



COUNCIL TAX 2018-2019

How much you pay...
How it's spent...

YOUR COUNCIL TAX BILL

2018-2019 is set to be another tough year for council services in Sunderland with further reductions as the Government's austerity measures continue.

Since 2010 we have seen our spending power reduced by a third under the Government's austerity programme, with £290m saved or raised in income. For 2018-2019 a further £27m is required.

In 2018-2019 we will spend £646m on public services for the 277,962 residents of Sunderland. By 2020 we estimate we will have had to save the equivalent of a further £424 per each of the city's 125,000 households.

While we collect over 99% of the Council Tax due in the city, council tax raises 14 pence in every pound of the council's income. The majority of council spending is grants from Central Government.

The scale of cuts and cost pressures over the last eight years means we cannot fund frontline services to the level we want to. We have tried to protect residents as much as we can, but we continue to face very difficult decisions because of the Government's year on year austerity measures.

The decision to raise Council Tax is one of those hard choices. Not raising Council Tax would mean cutting services even further – including services to the most vulnerable in our city.

That's why we have taken the very difficult decision to protect services from further cuts by raising Council Tax for only the third time since 2010. The increase of five per cent includes the two per cent precept mandated by the Government specifically to support adult social care.

The social care precept is anticipated to raise £1.8m and will be used to help support older and vulnerable people in care homes, and the more than 4,000 people who receive care in their own homes.

For the majority of households who live in Band A properties the 5 per cent rise in Council Tax is an increase of 83p a week. For a Band D property it's £1.24 a week.

We recognise the impact cuts to key frontline services have had on communities in our city. You have told us your concerns in relation to street scene and the need to make the city greener and cleaner. That's why we are reinvesting some money in place based services as well as other areas including:

- An extra £1.5m, alongside the £500,000 invested last year, for supporting environmental services such as street cleaning, and prosecuting litter bugs and fly-tippers;
- £5m extra in children's social care and an extra £8m in adult social care;
- A one-off investment of £2m to support the Tall Ships Races Sunderland 2018 event in July which expects to welcome an international fleet of over 60 Tall Ships and attract 1.5m visitors to our city.

It's also essential that we continue to work with our partners and invest in Sunderland's infrastructure and economic regeneration. This is vital if we are to deliver more and better jobs and economic growth and make the city more attractive to residents, businesses and visitors.

Much of this work is already underway. Within the council's capital programme for 2018-2019 to 2021-2022 over £281m of capital spend is proposed, including over £147m to be spent in 2018-2019.

We've included information in this leaflet to show where the council's money will come from and how it will be spent over the next financial year.



Cllr Henry Trueman
Leader of
Sunderland City Council



Irene Lucas CBE
Chief Executive,
Sunderland City Council

WHAT YOU PAY

The amount of Council Tax you pay depends on the value of your home. More valuable properties pay more Council Tax. Each home is placed in a valuation band based on what your home was valued at in 1991. This table sets out the Council Tax levels for 2018-2019 for each valuation band.

Your Council Tax bill states the band that applies to your property. It is important to note that residents in most of Sunderland will pay the Total Council Tax level in column 5. Residents of Hetton will pay the Total Council Tax level in column 7.

1	2	3	4	5	6	7
Valuation Band	City Council Tax level	Tyne and Wear Fire and Rescue Authority Tax level	Police and Crime Commissioner for Northumbria Tax level	Total Council Tax level	Hetton residents only	
					Hetton Town Council Tax level	Total Council Tax level
	£ p	£ p	£ p	£ p	£ p	£ p
A	906.29	53.29	73.55	1,033.13	9.64	1,042.77
B	1,057.33	62.18	85.81	1,205.32	11.25	1,216.57
C	1,208.38	71.06	98.07	1,377.51	12.86	1,390.37
D	1,359.43	79.94	110.33	1,549.70	14.46	1,564.16
E	1,661.53	97.70	134.85	1,894.08	17.67	1,911.75
F	1,963.62	115.47	159.37	2,238.46	20.89	2,259.35
G	2,265.72	133.23	183.88	2,582.83	24.10	2,606.93
H	2,718.86	159.88	220.66	3,099.40	28.92	3,128.32

YOUR COUNCIL TAX HEL

Children's services



Together for Children, wholly owned by the council, offer responsive services that help prevent and reduce the risk of harm to vulnerable children and work to ensure the best possible education and outcomes for all our children, young people and families.

