



# COUNCIL TAX 2019-2020

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

# YOUR COUNCIL TAX BILL

Sunderland is a forward-looking city undergoing exciting transformation and economic regeneration. It has a global reputation as a welcoming and inclusive place in which to live, work, invest and play.

In 2019-2020 we will start to implement an updated and ambitious City Plan. Through its delivery Sunderland will be:

- A dynamic, digitally connected city where business invests and regeneration continues, where people have access to great employment and education opportunities and the city centre boosts economic growth and prosperity
- A healthy, cleaner and more attractive city where people enjoy good health and wellbeing, and live happy, independent lives
- A vibrant city where more people spend their leisure time, every neighbourhood is safe and welcoming, and where every resident can feel proud of where they live

A lot of activity is already underway and by 2022, progress will include:

- The first building on the International Advanced Manufacturing Park being operational
- £20m being invested in sports facilities
- The opening of the first building on Vaux
- The opening of Sunderland Strategic Transport Corridor Phase 3 (Northern Spire to City Centre)
- The on-site development of Sunderland Station
- A new school for children with autism opening in North Sunderland
- £40m being invested in transport infrastructure including road improvements

Whilst there is much to look forward to and the council with its partners is committed to making a significant and positive difference, 2019-2020 is set to be yet another tough year for Sunderland.

Due to Government austerity measures, since 2010 we have seen our spending power reduced by a third,

with more than £290m saved or raised in income. For 2019-2020, a further £25m in cuts is required.

In 2019-2020 we will spend £651m on public services for the 277,249 residents of Sunderland. By 2022 we estimate we will have had to cut the equivalent of a further £196 per head of the city's population.

While we collect over 99% of the Council Tax due in the city, it only raises 15% of the overall budget. The majority of council spending is funded by central Government grants which means that we cannot fund frontline services to the level we would want to.

We have worked hard to protect residents but continue to face very difficult funding decisions and have been left with no alternative by central Government other than to raise Council Tax.

If we didn't then we would have had to cut services even further – including services to the most vulnerable in our city. We recognise that cuts to key front line services have impacted on communities, so our plans include additional funding for adults and children's social care and for a deep clean of the city centre.

To enable this type of investment, we have no choice but to raise Council Tax by four per cent which includes the one per cent precept mandated by the Government specifically to support adult social care.

For the majority of households who live in Band A properties, the rise is an increase of 70p a week. For a Band D property it's £1.04 a week.

More details can be found on the following pages to show where the council's money will come from and how it will be spent over the next financial year.



**Cllr Graeme Miller**

Leader of  
Sunderland City Council



**Patrick Melia**

Chief Executive,  
Sunderland City Council

# WHAT YOU PAY

The amount of Council Tax you pay depends on the value of your home. More expensive 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 2019-2020 for each valuation band.

Your Council Tax bill states the band that applies to your property. 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.

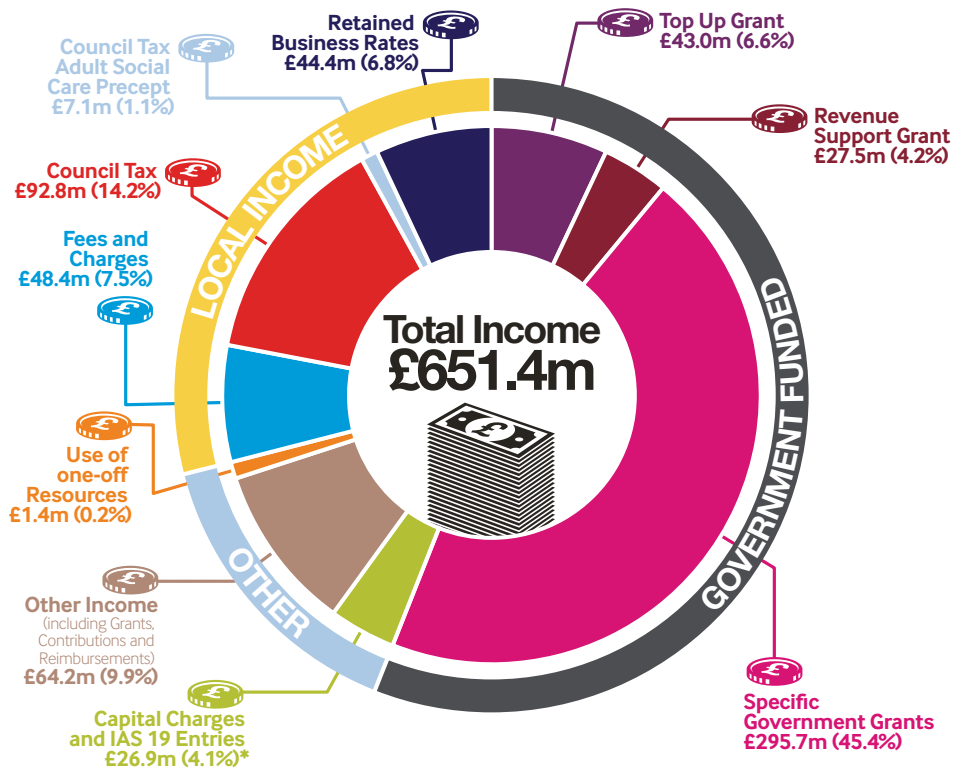
1	2	3	4	5	6	7
Valuation Band	City Council Tax level	Tyne and Wear Fire and Rescue Authority Tax level	Police and Crime Commissioner for Northumbria Tax level	Total Council Tax level	Hetton residents only	
					Hetton Town Council Tax level	Total Council Tax level
	£ p	£ p	£ p	£ p	£ p	£ p
<b>A</b>	942.45	54.89	89.55	1,086.89	9.64	1,096.53
<b>B</b>	1,099.53	64.03	104.48	1,268.04	11.25	1,279.29
<b>C</b>	1,256.60	73.18	119.40	1,449.18	12.86	1,462.04
<b>D</b>	1,413.68	82.33	134.33	1,630.34	14.46	1,644.80
<b>E</b>	1,727.83	100.63	164.18	1,992.64	17.67	2,010.31
<b>F</b>	2,041.98	118.92	194.03	2,354.93	20.89	2,375.82
<b>G</b>	2,356.13	137.22	223.88	2,717.23	24.10	2,741.33
<b>H</b>	2,827.36	164.66	268.66	3,260.68	28.92	3,289.60

