158.00	228.73	35.67
Harkstead	2,500.00	115.61	21.62	Thorpe Morieux	1,900.00	106.16	17.90
Hartest	9,000.00	218.42	41.21	Wattisham	1,500.00	45.53	32.95
Higham	0.00	75.85	0.00	Whatfield	3,600.00	127.91	28.14
Hitcham	7,000.00	291.56	24.01	Wherstead	2,928.00	118.00	24.81
Holbrook	18,900.00	635.83	29.72	Woolverstone	2,600.00	94.24	27.59
Holton St Mary	4,500.00	94.80	47.47				
				TOTAL PRECEPT	2,126,308		
				TOTAL TAX BASE		33,373.03	

**RECOMMENDATIONS OF STRATEGY COMMITTEE****RECOMMENDED**

**(2) That the Budget for 2011/12 and the Policy and Budget Framework for 2011/12 as set out in paper K202A and further detailed in Paper K209, including the Prudential Indicators for Capital Finance and Treasury Management set out in Paper K190A, the Minimum Revenue Provision policy statement, the Equality Impact Assessment and the Budget Risk Assessment be approved.**

**(3) That the revised General Fund charges referred to in Appendix A of Paper K202A are implemented with effect from 1 April 2011.**

**(4) That the weekly rents for Council's dwellings and compulsory let garages be increased on average by 5% with effect from Monday 18 April 2011.**

**(5) That the revised Council housing charges, including the rents for garages and car ports which are not compulsorily let with dwellings as set out in Appendix A to Paper K202A are implemented with effect from Monday 18 April 2011.**

**(6) Where expenditure is included within the approved budget, the Director of Finance be empowered to:-**

- Vary the timing of revenue and capital payments from the current financial year to 2011/12 or vice-versa in accordance with Financial Regulations and Council resolutions.**
- Vary the method of financing capital schemes, if satisfied that it is in the financial interest of the Council to do so.**

**(7) That the Director of Finance be authorised to make any necessary minor amendments to the Budget detailed in Paper K202A and Paper K209 in the final 2011/12 Policy and Budget Framework document that is published.**

**RECOMMENDATIONS FOR COUNCIL TAX FOR 2011/12**

**Council Tax Base**

**RECOMMENDED**

(8) That it be noted that, the Director of Finance has calculated the following amounts, in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:-

(a) 33,373.03 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its Council Tax Base for the year 2011/12.

(b) That the relevant amounts for each part of the Council's area be as follows:

<b>Part of the Council's Area</b>	<b>Council Tax Base</b>	<b>Part of the Council's Area</b>	<b>Council Tax Base</b>
Acton	644.17	Kersey	183.96
Aldham	84.76	Kettlebaston	36.84
Alpheton	111.29	Lavenham	866.98
Arwarton	54.95	Lawshall	368.18
Assington	173.99	Layham	250.43
Belstead	91.89	Leavenheath	601.52
Bentley	327.41	Lindsey	83.98
Bildeston	400.78	Little Cornard	142.75
Boxford	518.23	Little Waldingfield	155.04
Boxted	53.88	Little Wenham	20.39
Brantham	903.37	Long Melford	1,494.85
Brent Eleigh	83.03	Milden	54.69
Brettenham	114.52	Monks Eleigh	249.06
Bures St Mary	391.73	Nayland with Wissington	534.13
Burstall	93.32	Nedging with Naughton	163.20
Capel St Mary	1,141.27	Newton	216.22
Chattisham /Hintlesham	314.84	Pinewood	1,500.72
Chelmondiston	422.01	Polstead	386.34
Chelsworth	82.24	Preston St Mary	88.35
Chilton	153.91	Raydon	214.42
Cockfield	384.13	Semer	70.43
Copdock & Washbrook	433.26	Shelley	32.27
East Bergholt	1,129.15	Shimpling	189.08
Edwardstone	168.87	Shotley	781.34
Elmsett	313.13	Somerton	40.24
Freston	49.70	Sproughton	548.96
Glemsford	1,231.04	Stanstead	150.91
Great Cornard	2,730.30	Stoke by Nayland	312.44
Great Waldingfield	571.74	Stratford St Mary	328.03
Great Wenham	63.00	Stutton	352.13
Groton	130.31	Sudbury	4,548.76
Hadleigh	2,887.53	Tattingstone	228.73
Harkstead	115.61	Thorpe Morieux	106.16
Hartest	218.42	Wattisham	45.53
Higham	75.85	Whatfield	127.91
Hitcham	291.56	Wherstead	118.00
Holbrook	635.83	Woolverstone	94.24
Holton St Mary	94.80		