Adult services



Supporting vulnerable people to help them live as independent, healthy and active a life as possible.

Sunderland Care and Support has operated as a trading company of Sunderland City Council for four years, providing social care services to adults across the city.

Culture and leisure



Providing sport, leisure and wellness venues and opportunities, museums, libraries, theatres and events.

Planning is well underway for The Tall Ships Races 2018 and the 30th anniversary of the Sunderland Airshow.

Environmental services



Collecting and recycling rubbish, street cleaning, maintaining parks and open spaces and everything that helps keep the city clean, green and attractive.

PS PAY FOR ALL OF THIS



Highways

Maintaining over 750 miles of roads, 1,500 miles of footway and 48,000 street lights across the city.



Housing services

Making sure that everyone has the chance of a decent home and help, when needed, with Housing Benefit.



Planning and economic development

Helping to attract new businesses to the city and working with existing ones to help them grow.



Other services

These include the central services which keep the rest running, such as finance, human resources and governance services.



Precepts

Sunderland City Council collects your contributions towards the cost of Police and Fire and Rescue services, based on the precepts which are set by them.



Contingencies

While all known spending pressures have been provided for within the budget, there is still uncertainty over some costs and it is important that we have sufficient contingencies to meet emergency funding requirements.



Levies

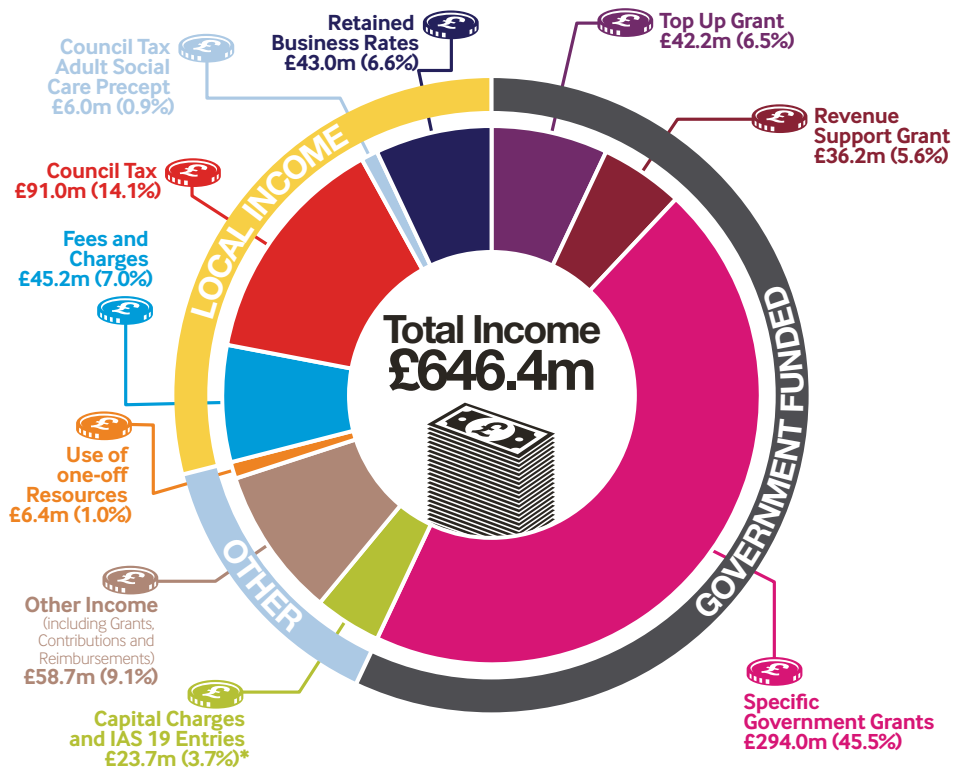
Sunderland City Council pays direct levies to the North East Combined Authority to provide financial support to help fund public transport, the Environment Agency to support flood defence works and the North East Inshore Fisheries Conservation Authority.

