

BABERGH DISTRICT COUNCIL

FROM: Director of Corporate Services and Director of Finance **REPORT NUMBER: J91**

TO: OVERVIEW AND SCRUTINY (STEWARDSHIP) COMMITTEE **DATE OF MEETING: 22 September 2009**

THE COUNCIL'S ANNUAL REPORT 2008/9

1. PURPOSE OF REPORT

1.1 This report recommends an Annual Report to provide Babergh residents and businesses with a review of achievements and financial performance for the 2008/09 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. RECOMMENDED TO COUNCIL

2.1 That the Director of Corporate Services be authorised to make final amendments to the draft Annual Report, attached as Appendix A, 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 This report is most closely linked with the Council's Significant Business Risk No. 7 – Financial, Performance and Risk Management. (Key risks are set out below:

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
An opportunity to bring together all the Council's information that it is statutorily required to publish is missed. The Council does not fully meet the Use of Resources assessment criteria for financial reporting	Very Low	Marginal	Annual Report has been produced which meets the Audit Commission's KLOE

Babergh District Council – 2008/09 Annual Report

Overview

Babergh District Council's Annual Report covers the period from April 2008 to the end of March 2009. Last year we consulted with residents and other stakeholders about how best to present a summary of our expenditure, income and performance, and the layout and content of this report takes on board those views. The report presents both our key achievements and areas where we still need to improve against the backdrop of the challenges we faced during the year for each of our Strategic Plan themes. This year's report also includes information on how the Council is managing its environmental footprint. Further detailed information on the Council's work can be found at www.babergh.gov.uk and at <http://twitter.com/BaberghDistrict>.

Babergh District Council is committed to delivering excellent, cost effective services. To make the progress we have would not have been possible without good working relationships with our partners such as local businesses, community and voluntary organisations, the health sector and the police.

We hope you find this report informative and interesting.

Introduction from the Chairman of the Strategy Committee and Chief Executive

2008/09 has been a period of considerable challenge and prospective change for Babergh District Council as we continue to deal with the economic downturn and local government re-organisation. We are determined to ensure that we use our resources as efficiently and effectively as possible to deal with the key issues residents and other stakeholders have identified as being the most important to them.

With this in mind, the Council views the prospect of local government re-organisation as a welcome opportunity to provide greater improvements in service quality, efficiency and cost-effectiveness within new unitary arrangements than would be possible in the current two-tier arrangements. The prospect of managing that process of radical change, whilst also maintaining a clear focus on service delivery; achievement of budget savings and efficiency targets, as well as further improvements in performance represents the biggest challenge that has ever faced this Council.

Our resources are limited, and will be placed under further strain as the impact of global economic recession continues to unfold. Government grant support is likely to continue to reduce in real terms and the imperatives to utilise our resources to maximum efficiency and effectiveness will therefore become more acute than ever.

Babergh has successfully achieved its stated policy over the last six years of keeping its own share of Council Tax increases to no more than the rate of inflation. In the current economic climate it is essential to continue to keep Council Tax levels as low as possible, whilst at the same time managing the inevitably increased demands on some of our key services as individual residents and communities cope with the personal impact on them. It will be particularly important to remain well placed to understand the needs of all sections of our communities and ensure that these needs are met with dignity, respect and fairness.

Babergh's approach to this complex and inter-related set of challenges is to embrace willingly the prospect of local government re-organisation, and in that context, to strive to leave for our residents a legacy that we can be proud of if we are to be replaced by new unitary structures in 2011. However, we also recognise that this change may not happen, and it is therefore essential to plan for our possible longer-term future as an efficient, effective and viable local authority continuing to meet the needs of our residents.

