



COUNCIL TAX 2020-2021

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 2020-2021 we will continue to deliver the bold ambition in our City Plan which sets the blueprint for a connected, international city with opportunities for all.

As the plan is delivered, 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 throughout the city
- A healthy, clean and 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

Activity is already underway - during 2019-2020 we:

- Delivered another outstanding programme of world-class events
- Completed the Beam on Riverside Sunderland and welcomed its first occupants creating hundreds of private sector jobs
- Launched our ambitious city centre regeneration plan, Riverside Sunderland, backed by the announcement of over £100 million worth of investment by Legal and General
- Became the first city in the UK to deploy 5G ready wifi

In the next two to three years, further progress will include:

- The expansion of the 5G and fibre network throughout the city to benefit both residents and businesses

- Further buildings on the International Advanced Manufacturing Park (IAMP) being operational, bringing approximately 1,000 jobs to Sunderland
- The opening of Sunderland Strategic Transport Corridor Phase 3 (Northern Spire to City Centre)
- Using residents' views to shape neighbourhoods across the city as well as reviewing how services are delivered

Whilst all these and many other developments are making Sunderland a great place to be and fantastic opportunities are being created, it will continue to be challenging to deliver the best services possible to our communities, and to continue creating the conditions for the city to fulfil its huge potential.

The Government finance settlement for 2020-2021 is the first real terms increase since 2010. However, since 2010 we have seen our spending power reduced by a third, with more than £315m saved or raised in income. For 2020-2021, savings of £3m have been identified in addition to the increase in Council Tax.

In 2020-2021 we will spend £669m on public services. While we collect over 99% of the council Tax due in the city, it only raises 16% of the overall budget. A significant proportion of council spending is funded by central Government grants which means that unfortunately, 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.



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 2020-2021 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.

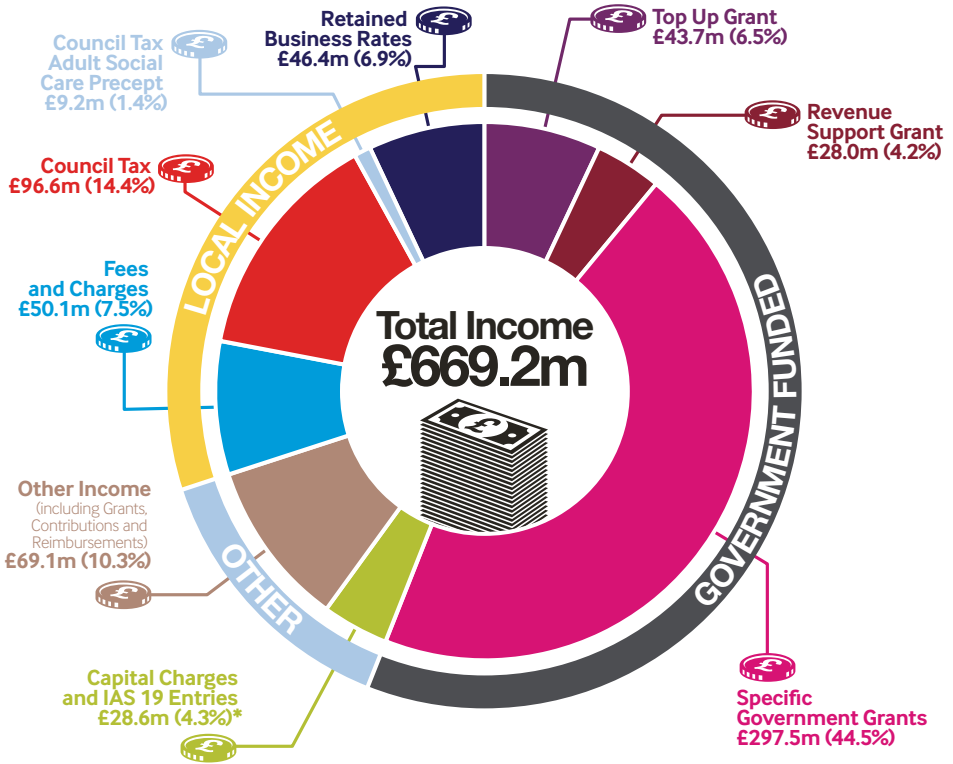
1	2	3	4	5	6	7
Valuation Band	City Council Tax level	Tyne and Wear Fire and Rescue Authority Tax level	Police and Crime Commissioner for Northumbria Tax level	Total Council Tax level	Hetton residents only	
					Hetton Town Council Tax level	Total Council Tax level
	£ p	£ p	£ p	£ p	£ p	£ p
A	980.06	55.98	91.33	1,127.37	9.64	1,137.01
B	1,143.40	65.31	106.56	1,315.27	11.25	1,326.52
C	1,306.74	74.64	121.78	1,503.16	12.86	1,516.02
D	1,470.09	83.97	137.00	1,691.06	14.46	1,705.52
E	1,796.78	102.63	167.44	2,066.85	17.67	2,084.52
F	2,123.46	121.29	197.89	2,442.64	20.89	2,463.53
G	2,450.15	139.95	228.33	2,818.43	24.10	2,842.53
H	2,940.18	167.94	274.00	3,382.12	28.92	3,411.04