HOW RESIDENTS HELP SET THE BUDGET

An extensive budget consultation took place between October 2016 and January 2017 which covered the majority of savings proposals for 2018-2019. Additional savings proposals were aimed at protecting front line services from further cuts. All of the comments and opinions received during the consultation and subsequent feedback from residents have been used to inform the budget proposals for 2018-2019. This helps ensure we are focusing our resources on the things that really matter to people.

WHERE THE MONEY WILL COME FROM IN 2018-2019

The council provides a wide range of services including schools, caring for the elderly, collecting rubbish and providing leisure facilities. The cost of running and maintaining the day-to-day services provided by the Council is called Revenue Expenditure. The Council Tax you pay forms only part of the funding to pay for these services. The chart below shows that over half of the money comes from grants from the Government and the remainder from Council Tax, Retained Business Rates and income received from users of council services.



*Capital charges and IAS19 amounting to £23.7m are included in gross expenditure and income in accordance with the Service Reporting Code of Practice. This has no impact on the level of Council Tax.

STATEMENT CONCERNING ADULT SOCIAL CARE FUNDING

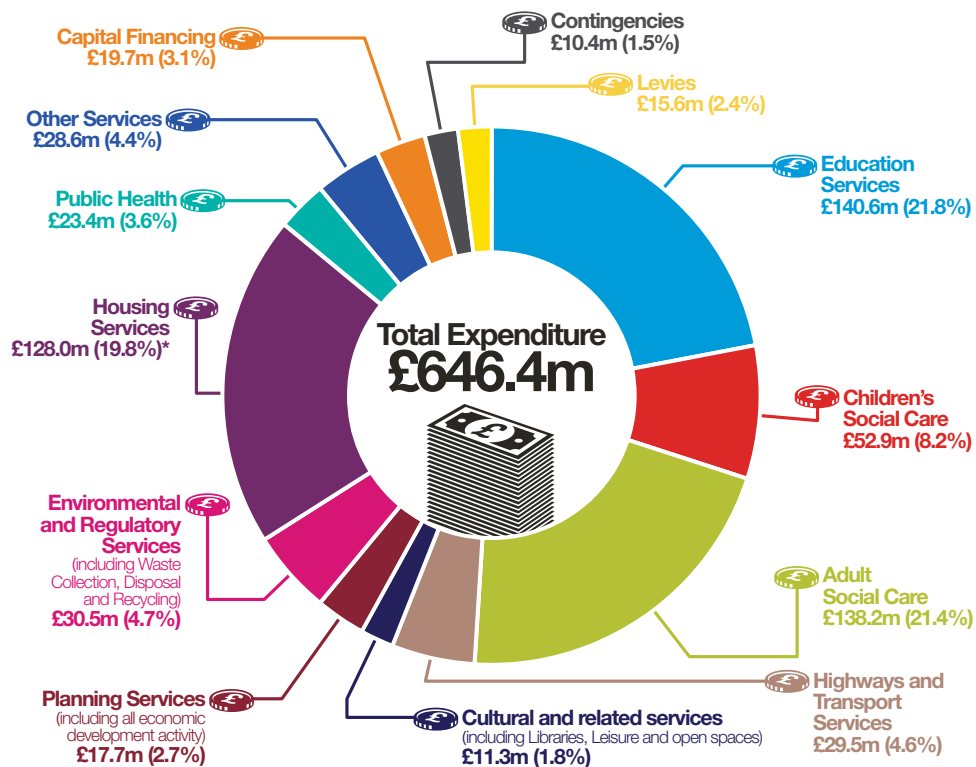
The following statement has been prescribed by government for inclusion with Council Tax Billing information. The total council tax raised for 2018-2019 now includes the cumulative impact of a 2% social care precept raised from 2016-2017, an additional 3% social care precept raised from 2017-2018 and 2% raised from 2018-2019. This additional £6.0m will help in meeting expenditure on adult social care.

