

# SUFFOLK COASTAL'S BUDGET PLANNING

SUFFOLK COASTAL DISTRICT COUNCIL

2006/2007

## INTRODUCTION

On February 23, 2006 Suffolk Coastal's district councillors are due to meet to agree how much money to spend on local services in 2006/07 and what Council Tax level to charge residents across the district.

Once again the financial picture facing the Council is tight, with its fixed costs rising thanks to factors outside of its control, an increasing demand for its services,

and a Government grant level that is failing to take full account of local needs.

Over the next four pages we set out the background to the decisions that the Council has to make and ask your assistance in identifying what we can do to keep our Council Tax at a reasonable level while still providing the quality and range of services that residents rightly expect.

## NEXT YEAR'S BUDGET

Consultation underway –

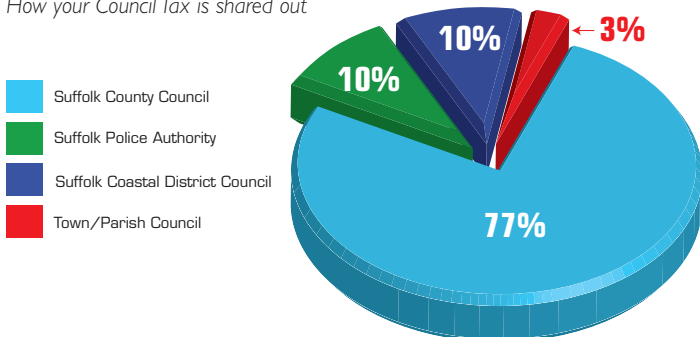
- The Council's overview and scrutiny committees are carrying out a thorough review of Suffolk Coastal's budget and will pass their thoughts on to Cabinet.
- All employees are being asked for their views on how services can be made more efficient, how we can improve our business processes, and where additional income can be brought in or service improvements can be made.
- All residents are being asked for their views and ideas through CoastLine and our website.

- Three consultation meetings with representatives of the community are set to be held in October to get their opinions.
- The winter edition of CoastLine will be distributed from November 24 with news of the latest proposals.
- Draft budget presented by Cabinet to other councillors for their views during December and January.
- Full Council to vote on what budget and Council Tax should be set on February 23.

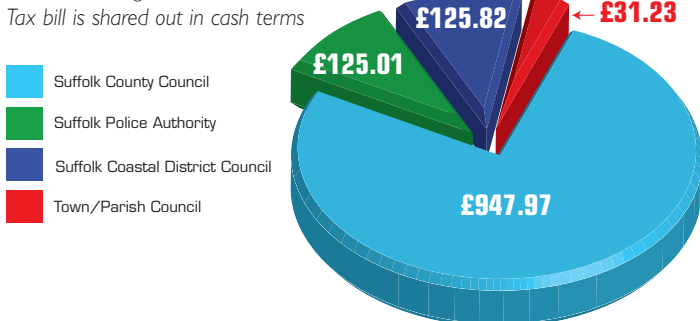
## WHERE YOUR COUNCIL TAX GOES

The average Band D Council Tax bill for residents in the district is £1,229.03.