**being the amounts calculated by the Council in accordance with Regulation 6 of the Regulations, as the amount of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate.**

**RECOMMENDATIONS FOR COUNCIL TAX FOR 2011/12**

**Calculation of Budget Requirement and Basic Amounts of Council Tax for 2011/12**

**RECOMMENDED**

- (9) That the following amounts be now calculated by the Council for the year 2011/12 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:
- (a) £55,580,598 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) (a) to (e) of the Act
  - (b) £43,882,030 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) (a) to (c) of the Act
  - (c) £11,698,568 being the amount by which the aggregate at 9(a) above exceeds the aggregate at 9(b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year
  - (d) £4,933,080 being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates, revenue support grant, and additional grant or special grant increased by the amount of the sums which the Council estimates will be transferred in the year from its Collection Fund to its General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (Council Tax Surplus) and increased by the amount of any sum which the Council estimates will be transferred from its Collection Fund to its General Fund pursuant to the Collection Fund (Community Charges) directions under Section 98(4) of the Local Government Finance Act 1988 made on 7 February 1994 (Community Charge Surplus) and reduced by the amount representing the authority's contribution to Council Tax benefit resulting from an increase in its Council Tax calculated in accordance with the Collection Fund (General) (England) Directions 2000, the Collection Fund (Council Tax Benefit) (England) Direction 2000 the Local Authorities (Alteration of Requisite Calculations) (England) (Regulations 2000 and the Collection Fund (adjustments for previous years) (England) Directions 2000.
  - (e) £202.72 being the amount at 9(c) above less the amount at 9(d) above, all divided by the amount at 8(a) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year.
  - (f) £2,126,308 being the aggregate amount of all special items referred to in Section 34(1) of the Act.

(g) £139.01 being the amount at 9(e) above less the result given by dividing the amount at 9(f) above by the amount at 8(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.

(h) Basic Amount of Tax for those parts of the Council's area to which one or more special items relate:

Part of the Council's Area	Basic Amount of Tax £	Part of the Council's Area	Basic Amount of Tax £
Acton	207.31	Holton St Mary	186.48
Aldham	151.99	Kersey	171.25
Alpheton	162.49	Kettlebaston	152.58
Arwarton	139.01	Lavenham	170.15
Assington	176.37	Lawshall	158.02
Belstead	226.07	Layham	172.95
Bentley	174.13	Leavenheath	169.27
Bildeston	183.92	Lindsey	165.15
Boxford	202.48	Little Cornard	154.77
Boxted	146.43	Little Waldingfield	166.29
Brantham	184.48	Little Wenham	139.01
Brent Eleigh	145.03	Long Melford	187.51
Brettenham	175.25	Milden	154.55
Bures St Mary	196.44	Monks Eleigh	196.89
Burstall	181.87	Nayland with Wissington	199.25
Capel St Mary	198.33	Nedging with Naughton	167.50
Chattisham	158.07	Newton	176.01
Chelmondiston	193.51	Pinewood	221.08
Chelsworth	149.95	Polstead	176.54
Chilton	177.99	Preston St Mary	184.28
Cockfield	166.34	Raydon	179.58
Copdock & Washbrook	194.40	Semer	144.69
East Bergholt	159.38	Shelley	139.01
Edwardstone	168.23	Shimpling	163.34
Elmsett	169.35	Shotley	195.74
Freston	155.11	Somerton	149.45
Glemsford	206.43	Sproughton	223.79
Great Cornard	211.70	Stanstead	195.79
Great Waldingfield	192.36	Stoke by Nayland	174.22
Great Wenham	139.01	Stratford St Mary	181.08
Groton	168.55	Stutton	167.41
Hadleigh	241.50	Sudbury	266.52
Harkstead	160.63	Tattingstone	174.68
Hartest	180.22	Thorpe Morieux	156.91
Higham	139.01	Wattisham	171.96
Hintlesham	158.07	Whatfield	167.15
Hitcham	163.02	Wherstead	163.82
Holbrook	168.73	Woolverstone	166.60

being the amounts given by adding to the amount at 9(g) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 8(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