The Secretary of State for Communities and Local Government has agreed to fund the council's expenditure on adult social care. The funding is provided to adult social care authorities. (*Adult social care authorities are local authorities in England, district councils for an area in England, London borough councils, the Council of the Isles of Scilly)

WHERE THE MONEY WILL BE SPENT ON SERVICES FOR 2018-2019

The chart below shows what the council plans to spend on its services in 2018-2019.

Total or gross expenditure is the total revenue costs of running council services before any income from grants, fees and charges are taken into account.



*This excludes council housing costs as the council does not hold a social housing stock. This expenditure mainly relates to Housing Benefit payments.

and Local Government has made an offer to "precept" on its council tax for financial years from the financial year beginning in 2016 without holding a referendum, to assist the authority in meeting expenditure on adult social care. Subject to the annual approval of the House of Commons, the Secretary of State intends to offer the option of charging this "precept" at an appropriate level in each financial year up to and including the financial year 2019-2020.

The offer is the option of an adult social care authority being able to charge an additional "precept" on its council tax for financial years from the financial year beginning in 2016 without holding a referendum, to assist the authority in meeting expenditure on adult social care. Subject to the annual approval of the House of Commons, the Secretary of State intends to offer the option of charging this "precept" at an appropriate level in each financial year up to and including the financial year 2019-2020.

THE MAJOR ISSUES IN SETTING THE 2018-2019 BUDGET

The budget for the next financial year has been prepared taking account of the continued grant reductions from central government and the increase in costs to provide council services.

During the budget process, the council has used £6.4m from reserves in order to address spending pressures.

The cost of services

In addition to services provided by the council, other bodies including the Police and Crime Commissioner for Northumbria and the Tyne and Wear Fire and Rescue Authority also provide services which the council must take into account. This table gives a summary of the net cost of these services for 2018-2019 and how the Council Tax for Band D is built up.

Last Year 2017-2018 £m	Summary net cost of services	This Year 2018-2019 £m	Band D Council Tax £ p
89.914	City Council (including Levies)	95.202	1,359.43
5.387	Tyne and Wear Fire and Rescue Authority	5.595	79.94
6.824	Police and Crime Commissioner for Northumbria	7.722	110.33
102.125		108.519	1,549.70

In addition Hetton Town Council will levy a precept of £53,661 in 2018-2019, equivalent to a Band D charge of £14.46 (£14.18 in 2017-2018) but this is only paid by the residents of the Parish of Hetton Town Council.

Cost per head of population

The table below shows the total cost to each person in Sunderland of services provided by the council and Precepting Authorities, after taking account of the income received from Revenue Support Grant and Business Rates.

	Total Net Budget Requirement £	Government Funding* £	Retained Business Rates £	Collection Fund (Surplus)/ Deficit £	Council Tax Requirement £
City Council	786.32	(281.81)	(155.56)	(6.64)	342.31
Tyne and Wear Fire and Rescue Authority	42.61	(18.29)	(3.83)	(0.34)	20.15
Police and Crime Commissioner for Northumbria	184.28	(154.09)	0.00	(0.62)	29.57
Total	1,013.21	(454.19)	(159.39)	(7.60)	392.03

*Reflects Revenue Support Grant and Top Up Grant

BUDGET INFORMATION

SUNDERLAND CITY COUNCIL BUDGET INFORMATION

The council needs to collect £5.3m more from council tax payers in 2018-2019 than it did in 2017-2018. This is because of a reduction in government funding and an increase in spending pressures. Details are shown in the table opposite.