HOW RESIDENTS HELP SET THE BUDGET

The new savings proposals for 2020-2021 do not have direct resident impact, other than the raising of Council Tax and the Social Care Precept. The budget consultation undertaken between October 2019 and December 2019 therefore specifically included questions about this. It also asked questions about feeling informed, the priorities within the City Plan and views on how council budget priorities are allocated. In general, the consultation feedback supported the council's plans for the city and for a Council Tax increase to support the proposed budget.

WHERE THE MONEY WILL COME FROM IN 2020-2021

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 £28.6m 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

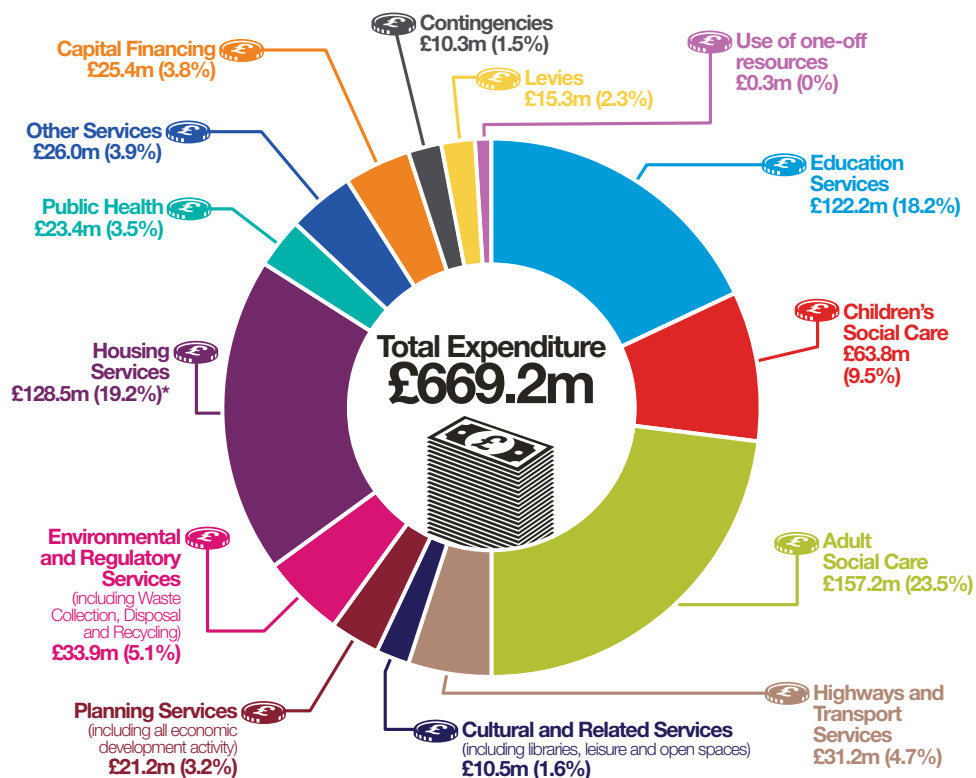
The following statement has been prescribed by government for inclusion with Council Tax billing information. The total Council Tax raised for 2020-2021 now includes the cumulative impact of a 2% social care precept raised from 2016-2017, 3% raised from 2017-2018, 2% raised from 2018-2019, 1% raised from 2019-2020 and 2% raised from 2020-2021. The additional £9.2m raised in 2020-2021 will help to meet expenditure on adult social care.