## (i) Basic Amounts of Tax for all Bands:

PART OF THE COUNCIL'S AREA	BASIC AMOUNT OF TAX FOR ALL BANDS 2011/12							
	BAND A £	BAND B £	BAND C £	BAND D £	BAND E £	BAND F £	BAND G £	BAND H £
Acton	138.21	161.24	184.28	207.31	253.38	299.45	345.52	414.62
Aldham	101.33	118.21	135.10	151.99	185.77	219.54	253.32	303.98
Alpheton	108.33	126.38	144.44	162.49	198.60	234.71	270.82	324.98
Arwarton	92.67	108.12	123.56	139.01	169.90	200.79	231.68	278.02
Assington	117.58	137.18	156.77	176.37	215.56	254.76	293.95	352.74
Belstead	150.71	175.83	200.95	226.07	276.31	326.55	376.78	452.14
Bentley	116.09	135.43	154.78	174.13	212.83	251.52	290.22	348.26
Bildeston	122.61	143.05	163.48	183.92	224.79	265.66	306.53	367.84
Boxford	134.99	157.48	179.98	202.48	247.48	292.47	337.47	404.96
Boxted	97.62	113.89	130.16	146.43	178.97	211.51	244.05	292.86
Brantham	122.99	143.48	163.98	184.48	225.48	266.47	307.47	368.96
Brent Eleigh	96.69	112.80	128.92	145.03	177.26	209.49	241.72	290.06
Brettenham	116.83	136.31	155.78	175.25	214.19	253.14	292.08	350.50
Bures St Mary	130.96	152.79	174.61	196.44	240.09	283.75	327.40	392.88
Burstall	121.25	141.45	161.66	181.87	222.29	262.70	303.12	363.74
Capel St Mary	132.22	154.26	176.29	198.33	242.40	286.48	330.55	396.66
Chattisham	105.38	122.94	140.51	158.07	193.20	228.32	263.45	316.14
Chelmondiston	129.01	150.51	172.01	193.51	236.51	279.51	322.52	387.02
Chelsworth	99.97	116.63	133.29	149.95	183.27	216.59	249.92	299.90
Chilton	118.66	138.44	158.21	177.99	217.54	257.10	296.65	355.98
Cockfield	110.89	129.38	147.86	166.34	203.30	240.27	277.23	332.68
Copdock & Washbrook	129.60	151.20	172.80	194.40	237.60	280.80	324.00	388.80
East Bergholt	106.25	123.96	141.67	159.38	194.80	230.22	265.63	318.76
Edwardstone	112.15	130.85	149.54	168.23	205.61	243.00	280.38	336.46
Elmsett	112.90	131.72	150.53	169.35	206.98	244.62	282.25	338.70
Freston	103.41	120.64	137.88	155.11	189.58	224.05	258.52	310.22
Glemsford	137.62	160.56	183.49	206.43	252.30	298.18	344.05	412.86
Great Cornard	141.13	164.66	188.18	211.70	258.74	305.79	352.83	423.40
Great Waldingfield	128.24	149.61	170.99	192.36	235.11	277.85	320.60	384.72
Great Wenham	92.67	108.12	123.56	139.01	169.90	200.79	231.68	278.02
Groton	112.37	131.09	149.82	168.55	206.01	243.46	280.92	337.10
Hadleigh	161.00	187.83	214.67	241.50	295.17	348.83	402.50	483.00
Harkstead	107.09	124.93	142.78	160.63	196.33	232.02	267.72	321.26
Hartest	120.15	140.17	160.20	180.22	220.27	260.32	300.37	360.44
Higham	92.67	108.12	123.56	139.01	169.90	200.79	231.68	278.02
Hintlesham	105.38	122.94	140.51	158.07	193.20	228.32	263.45	316.14
Hitcham	108.68	126.79	144.91	163.02	199.25	235.47	271.70	326.04
Holbrook	112.49	131.23	149.98	168.73	206.23	243.72	281.22	337.46
Holton St Mary	124.32	145.04	165.76	186.48	227.92	269.36	310.80	372.96
Kersey	114.17	133.19	152.22	171.25	209.31	247.36	285.42	342.50
Kettlebaston	101.72	118.67	135.63	152.58	186.49	220.39	254.30	305.16
Lavenham	113.43	132.34	151.24	170.15	207.96	245.77	283.58	340.30
Lawshall	105.35	122.90	140.46	158.02	193.14	228.25	263.37	316.04
Layham	115.30	134.52	153.73	172.95	211.38	249.82	288.25	345.90
Leavenheath	112.85	131.65	150.46	169.27	206.89	244.50	282.12	338.54
Lindsey	110.10	128.45	146.80	165.15	201.85	238.55	275.25	330.30
Little Cornard	103.18	120.38	137.57	154.77	189.16	223.56	257.95	309.54
Little Waldingfield	110.86	129.34	147.81	166.29	203.24	240.20	277.15	332.58