	£m
Net Funding Changes	0.8
Spending Pressures (including one-off)	26.4
Planned Budget Savings	(16.6)
Use of Reserves	(6.4)
Contribution to Collection Fund Surplus Reserve	1.3
Movement in reserves within service lines	(0.2)
Total	5.3

Last Year 2017-2018				This Year 2018-2019		
Gross Expenditure £m	Gross Income £m	Net Expenditure £m		Gross Expenditure £m	Gross Income £m	Net Expenditure £m
131.2	59.4	71.8	Adult Social Care	138.2	62.1	76.1
44.5	1.7	42.8	Children's Social Care	52.9	4.1	48.8
146.8	126.9	19.9	Education Services	140.6	121.9	18.7
10.7	0.8	9.9	Cultural and Related Services	11.3	1.8	9.5
28.7	7.5	21.2	Environmental and Regulatory Services	30.5	7.9	22.6
29.4	12.2	17.2	Highways and Transport Services	29.5	12.4	17.1
128.4	125.6	2.8	Housing Services (non council housing costs)	128.0	125.6	2.4
16.3	9.2	7.1	Planning Services	17.7	10.0	7.7
24.0	24.0	0.0	Public Health	23.4	23.4	0.0
27.5	6.8	20.7	Other Services	26.3	5.4	20.9
0.0	9.8	(9.8)	Other Core Grants	0.0	21.8	(21.8)
19.7	0.0	19.7	Capital Financing Costs	19.7	0.0	19.7
607.2	383.9	223.3		618.1	396.4	221.7
8.8	0.0	8.8	Provision for contingencies and strategic priorities	10.4	0.0	10.4
0.0	1.3	(1.3)	Interest on Balances	0.0	1.5	(1.5)
0.9	6.4	(5.5)	Movement on Reserves (including Medium Term Planning Smoothing Reserve)	1.0	6.4	(5.4)
0.0	0.0	0.0	Contribution to Collection Fund Surplus Reserve	1.3	0.0	1.3
0.0	21.8	(21.8)	Capital Charges and IAS 19 entries	0.0	23.7	(23.7)
616.9	413.4	203.5	TOTAL EXPENDITURE	630.8	428.0	202.8
			Levies and Precepts			
		15.6	North East Combined Authority			15.2
		0.2	Environment Agency - Flood Defence			0.2
		0.1	NE Inshore Fisheries Conservation Authority			0.1
		0.1	Hetton Town Council Precept			0.1
		219.5	TOTAL BUDGET REQUIREMENT			218.4
		44.7	Less Revenue Support Grant			36.2
		41.7	Retained Business Rates			43.0
		40.7	Top Up Grant			42.2
		2.5	Collection Fund Surplus			1.8
		89.9	COUNCIL TAX REQUIREMENT			95.2

BUDGET INFORMATION

LEVIES AND PRECEPTS

Your Council Tax bill is made up of a number of elements besides the council's Council Tax Requirement. These include levies and precepts that the council is legally required to collect on behalf of other organisations. For Sunderland City Council these organisations are:

Levy: Environment Agency							Change in levy between years is attributable to: £m
	Last Year 2017-2018			This Year 2018-2019			
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	
Flood Defence	15.2	12.9	2.3	23.4	21.1	2.3	Programme of works for both capital and revenue needed by the Regional Flood and Coastal Committee
Levy			2.3			2.3	0.0
							0.0
Sunderland's proportion of the Environment Agency levy is £0.224m in 2018-2019 (2017-2018 £0.221m).							