Pat Rockall
Chief Executive

Nick Ridley
Chairman of the Strategy Committee

2008- 09 Headlines

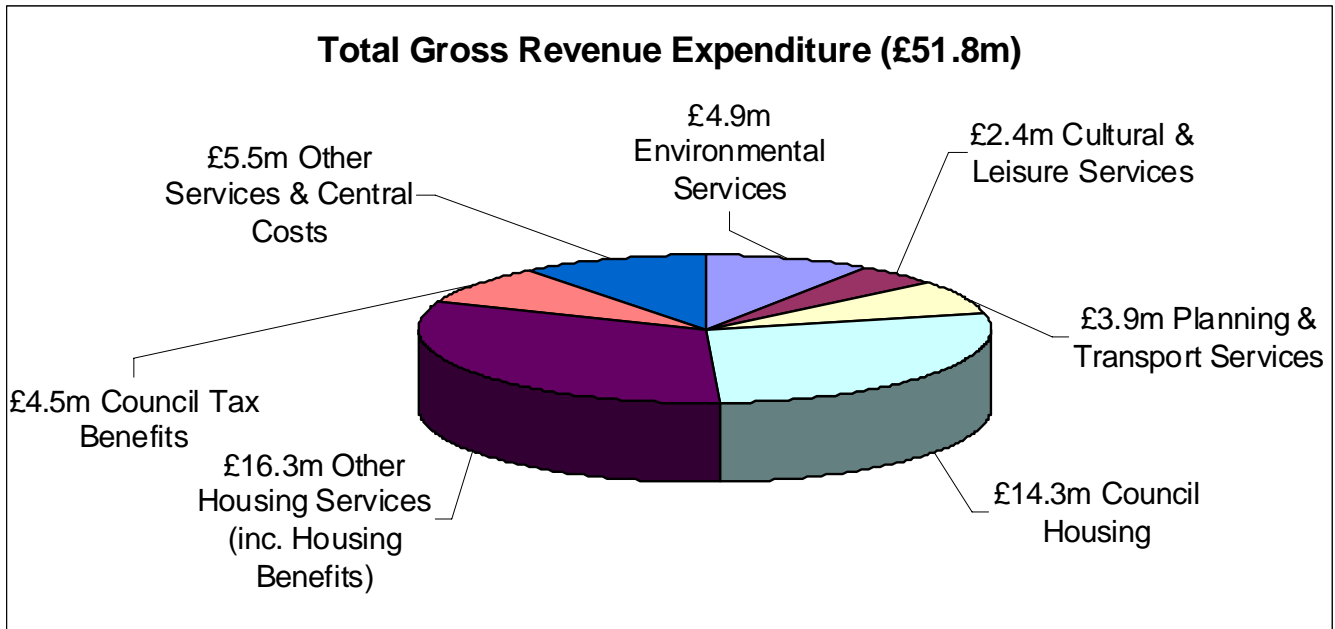
During the year the Council has:

- ❖ Managed its finances to ensure Council Tax increases remain within the rate of inflation for a sixth successive year;
- ❖ Continued to increase efficiency and target key resources to support the achievement of priorities as set out in our Strategic Plan 2008-18;
- ❖ Reached and then exceeded its target of 700 new affordable homes either built or in the development pipeline;
- ❖ Developed new initiatives to combat anti-social behaviour, including extra resources for leisure facilities and activities for young people and children, and improved CCTV monitoring;
- ❖ Introduced additional environmental initiatives to improve the cleanliness of our towns, villages and countryside, and reduce carbon emissions;
- ❖ Invested in initiatives to support the viability of Babergh's economic base;
- ❖ Provided a range of services aimed at supporting town and village life;
- ❖ Recorded the second highest resident satisfaction rating for council services among the Suffolk districts (based on the national Place Survey 2008);
- ❖ Recorded the highest resident satisfaction rating for providing value for money among the Suffolk districts (based on the national Place Survey 2008).