PART OF THE COUNCIL'S AREA	BASIC AMOUNT OF TAX FOR ALL BANDS 2011/12							
	BAND A £	BAND B £	BAND C £	BAND D £	BAND E £	BAND F £	BAND G £	BAND H £
Little Wenham	92.67	108.12	123.56	139.01	169.90	200.79	231.68	278.02
Long Melford	125.01	145.84	166.68	187.51	229.18	270.85	312.52	375.02
Milden	103.03	120.21	137.38	154.55	188.89	223.24	257.58	309.10
Monks Eleigh	131.26	153.14	175.01	196.89	240.64	284.40	328.15	393.78
Nayland with Wissington	132.83	154.97	177.11	199.25	243.53	287.81	332.08	398.50
Nedging with Naughton	111.67	130.28	148.89	167.50	204.72	241.94	279.17	335.00
Newton	117.34	136.90	156.45	176.01	215.12	254.24	293.35	352.02
Pinewood	147.39	171.95	196.52	221.08	270.21	319.34	368.47	442.16
Polstead	117.69	137.31	156.92	176.54	215.77	255.00	294.23	353.08
Preston St Mary	122.85	143.33	163.80	184.28	225.23	266.18	307.13	368.56
Raydon	119.72	139.67	159.63	179.58	219.49	259.39	299.30	359.16
Semer	96.46	112.54	128.61	144.69	176.84	209.00	241.15	289.38
Shelley	92.67	108.12	123.56	139.01	169.90	200.79	231.68	278.02
Shimpling	108.89	127.04	145.19	163.34	199.64	235.94	272.23	326.68
Shotley	130.49	152.24	173.99	195.74	239.24	282.74	326.23	391.48
Somerton	99.63	116.24	132.84	149.45	182.66	215.87	249.08	298.90
Sproughton	149.19	174.06	198.92	223.79	273.52	323.25	372.98	447.58
Stanstead	130.53	152.28	174.04	195.79	239.30	282.81	326.32	391.58
Stoke by Nayland	116.15	135.50	154.86	174.22	212.94	251.65	290.37	348.44
Stratford St Mary	120.72	140.84	160.96	181.08	221.32	261.56	301.80	362.16
Stutton	111.61	130.21	148.81	167.41	204.61	241.81	279.02	334.82
Sudbury	177.68	207.29	236.91	266.52	325.75	384.97	444.20	533.04
Tattingstone	116.45	135.86	155.27	174.68	213.50	252.32	291.13	349.36
Thorpe Morieux	104.61	122.04	139.48	156.91	191.78	226.65	261.52	313.82
Wattisham	114.64	133.75	152.85	171.96	210.17	248.39	286.60	343.92
Whatfield	111.43	130.01	148.58	167.15	204.29	241.44	278.58	334.30
Wherstead	109.21	127.42	145.62	163.82	200.22	236.63	273.03	327.64
Woolverstone	111.07	129.58	148.09	166.60	203.62	240.64	277.67	333.20

Being the amounts given by multiplying the amounts at 9(g) and 9(h) above by the number which, in the proportion set out in Section 5(a) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amount to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

**RECOMMENDATIONS FOR COUNCIL TAX FOR 2011/12**

**Major Precepting Authorities**

**RECOMMENDED**

- (10) That it be noted that for the year 2011/12 the major Precepting authorities have stated the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

Categories of Dwelling in Valuation Bands

<u>Band</u>	<u>Suffolk County Council</u> £	<u>Suffolk Police Authority</u> £
A	751.02	To be confirmed
B	876.19	
C	1001.36	
D	1126.53	
E	1376.87	
F	1627.21	
G	1877.55	
H	2253.06	

**RECOMMENDATION FOR COUNCIL TAX FOR 2011/12**

**Amounts of Council Tax for 2011/12**

**RECOMMENDED**

(11) That, having calculated the aggregate in each case of the amount at 9(i) and 10 above, the council in accordance with Section 30(2) of the Local Government Finance Act 1992 hereby sets the following amounts as the amounts of Council Tax for the year 2011/12 for each of the categories of dwellings shown below:

PART OF THE COUNCIL'S AREA	BASIC AMOUNT OF TAX FOR ALL BANDS 2011/12							
	BAND A £	BAND B £	BAND C £	BAND D £	BAND E £	BAND F £	BAND G £	BAND H £
Acton								
Aldham								
Alpheton								
Arwarton								
Assington								
Belstead								
Bentley								
Bildeston								
Boxford								
Boxted								
Brantham								
Brent Eleigh								
Brettenham								
Bures St Mary								
Burstall								
Capel St Mary								
Chattisham								
Chelmondiston								
Chelsworth								
Chilton								
Cockfield								
Copdock & Washbrook								
East Bergholt								
Edwardstone								
Elmsett								
Freston								
Glemsford								
Great Cornard								
Great Waldingfield								
Great Wenham								
Groton								
Hadleigh								
Harkstead								
Hartest								
Higham								
Hintlesham								
Hitcham								
Holbrook								
Holton St Mary								
Kersey								
Kettlebaston								