## HOW RESIDENTS HELP SET THE BUDGET

The council previously undertook an extensive budget consultation between October 2016 and January 2017, which covered the 3-year period through to March 2020. However, further savings are required for 2019-2020 so another public consultation took place between November 2018 and January 2019. All of the comments and opinions received during the consultation have been used to help ensure we are focusing our resources on the things that really matter to people.

# WHERE THE MONEY WILL COME FROM IN 2019-2020

The council delivers a wide range of services including schools, caring for the elderly and collecting rubbish. 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 £26.9m 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

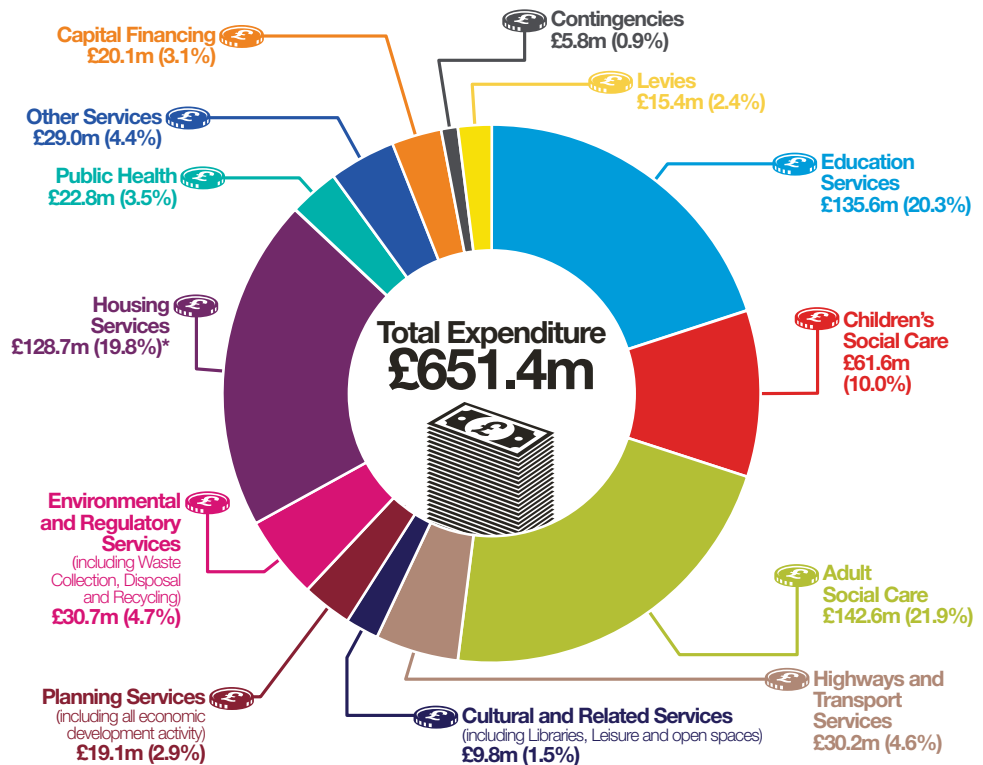
The following statement has been prescribed by government for inclusion with Council Tax Billing information. The total council tax raised for 2019-2020 now includes the cumulative impact of a 2% social care precept raised from 2016-2017, an additional 3% raised from 2017-2018, 2% raised from 2018-2019 and 1% raised from 2019-2020. This additional £7.1m will help in meeting expenditure on adult social care.