Key Financial Information

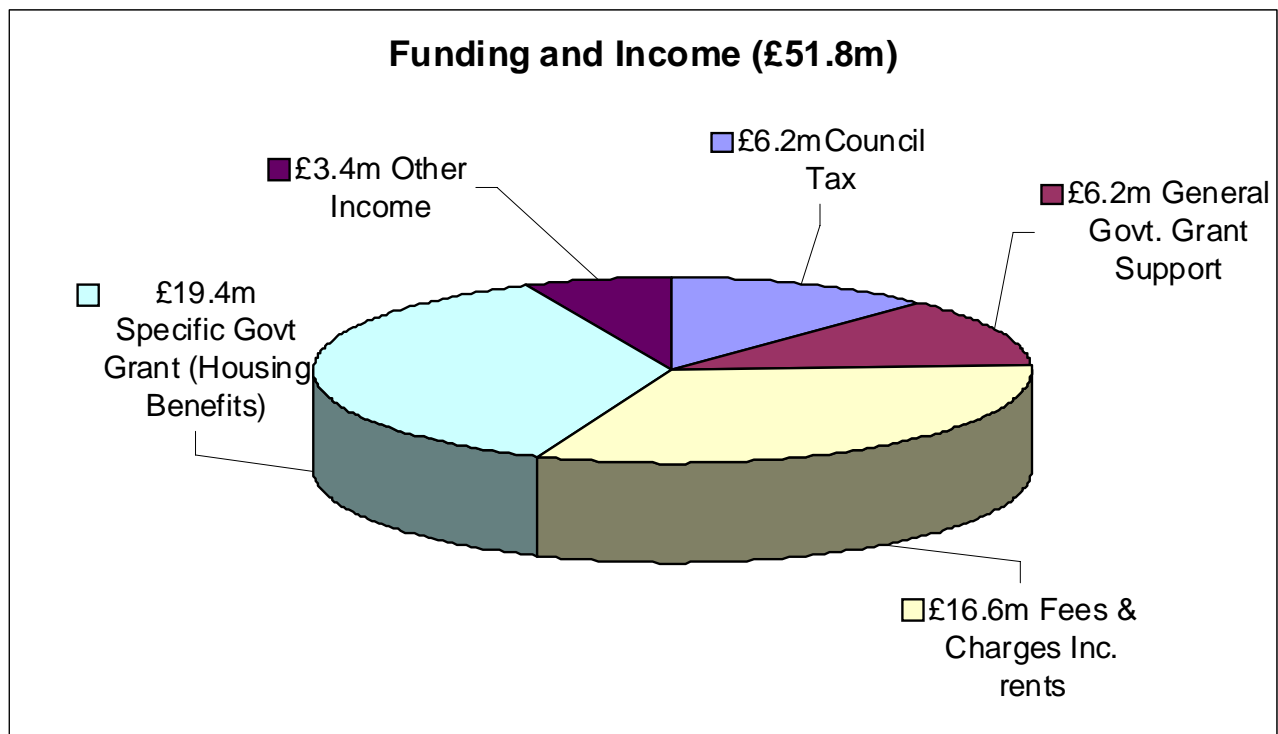
Where we spent the money

In 2008/09 Babergh spent just under £52m 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 2008/09 Babergh collected £19m from business ratepayers. 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 and Suffolk County Council on a population basis.

Capital Investment

Babergh spent over £5m on providing or improving facilities and maintaining our land and property. This included giving grants to individuals and organisations. Further details are shown below:

What we spent	Net Expenditure 2008/09	Net Expenditure 2008/09
	£M	%
Council and Social Housing	3.4	65
Housing - Private Sector Renewal Grants/Loans	0.4	8
IT Projects – New and Improved Systems	0.6	11
Community Projects & Asset Management	0.8	16
Total Capital Investment	5.2	100

This was Financed by		
Capital Receipts	0.4	8
Council Housing Major Repairs Grant	2.3	45
Government Grants	0.4	7
Revenue Contributions & others	0.6	12
Borrowing	1.3	25
Earmarked Reserves	0.2	3
Total	5.2	100

Babergh's Assets and Liabilities

The Council's net assets were nearly £180m at the end of the financial year. Further information on assets and liabilities are provided below:

- Buildings and Land (operational assets) owned by the Council were valued at £188.6m, most of which is Council Housing (£176.5m, including 3,522 Council Houses)
- Other long-term assets of £8.1m, which includes land awaiting development and assets awaiting disposal
- Total long-term assets amounted to £196.7m, a fall of over £40m compared to the previous year, largely due to the economic downturn and fall in property values
- Net current assets (debtors less creditors) were £1.6m
- Liabilities included long-term borrowing to fund capital investment of £1.1m – an extremely small amount compared to asset values – and other liabilities of £17.5m, most of which (£14.6m) relates to the Pension Fund.

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 was £1,413 per annum. **Of this, only £131 or less than 10%, is for Babergh's services.**

Organisation	Total Received £M	Band D property £ p.a.
Suffolk County Council	35.2	1,074
Suffolk Police Authority	4.9	150
Babergh District Council	4.3	131
Town / Parish Councils	1.9	57
	46.3	1,413

Efficiencies and Savings

The Council is committed to delivering Value for Money services for its residents. In 2008/09 we achieved just under £0.9m of efficiency gains. This included £0.5m of ongoing savings that were carried forward from previous years. These efficiency gains included saving money on staff, buying goods and services jointly with others and higher income.