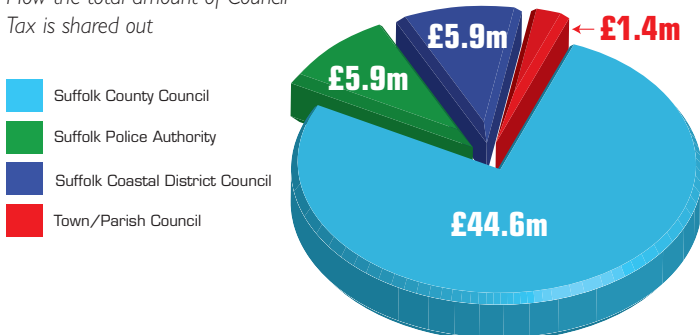
How your Council Tax is shared out



How the average Band D Council Tax bill is shared out in cash terms

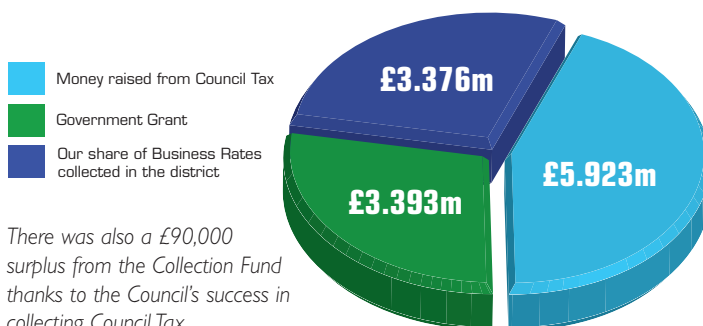


How the total amount of Council Tax is shared out



## HOW THE COUNCIL'S DISTRICT PRECEPT IS FUNDED

The District Precept is the amount needed by the Council to fund services.

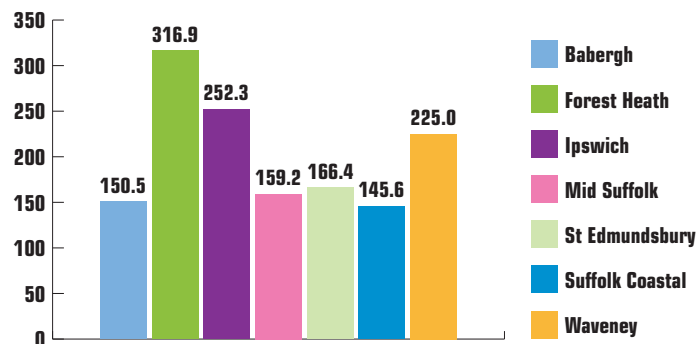


There was also a £90,000 surplus from the Collection Fund thanks to the Council's success in collecting Council Tax.

Suffolk Coastal has argued strongly that it does not receive a fair deal from the Government in the way of grant settlement. The table below shows that Suffolk

Coastal received less Government money per Band D property from its grant settlement than any of the other councils in Suffolk.

## GOVERNMENT GRANT 2005/06 PER BAND D PROPERTY



# SUFFOLK COASTAL'S BUDGET PLANNING 2006/2007

## THE LAST FIVE YEARS

Since 2001, the total average Band D Council Tax bill for this district has increased by 43.1% from £858.65 to £1,229.03.

- **Suffolk County Council's** bill has risen by £276.75 or 41.2% from £671.22 to £947.97;
- **Suffolk Coastal District Council's** bill has risen by £28.35 or 22.9% from £97.47 to £125.82;
- **Suffolk Police Authority's** bill has risen by £57.87 or 86.2% from £67.14 to £125.01
- The average **town/parish** bill has risen by £8.43 or 43.1% from £22.82 to £31.25.

Against a background of ever tighter grant settlements from the Government, Suffolk Coastal's budget has stayed at roughly the same, £12.5 million, since 2001.

In recognition of the increasing burden that Council Taxpayers are facing, Suffolk Coastal has tried to keep rises at a reasonable and affordable level, which can be seen by the fact that our increases have been lowest in percentage terms of the four parts that make up your total bill.

Since 2001 we have delivered just over £5 million of savings and additional income (the equivalent of £100 on a Band D Council Tax bill), while reinvesting £1.7 million in improved services, despite having to cope with external factors that have forced our costs up by nearly £5 million during that time.

## WHAT SAVINGS AND IMPROVEMENTS HAVE WE MADE IN THE LAST 12 MONTHS?



Coastal Card offers discounted use at the Council's DC Leisure managed centres

- We have continued to review and trim our senior management
- Transferred the management of our leisure centres to a partner

- Sold surplus land assets
- Formed a partnership with Ipswich to provide audit services more efficiently

- Reduced the cost of our service to officially homeless people, with less time spent by families in bed and breakfast hotels
- Used computers and other new technology to further improve our services
- Improved the speed in dealing with planning applications and housing benefit claims
- Reduced sickness levels among employees
- An officially better environmental health service
- A comparison of the quality of our services shows that, where they could be compared, 23 out of 37 were better in 2004/05 compared to the previous year – we have delivered better services while cutting costs.