The Secretary of State for Communities and Local Government has provided funding to adult social care authorities. (\*Adult social care authorities include London borough councils, London borough council, London borough councils, the Council of the Isles of Scilly)

# WHERE THE MONEY WILL BE SPENT ON SERVICES FOR 2019-2020

The chart below shows what the council plans to spend on its services in 2019-2020.

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 2019-2020 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 £1.2m 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 2019-2020 and how the Council Tax for Band D is built up.

Last Year 2018-2019 £m	Summary net cost of services	This Year 2019-2020 £m	Band D Council Tax £ p
95.202	City Council (including Levies)	99.562	1,413.68
5.595	Tyne and Wear Fire and Rescue Authority	5.795	82.33
7.722	Police and Crime Commissioner for Northumbria	9.455	134.33
<b>108.519</b>		<b>114.812</b>	<b>1,630.34</b>

In addition Hetton Town Council will levy a precept of £54,746 in 2019-2020, equivalent to a Band D charge of £14.46 (£14.46 in 2018-2019) 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	774.71	(254.39)	(160.14)	(1.27)	358.91
Tyne and Wear Fire and Rescue Authority	43.04	(17.77)	(3.92)	(0.36)	20.99
Police and Crime Commissioner for Northumbria	196.11	(159.16)	(0.00)	(0.52)	36.43
<b>Total</b>	<b>1,013.86</b>	<b>(431.32)</b>	<b>(164.06)</b>	<b>(2.15)</b>	<b>416.33</b>

\*For the City Council, this reflects Revenue Support Grant and Top Up Grant

# BUDGET INFORMATION

## SUNDERLAND CITY COUNCIL BUDGET INFORMATION

The council needs to collect £4.4m more from council tax payers in 2019-2020 than it did in 2018-2019. 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	1.0
Spending Pressures (including one-off)	24.3
Planned Budget Savings	(17.4)
Use of Reserves	(1.2)
Use of Collection Fund Surplus Reserve	0.2
Business Rates (including compensation grant)	(2.5)
<b>Total</b>	<b>4.4</b>

Last Year 2018-2019				This Year 2019-2020		
Gross Expenditure £m	Gross Income £m	Net Expenditure £m		Gross Expenditure £m	Gross Income £m	Net Expenditure £m
138.2	62.1	76.1	Adult Social Care	142.6	65.5	77.1
52.9	4.1	48.8	Children's Social Care	61.6	3.9	57.7
140.6	121.9	18.7	Education Services	135.6	116.9	18.7
11.3	1.8	9.5	Cultural and Related Services	9.8	1.4	8.4
30.5	7.9	22.6	Environmental and Regulatory Services	30.7	8.4	22.3
29.5	12.4	17.1	Highways and Transport Services	30.2	13.1	17.1
128.0	125.6	2.4	Housing Services (non council housing costs)	128.8	125.9	2.9
17.7	10.0	7.7	Planning Services	19.1	10.3	8.8
23.4	23.4	0.0	Public Health	22.8	22.8	0.0
26.3	5.4	20.9	Other Services	28.0	8.3	19.7
0.0	21.8	(21.8)	Other Core Grants	0.0	30.3	(30.3)
19.7	0.0	19.7	Capital Financing Costs	20.1	0.0	20.1
<b>618.1</b>	<b>396.4</b>	<b>221.7</b>		<b>629.3</b>	<b>406.8</b>	<b>222.5</b>
10.4	0.0	10.4	Provision for contingencies and strategic priorities	5.8	0.0	5.8
0.0	1.5	(1.5)	Interest on Balances	0.0	1.5	(1.5)
1.0	6.4	(5.4)	Movement on Reserves (including Medium Term Planning Smoothing Reserve)	0.9	1.4	(0.5)
1.3	0.0	1.3	Contribution to Collection Fund Surplus Reserve	0.0	0.0	0.0
0.0	23.7	(23.7)	Capital Charges and IAS 19 entries	0.0	26.9	(26.9)
<b>630.8</b>	<b>428.0</b>	<b>202.8</b>	<b>TOTAL EXPENDITURE</b>	<b>636.0</b>	<b>436.6</b>	<b>199.4</b>
			<b>Levies and Precepts</b>			
		15.2	North East Combined Authority			15.0
		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
		<b>218.4</b>	<b>TOTAL BUDGET REQUIREMENT</b>			<b>214.8</b>
		36.2	Less Revenue Support Grant			27.5
		43.0	Retained Business Rates			44.4
		42.2	Top Up Grant			43.0
		1.8	Collection Fund Surplus			0.3
		<b>95.2</b>	<b>COUNCIL TAX REQUIREMENT</b>			<b>99.6</b>