To be circulated at meeting following confirmation of Police Authority amount

PART OF THE COUNCIL'S AREA	BASIC AMOUNT OF TAX FOR ALL BANDS 2011/12							
	BAND A £	BAND B £	BAND C £	BAND D £	BAND E £	BAND F £	BAND G £	BAND H £
Lavenham								
Lawshall								
Layham								
Leavenheath								
Lindsey								
Little Cornard								
Little Waldingfield								
Little Wenham								
Long Melford								
Milden								
Monks Eleigh								
Nayland with Wissington								
Nedging with Naughton								
Newton								
Pinewood								
Polstead								
Preston St Mary								
Raydon								
Semer								
Shelley								
Shimpling								
Shotley								
Somerton								
Sproughton								
Stanstead								
Stoke by Nayland								
Stratford St Mary								
Stutton								
Sudbury								
Tattingstone								
Thorpe Morieux								
Wattisham								
Whatfield								
Wherstead								
Woolverstone								

**RECOMMENDATIONS FOR COUNCIL TAX FOR 2011/12**

**Payment Installment Dates**

**RECOMMENDED**

- (12) That in respect of Council Tax and Business Rates the ten installment dates each year should be the 1<sup>st</sup> of each month from the 1<sup>st</sup> April to 1<sup>st</sup> January, but with the ability for Council Taxpayers who elect to pay by Direct Debit to choose between the 1<sup>st</sup>, 8<sup>th</sup>, 15<sup>th</sup>, 22<sup>nd</sup> and 28<sup>th</sup> of each month; subject to the proviso that the payment date of the 1<sup>st</sup> of each month can be revised to a later date by the Director of Finance, in consultation with the Chairman of the Strategy Committee, if it is felt to be essential to do so.

**Delegated Authority**

(Note: This is subject to review and/or amendment in relation to the Shared Revenues Partnership (SRP) Joint Committee).

**RECOMMENDED**

- (13) (1) That the following Officers (to reflect the operation of the Shared Revenues Partnership):-

<b>Shared Services Operational Manager (Revenues)</b>	
<b>Recovery Team Leader</b>	
<b>Court Officer</b>	
<b>Sallie Brain</b>	- <b>Billing Team Leader</b>
<b>Russell K Bernthal</b>	- <b>Senior Revenues Officer</b>
<b>Emma Kennington</b>	- <b>Advanced Recovery Officer</b>

be authorised:-

- (a) to collect and recover any Council Tax and Penalties payable under the Local Government Finance Act 1992.
- (b) to institute legal proceedings and appear on behalf of the Council at the hearing of any legal proceedings by way of applications for the issue of:-
- (i) to issue Liability Orders for unpaid Council Taxes;
- (ii) to issue Warrants of Commitment in respect of Liability Orders, pursuant to:-

**Section 14 and Schedule 4 of the Local Government Finance Act 1992 and the Council Tax Administration and Enforcement Regulations 1992 and Section 22 and Schedule 4 of the Local Government Finance Act 1988 and**

- (c) to institute any other legal proceedings, process or steps for the purpose of recovering any such unpaid Council Taxes and Penalties and to appear on behalf of the Council at any Hearing relating thereto.
- (2) That the following Officers (to reflect the operation of the Shared Revenues Partnership):-

**Shared Services Operational Manager (Revenues)**

**Recovery Team Leader**

**Court Officer**

**Sallie Brain - Billing Team Leader**

**Russell K Bernthal - Senior Revenues Officer**

**Emma Kennington - Advanced Recovery Officer**

**be authorised:**

- (a) to collect and recover any National Non-Domestic Rate payable under Part III of the Local Government Finance Act 1988.
- (b) to institute legal proceedings and appear on behalf of the Council at the Hearing of any legal proceedings by way of an application for the issue of (i) a Liability Order for unpaid National Non-Domestic Rate and (ii) a Warrant of Commitment in respect of any National Non-Domestic Rate, pursuant to Section 62 and Schedule 9 of the Local Government Finance Act 1988 and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989.
- (c) to institute any other legal proceedings, process or steps for the purpose of recovering any such unpaid National Non-Domestic Rate and to appear on behalf of the Council at any Hearing relating thereto.