## THE CHALLENGE FOR THE FUTURE

The Government is planning to introduce three - year grant settlements to help councils plan their finances with more certainty. Despite our savings of over £5 million in the last four years, we need to save another £1m which could yet be an optimistic figure (see right for the assumptions behind this figure) as it will depend on whether the Government is more or less generous than expected with its grant settlement. It is again reviewing the formula used to decide how much money councils should get.

Another key influencing factor is whether the Government wants to limit more strictly Council Tax rises.

Our Medium Term Financial Strategy review, completed in July 2005, identified a budget gap for 2006/07 of £1 million, which would rise to £2.3 million by 2008/09 if no action was taken.

Our finance officers are predicting a large deficit based on the following assumptions: –

- That we will only receive a 2.5 per cent increase in grant settlement from the Government.
- That the number of homes that pay Council Tax will increase by 0.5 per cent.
- Increased wages costs because of expected nationally agreed pay settlements.

- Inflation of 2.5 per cent.
- Some improvements in services.
- Increased cost of recycling services and pensions.
- Council Tax increases of no more than 5 per cent.

### The immediate challenge – how our costs will rise in 2006/07:–

- Pay and price increases will cost us an extra £740,000
- Pension fund contributions will rise by £120,000
- The cost of replacing old vehicles used for refuse collection will be £95,000
- New developments – not yet agreed

## WHAT DO WE SPEND YOUR MONEY ON?

Suffolk Coastal's budget is based on six areas which match its main priority themes – these are community well-being; economy; housing; natural and built environment; rural issues; and fiscal and democratic services. We employ the equivalent of 300 full-time employees. The services we provide include the following:-

* Food safety, health and safety	£418,100
* Pollution control	£750,200
* Port health	£264,300
* Determining planning applications	£623,300
* Building control	£89,100
Leisure development	£93,700
Tourism promotion	£392,300
Economic development	£285,600
* Crime and disorder reduction	£37,800
* Countryside management	£191,300
* Homelessness and advice	£410,000
* Housing benefits	£730,500
* Communications	£76,700
* Land charges	-£13,700
*^ Support services such as human resources, legal services, print room, customer services, computer staff, finance,	£2,782,400
*^ Waste management – refuse collection and recycling, pest control, dog bins, cesspool emptying, litter bins, street cleansing, abandoned vehicles	£2,021,400
^ Car parks	- £181,000
^ Coast protection	£220,200
^ Public conveniences	£399,300
^ Leisure centres	£719,700
Arts/Spa Pavilion	£322,100
*^ Outdoor leisure – cemeteries, parks, gardens, play areas, playing fields	£744,900
Beach huts	- £190,700
Resort activities	£168,000
Grants to Citizens Advice Bureaux	£131,900
* Planning development and policy	£554,300
* Rights of way	£37,200
^ Highway services	£134,000
* Tax collection	£956,000
* Emergency planning	£59,500
* Licensing	£21,200
Concessionary travel	£210,200
Grants to local groups	£158,600
Street furniture	£105,400
* Housing renovation grants	£42,700
* Private sector housing	£180,300
Housing enabling	£55,800
Highway services	£134,000
Rural rate relief	£23,100
Electoral registration	£54,500

^ = Services provided for the Council by partner organisations but there is still scope to do things differently, more efficiently or effectively.

- = Where services generate more income than expenditure these are indicated with a minus sign in front of the cash figure.

\* = Services that are all or partly statutory – that Parliament insists the Council must provide these services. However there is still scope to do things differently, more efficiently or effectively.

Following the recent successful partnership with Ipswich Borough Council to provide Audit services more efficiently and effectively, we have been having talks with other councils about other possible partnerships to provide services such as housing benefits and building control. Other partners already working with the Council include Clear Channel, DC Leisure, Suffolk Coastal Services Ltd, and Atos.