# 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 2018-2019			This Year 2019-2020			
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	
Flood Defence	14.0	11.7	2.3	20.9	18.5	2.4	Programme of works for both capital and revenue needed by the Regional Flood and Coastal Committee 0.1
<b>Levy</b>			<b>2.3</b>			<b>2.4</b>	<b>0.1</b>
							Sunderland's proportion of the Environment Agency levy is £0.227m in 2019-2020 (2018-2019 £0.224m)

Levy: North East Combined Authority							Change in levy between years is attributable to: £m
	Last Year 2018-2019			This Year 2019-2020			
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	
Tyne Tunnels	26.3	26.3	0.0	28.4	28.4	0.0	Inflation and other cost pressures 5.9
ITA	2.1	0.0	2.1	2.1	0.0	2.1	Increased income (3.9)
Grant to Nexus	88.4	0.0	88.4	86.9	0.0	86.9	Budget reductions (3.7)
Grant to Durham and Northumberland	21.8	0.0	21.8	21.7	0.0	21.7	Contribution from reserves 1.3
	<b>138.6</b>	<b>26.3</b>	<b>112.3</b>	<b>139.1</b>	<b>28.4</b>	<b>110.7</b>	Increase in grants (0.5)
Transfer to Reserves			(1.9)			(0.7)	<b>(0.9)</b>
<b>Total Budget Requirement</b>			<b>110.4</b>			<b>110.0</b>	Sunderland's proportion of the North East Combined Authority levy is £14.999m in 2019-2020 (2018-2019 £15.219m)
Less Rail Grants and Miscellaneous Grants			(26.7)			(27.2)	
<b>Levy</b>			<b>83.7</b>			<b>82.8</b>	



# BUDGET INFORMATION

## Precept: Police and Crime Commissioner for Northumbria

	Last Year 2018-2019			This Year 2019-2020		
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m
Police General	279.0	12.8	266.2	296.9	12.8	284.1
<b>Total Budget Requirement</b>			<b>266.2</b>			<b>284.1</b>
Less: Formula Grant			214.4			218.9
Pension Grant			0.0			3.4
Legacy Council Tax Grant			1.3			1.3
Council Tax Support Grant			6.9			6.9
Collection Fund Surplus			0.9			0.8
<b>Precept</b>			<b>42.7</b>			<b>52.8</b>

## Change in Precept between years is attributable to:

	£m
Inflation, budget pressures and other budget adjustments	8.3
Increase in employers cost of police pensions	7.7
Increase in Government funding	(4.5)
One off special pension grant	(3.4)
Budget Savings	(2.0)
Use of contingencies	4.0

**10.1**

Sunderland's proportion of the Police and Crime Commissioner for Northumbria's precept is £9.455m in 2019-2020 (2018-2019 £7.722m).

This represents £134.33 of the Band D Council Tax and equates to a council tax increase of 21.8%.

Council Tax represents 17.8% of Gross Expenditure (2018-2019 15.3%) this increases the reliance on Council Tax as a funding stream.

## Precept: Tyne and Wear Fire and Rescue Authority

	Last Year 2018-2019			This Year 2019-2020		
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m
Fire Service	50.4	4.2	46.2	50.9	4.2	46.7
<b>Total Budget Requirement</b>			<b>46.2</b>			<b>46.7</b>
Contingencies			2.0			2.0
Interest on Balances			(0.1)			(0.1)
<b>Total Budget Requirement</b>			<b>48.1</b>			<b>48.6</b>
Less Revenue Support Grant			9.6			8.8
Collection Fund Surplus			0.4			0.4
Top up Grant			11.1			11.3
Business Rate Share			4.0			3.9
SFA Adjustment			0.3			0.5
<b>Precept</b>			<b>22.7</b>			<b>23.7</b>

## Change in Precept between years is attributable to:

	£m
Cost pressures	1.8
Reduction in Government funding	0.4
Budget Efficiencies	(0.4)
Increase in use of reserves	(0.9)
Reduction in Collection Fund Net Surplus	0.1

**1.0**

Sunderland's proportion of the Tyne and Wear Fire and Rescue Authority precept is £5.795m in 2019-2020 (2018-2019 £5.595m).

This represents £82.33 of the Band D Council Tax and equates to a council tax increase of 2.99%.

Council Tax represents 44.8% of Gross Expenditure (2018-2019 43.2%) 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](http://www.sunderland.gov.uk)**