Summary Financial Information and Statement of Accounts

Further details of the Council's finances for the year can be found in the Summary Financial Information and the Council's Statement of Accounts, which is on the website at <http://www.babergh.gov.uk/Babergh/Home/Council+and+Democracy/Statement+of+Accounts>

BABERGH DISTRICT COUNCIL'S PRIORITIES 2008/09 – KEY ACHIEVEMENTS

The Council has developed a vision for Babergh following extensive consultation with Babergh communities. Links have been made to the key themes and outcomes in the Sustainable Community Strategies for West Suffolk, Babergh East and Suffolk Local Strategic Partnerships.

The vision provides an aspiration that Babergh 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 vision has been developed on the basis of extensive engagement and consultation with local communities and partner organisations to ensure that it articulates the needs of all sections of Babergh's communities including young people, the rurally isolated and migrant workers. The vision also succinctly articulates the unique needs, aspirations and inherent associated risks for the communities of Babergh.

This vision has been translated into challenging targeted outcomes through the development of the Council's ten-year strategic plan for the period 2008-2018. These have been developed around five overarching issues for Babergh communities:

- 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.

Quality homes local people can afford

In 2008 we made a 10-year commitment to delivering 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

In 2008/9 we said we would:

- Deliver sufficient land for future housing development
- Identify and tackle obstacles and issues affecting delivery of new homes
- Influence the new regional plan to ensure that it reflects Babergh's interests in housing
- Work with private landlords and owner occupiers to reduce the number of 'non decent' homes in the private sector
- Reduce the number of vacant homes to increase available stock and therefore reduce demand for new build developments
- Promote the uptake of insulation measures to reduce heating costs for private sector households
- Improve the condition of Babergh Housing Stock to meet the national "Decent Homes Standard"
- Adopt measures to identify and support implementation of large scale / strategic infrastructure requirements
- Improve local infrastructure through a range of targeted projects for Babergh

So what did we achieve in 2008/09?

- 125 affordable homes were completed and the five-year target of 700 affordable new homes in the pipeline was exceeded
- 288 new homes were built in the Babergh area during 2008/9 exceeding Babergh's regional target of 280
- The Homelessness Team handled 66 homelessness presentations requiring emergency intervention. This was lower than predicted but homelessness levels may continue to rise due to the current financial climate
- The Homelessness Team prevented 96 households from becoming homeless through early intervention. (The equivalent figure for last year was 56).

- 27 private sector affordable rent agreements were secured. In addition 11 private dwellings were returned to occupation through the improved use of grant aid
- 31 private sector homes were improved to meet a national government standard
- £230,000 of the year's capital programme was reallocated to help improve energy efficiency and address fuel poverty issues in council housing
- The Council launched its Choice Based Lettings Scheme – see case study below

Case Study - Choice Based Lettings

Babergh led and supported this ambitious project in partnership with other Eastern region housing organisations to adopt a common housing allocation scheme. The scheme aims to encourage mobility and, therefore, supports the idea that housing customers can move freely within the sub-region.

This is particularly important within such uncertain economic times and we hope that this will allow housing decisions to link directly to training and employment opportunities. We also developed a Vulnerable Persons Inclusion Strategy which aims to ensure accessibility for all by identifying vulnerable customers and providing tailored support.

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 2008/09?

- In consultation with the landowners (Sudbury Common Lands Charity), Babergh earmarked the Sudbury Common Lands as a Local Nature Reserve in recognition of its value as a wildlife site for local people. Babergh also supported this charity with matched funding and small grants from its Countryside Fund.
- Babergh achieved total recycling rates (dry recycle and composting) of 39.8%.
- The total weight of household waste collected per head continued to reduce.
- New recycling banks were installed in Hadleigh and Sudbury for waxed, plastic-coated and oil-lined drinks cartons that cannot be thrown into residents' blue recycling waste bin.
- Resident satisfaction with the Council's waste collection has remained static at 73%.
- The survey of local street and environmental cleanliness showed that Babergh was exceeding its targets on all measures (litter, detritus, graffiti and fly-tipping). This is a good indication of the effectiveness of new contract arrangements.