Leisure development £93,700



Coast protection £220,200



Outdoor leisure £744,900



Beach Huts - income of £190,700



Waste management - £2,021,400



Community safety £37,800

### The Council sees its main service priorities over the next three to four years as:

- Tackling anti-social behaviour
- Increasing access to housing to meet local needs
- Improved waste management – greater recycling and less waste going to landfill;
- Coast and estuary management that would enable key assets to be retained;
- Strengthening the economy through facilitating key investments;
- A robust and efficient planning system that protects and enhances the environment while furthering the prosperity of the district;

In addition to these six priorities, the Council recognises that there are a number of significant issues that will affect the district such as the commencement of the Suffolk Innovation Park, investment allied to the extension of the Port of Felixstowe, job creation to offset the decommissioning of Sizewell A, and the proposed University Campus Suffolk.

# SUFFOLK COASTAL'S BUDGET PLANNING 2006/2007

SUFFOLK COASTAL DISTRICT COUNCIL

## HELP US DRAW UP OUR BUDGET - a message from Councillor Ray Herring, Leader of Suffolk Coastal



You have seen the challenges facing us and how we have successfully faced up to them in recent years. However, there can be no simplifying the task facing us over the next few years.

Unless the Government steps in and reduces the financial pressures on this Council by giving us a fairer share of the grants given to local councils then we face some very tough decisions.

Over the last few years we have made radical changes to the way our services are managed with

streamlined senior management and introduced efficiencies from top to bottom. We have shown how serious we are about keeping our budget under control by the fact that we have raised £5 million through savings and increased income. Our total spending is, despite increased costs of nearly £5 million, virtually the same as it was in 2001. At the same time, councillors and our employees have worked very hard to maintain and improve the quality of your services.

We are working hard to 'balance the books'. We have asked those who work for Suffolk Coastal to once again find more efficiencies, to identify what services perhaps don't need to be provided in the same way any more, and to suggest ways that we can increase our income. Our people have done excellently over the last few years to help keep our budget under control and our services improving – and I think that

they can meet this latest tough challenge and help us bridge our budget gap. We are also now working closer with Suffolk County Council to identify where changes can be introduced to make both our councils more efficient and better value for money.

Your views are very important as well – I want to hear where you think we can provide better value for money services, what you think we could do better and save money, what you think we don't need to do any more, or maybe not as often, or what you think we should charge more for. Sometimes people think saving money from Council budgets is easy, that there are loads of waste and inefficiencies. I can assure you that is not the case at this Council, and independent reviews prove that.

There is no easy solution as so many of our services are ones we must either provide because of the law, or

because the Government wants us to and provides tough performance targets which are linked to future funding. But I do want to hear how you think we can do things better:

If you want to find out more about our budgets, then please visit our website [www.suffolkcoastal.gov.uk](http://www.suffolkcoastal.gov.uk) where there is probably all the background information you could want, enough to fill probably another 100 copies of CoastLine! There will also be a special interactive budget game to help you try and set your own budget.

Please send your comments, ideas or questions to me either by email to [ray.herring@suffolkcoastal.gov.uk](mailto:ray.herring@suffolkcoastal.gov.uk) or by post to Budget 2006, Cllr Ray Herring, Suffolk Coastal District Council, Melton Hill, Woodbridge.

The next edition of CoastLine will report back on what you have had to say.

We would like to hear your views on the issues discussed on these pages and other issues around Council services and how they are paid for. Please use this form and enclose additional comments on an attached sheet of paper:

Are there services you think we do particularly well?

Where could we reduce spending on services?

Where could we be more efficient in the work we do? How could we improve those services?

We are keen to ensure that our services are available to all sections of our large and varied community, and that all parts of the district are having a say in those services. Could you please fill out the following section and return it with your comments. Thank you.

Your gender  male  female (please tick where appropriate)

Your age  under 18  18-24  25-34  35-44  45-54  55-65  65 plus  rather not say

Your working status  employed  self-employed  unemployed  retired  student  rather not say

Which of these groups do you belong to?  White  Black – British  Black – Caribbean  Black – African  Black – Other

Indian  Pakistani  Bangladeshi  Chinese  Any other ethnic group  Don't want to say

Which parish do you live in?

Name and address (this is optional)

PLEASE SEND THIS FORM BACK TO COASTLINE, SUFFOLK COASTAL DISTRICT COUNCIL, MELTON HILL, WOODBRIDGE, IP12 1AU