Levy: North East Combined Authority							Change in levy between years is attributable to: £m
	Last Year 2017-2018			This Year 2018-2019			
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	
Tyne Tunnels	28.4	28.3	0.1	26.3	26.3	0.0	Inflation and other cost pressures
ITA	2.2	0.0	2.2	2.1	0.0	2.1	Increased income
Grant to Nexus	87.8	0.0	87.8	88.4	0.0	88.4	Budget reductions
Grant to Durham and Northumberland	21.7	0.0	21.7	21.8	0.0	21.8	Contribution from reserves
	140.1	28.3	111.8	138.6	26.3	112.3	(0.3)
Transfer to Reserves			(1.7)			(1.9)	
Total Budget Requirement			110.1			110.4	
Less Rail Grants and Miscellaneous Grants			(25.3)			(26.7)	
Levy			84.8			83.7	
Sunderland's proportion of the North East Combined Authority levy is £15.219m in 2018-2019 (2017-2018 £15.569m)							

BUDGET INFORMATION

Precept: Police and Crime Commissioner for Northumbria						
	Last Year 2017-2018			This Year 2018-2019		
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m
Police General	274.6	13.6	261.0	279.0	12.8	266.2
Total Budget Requirement			261.0			266.2
Less: Formula Grant			214.4			214.4
Legacy Council Tax Grant			1.3			1.3
Council Tax Support Grant			6.9			6.9
Collection Fund Surplus			0.9			0.9
Precept			37.5			42.7

Change in Precept between years is attributable to:

	£m
Inflation, budget pressures and other budget adjustments	10.4
Budget Savings	(6.7)
Change in use of Reserves	1.5

5.2

Sunderland's proportion of the Police and Crime Commissioner for Northumbria's precept is £7.722m in 2018-2019 (2017-2018 £6.824m)

This represents £110.33 of the Band D Council Tax and equates to a council tax increase of 12.2%.

Council Tax represents 15.3% of Gross Expenditure (2017-2018 13.7%) this increases the reliance on Council Tax as a funding stream.

Precept: Tyne and Wear Fire and Rescue Authority						
	Last Year 2017-2018			This Year 2018-2019		
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m
Fire Service	51.3	4.4	46.9	50.4	4.2	46.2
Total Budget Requirement			46.9			46.2
Contingencies			1.0			2.0
Interest on Balances			(0.2)			(0.1)
Total Budget Requirement			47.7			48.1
Less Revenue Support Grant			10.9			9.6
Collection Fund Surplus			0.1			0.4
Top up Grant			10.7			11.1
Business Rate Share			4.0			4.0
SFA Adjustment			0.2			0.3
Precept			21.8			22.7

Change in Precept between years is attributable to:

	£m
Cost pressures	2.7
Reduction in Government funding	0.8
IRMP Savings	(0.9)
Budget Efficiencies	(0.7)
Increase in use of reserves	(0.7)
Increase in Collection	(0.3)
Fund Net Surplus	

0.9

Sunderland's proportion of the Tyne and Wear Fire and Rescue Authority precept is £5.595m in 2018-2019 (2017-2018 £5.387m).

This represents £79.94 of the Band D Council Tax and equates to a council tax increase of 2.99%.

Council Tax represents 43.2% of Gross Expenditure (2017-2018 41.5%) this increases the reliance on Council Tax as a funding stream.

Almost **seven out of ten** households in Sunderland pay their Council Tax by Direct Debit because it's the easiest way.



Why don't you join them?

Call us on 0191 520 5551 to set up a Direct Debit.



Do it online...

- Report missed refuse collections or damaged/missing bins
- Arrange a bulky waste collection
- Request maintenance of grass, trees and water features
- Report fly tipping
- Request a copy of a birth, death or marriage certificate
- Book an appointment to register a birth or death
- Book an appointment to give notice of a marriage or civil partnership
- Report litter
- Report anti-social behaviour and hate crimes
- Report an issue with street lighting
- Sign up to garden waste collections

...and much more at www.sunderland.gov.uk