- There has been a significant reduction in the number of abandoned vehicles due to an increase in the value of scrap metal. 74% of abandoned vehicles were removed within 24 hours of being reported.

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 2008/09?

- A new programme aimed at helping more people learn about the harsh realities of domestic violence and abuse commenced in Babergh after Christmas. The project is being run by the Babergh Domestic Violence and Abuse Forum, and is funded by the Babergh Community Safety Partnership.
- The Community Safety Partnership, in a bid to help residents who have fallen foul of graffiti vandals, distributed the graffiti removal kits to Town and Parish Councils in a bid to help homeowners with a clean up.
- The Place Survey of the Babergh area revealed that only 39% of local people feel that parents take enough responsibility for the behaviour of their children. To help address this issue a parenting course and a series of drop-in sessions for parents who may be having problems with troublesome teenagers commenced in November. Funding for the course came from the Babergh East Local Strategic Partnership, which covers the area from Shotley to Hadleigh.
- Following an extensive public consultation with local residents, £2m was committed to be spent on building a brand new community building linked to the existing Hadleigh swimming pool. This new facility is designed to appeal to as wide a range of users as possible and will include a dance studio, a fitness studio, a community area (including a stage) and a social area for more casual use.
- Babergh was one of the first councils in Suffolk to be awarded the Fairplay Playbuilder grant after Government funding of more than £1m was allocated to the county to be used to develop innovative, challenging play areas for children and young people. Babergh secured £50k for the Poplar Road playground in Great Cornard.

Case Study – BeActive

BeActive is the Council's Beacon accredited leisure inclusion service for young people at risk of offending. This case study concerns an issue affecting a range of people in a residential area in Sudbury. Residents had raised concerns with the Council and the Police about criminal damage and other anti-social behaviour being caused by a group of young people in the area. Our response to the problem was multi-faceted, including a number of agencies, and BeActive referrals played a major part in bringing about an effective solution.

Working in conjunction with Acceptable Behaviour Contracts, BeActive referrals were a key part of a strategy aimed at providing targeted constraints on behaviour alongside diversionary and preventative tactics to improve matters in the longer term.

In the 3 months before the intervention there were 33 crimes recorded in the affected areas; in the 3 months following intervention there were only 2. This improvement has been sustained and although some of the most serious offenders have continued to cause some incidents elsewhere, those that have engaged with BeActive have not re-offended at all.

- A drama workshop based on the theatre play Refugee Café was a star attraction at Babergh's 2008 Youth Conference .
- The Place Survey revealed that 86% of Babergh residents believe that people from different backgrounds get on well together in their local area. This compares favourably both regionally and nationally.
- The Place Survey revealed that 21% of residents felt that people being drunk or rowdy in public places was a problem in their local area. In order to tackle this problem, Babergh's Community Safety Partnership awarded funding of £3,000 to the police in a bid to try and reduce alcohol-related crime and anti-social behaviour in town centres. This funding has allowed an increased level of pro-active CCTV monitoring.
- Babergh staff conducted nearly 500 interventions (inspections and regulatory contacts) of food premises during 2008/9 (including 100% of those in the highest category). Working in partnership with other local authorities and the Health and Safety Executive, a number of high profile targeted Health and Safety campaigns, notably Asbestos and Caravans, were also carried out along with the routine inspections.
- Babergh launched its 'Scores on the Doors' rating system for food businesses at the end of 2008/9. This new system means that as well as making sure businesses are adhering to strict laws governing food preparation and sales, all premises are now given a certificate with a star rating. The Council brought two Food Hygiene prosecutions and one Health and Safety prosecution at a riding school. All were successful

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 2008/09?

- Babergh was a key partner in the development of the Suffolk wide approach to supporting local communities through the current economic recession. The 'Tackling the Economic Downturn Summit' generated 43 ideas and made 10 commitments. As a result the Council committed additional funding of £141,000 to support the delivery of these ideas, which included supporting Citizens' Advice Bureaus.
- As part of the Haven Gateway Partnership, Babergh started to evaluate the possibility of having two dry-ports in the area which have both environmental and economical benefits. The possible sites are the disused industrial site at Sproughton and the previous ICL plant in Brantham.
- The East of England Co-operative Society bought Wherstead Park which will help Babergh's local economy, adding to the number of household names with their headquarters based in Babergh district. Through its involvement with the Suffolk Development Agency, Babergh helped the company in its selection of the new headquarters.
- Babergh contributed to the successful conversion of a redundant barn into a carbon negative building with help from the planning section and a £5,000 Business Workplace Scheme Grant.
- Babergh granted more than £83,000 in capital funding to a variety of projects from village hall refurbishments to cricket scoreboards and bowling mats. Babergh has made it easier for people to access this money by streamlining its grants process.

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 2008/09?

Case Study – Home Improvement Agency

The Council has for many years allocated capital funding to help homeowners and private tenants improve their homes with the help of grants and loans. This funding is mainly targeted at vulnerable groups, in particular the elderly and those with a physical disability. To improve the service Babergh has become part of a countywide partnership with six other district councils and the Supporting People initiative to provide a Home Improvement Agency for vulnerable residents. This new Agency provides a stress free service to secure essential adaptations to clients' homes enabling them to remain living independently in the community.

In 2008/9 the contract was re-tendered culminating in a new provider, Orbit Housing Association. The contract now includes provision for countywide added value services such as a Handyman and additional technical officers.

- A programme of Equality Impact Assessments has been completed and published for all services to ensure that the needs of all sections of the community are adequately addressed.
- Babergh continues to strengthen multi-agency working arrangements with Suffolk Constabulary, Trading Standards and other organisations in partnership with local licensees (through schemes like 'Pubwatch' and the 'Suffolk Licensing Protocol') to jointly promote prevention of crime and disorder, protection of children from harm, prevention of public nuisance and public safety.
- 37 homes were adapted to meet the needs of older or disabled people. This exceeded the target of 30 and is also an improvement on the previous year.
- Due to increased demand for Disabled Facilities Grants, the Council secured additional funding from GO-East for the next financial year. This will support the adaptation of over 40 homes.
- Babergh took part in a campaign with Parish Councils to save 28 public telephone boxes.

Case Study – Pin Mill Regeneration

Through the Pin Mill Task Group, Babergh is leading a project to regenerate the economy of Pin Mill through increased maritime activity, and also increase its viability as a tourist attraction through the interest generated in this maritime activity.

The project involves two main areas of construction work:

- Reinstatement works to the Hard (landing area projecting to the low watermark)
- Reconstruction of a repair facility capable of accommodating Thames Barges and other sailing vessels of similar size

A business plan was prepared and external funding of £185,000 was obtained from the Haven Gateway Growth Project. This was topped up by contributions from partners including the Council. The delegation of mooring rights has been agreed with Associated British Ports and the membership of the 'company' has been agreed, demonstrating the full involvement of the local community.

- The Council received 1,377 planning applications in total. This is down by 14% on the previous year (1,606 apps) and has resulted in a fall in income. The Licensing team processed over 2000 Licence applications/notices and continues to have not had a single appeal or legal challenge on any licensing decision made.
- The Council carried out work to increase the numbers of hackney carriage (taxi) licences available in the district in order to promote availability, choice and accessibility for the consumer.

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. Babergh is committed to reducing the causes of climate change and to taking the necessary steps to become better prepared for the consequences of climate change. 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 in 2008/9 included:

Carbon Reduction

- Babergh joined the Carbon Trust's 'Local Authority Carbon Management Programme'. The Council was also accepted onto the Energy Saving Trust's 3 year 'Local Authority One-to-One Support Programme'. By working in partnership with others these projects will help to reduce emissions across the Babergh district.
- 96 photovoltaic solar panels were installed at a council housing scheme in Sudbury. These generate peak rate electricity for the flats and are already providing savings.
- The installation of air source heat pumps in Council properties off the mains gas network has reduced heating costs by between 30% and 40%.
- A Combined Heat & Power unit was installed at the Kingfisher Leisure Centre providing estimated annual savings of £10,000.
- Babergh provided officer support to community groups who want to 'green' their communities e.g. Sproughton who won an East of England Development Agency 'Cut Your Carbon' award.

Waste and recycling

- Babergh introduced a new recycling system in its offices and stopped emptying individual desk bins. Recycling rates have consequently increased from approximately 40% to 70%
- Waste generated from works undertaken on our housing stock and other fixed assets (offices, depots etc) is monitored and managed .

Biodiversity

- 4 of our 9 countryside sites are now 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
- The Council supported the 'Suffolk – Creating the Greenest County' initiative.

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