The Secretary of State made an offer to adult social care authorities' are local authorities which are established under the Local Government Act 2014, namely county councils in England and London boroughs in London for which there is no county council. The only exception is the Common Council of the City of London and the

WHERE THE MONEY WILL BE SPENT ON SERVICES FOR 2020-2021

The chart below shows what the council plans to spend on its services in 2020-2021.

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 expenditure mainly relates to Housing Benefit payments, funded by specific government grant.

adult social care authorities. (Adult social care authorities have functions under Part 1 of the Care Act 2014 and, district councils for an area in London, London borough councils, the Council of the Isles of Scilly)

The offer was the option of an adult social care authority being able to charge an additional 'precept' on its Council Tax without holding a referendum, to assist the authority in meeting its expenditure on adult social care from the financial year 2016-17. It was originally made in respect of the financial years up to and including 2019-20. If the Secretary of State chooses to renew this offer in respect of a particular financial year, this is subject to the approval of the House of Commons.

THE MAJOR ISSUES IN SETTING THE 2020-2021 BUDGET

The budget for the next financial year has been prepared taking account of spending pressures and commitments associated with provision of council services.

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 provides a summary of the net cost of these services for 2020-2021 and how the Council Tax for Band D is built up.

Last Year 2019-2020 £m	Summary net cost of services	This Year 2020-2021 £m	Band D Council Tax £ p
99.507	City Council (including Levies)	104.870	1,470.09
5.795	Tyne and Wear Fire and Rescue Authority	5.990	83.97
9.455	Police and Crime Commissioner for Northumbria	9.773	137.00
114.757	Total	120.633	1,691.06
0.055	Hetton Town Council	0.056	14.46
114.812	Total (Hetton residents only)	120.689	1,705.52

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	806.68	(258.39)	(167.26)	(3.01)	378.02
Tyne and Wear Fire and Rescue Authority	43.97	(17.95)	(4.01)	(0.43)	21.58
Police and Crime Commissioner for Northumbria	207.69	(169.53)	(0.00)	(0.64)	37.52
Total	1,058.34	(445.87)	(171.27)	(4.08)	437.12

*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 2020-2021 than it did in 2019-2020. This is because the increase in government funding is insufficient to meet increasing spending pressures. Details are shown in the table opposite.

	£m
Net Funding Changes	(9.6)
Spending pressures and additional investment	20.2
Planned budget savings	(3.3)
Increase in Business Rates receipts	(2.0)
Total	5.3

Last Year 2019-2020				This Year 2020-2021		
Gross Expenditure £m	Gross Income £m	Net Expenditure £m		Gross Expenditure £m	Gross Income £m	Net Expenditure £m
142.6	65.5	77.1	Adult Social Care	157.2	73.4	83.8
61.6	3.9	57.7	Children's Social Care	63.8	4.2	59.6
135.6	116.9	18.7	Education Services	122.2	107.0	15.2
9.8	1.4	8.4	Cultural and Related Services	10.5	1.5	9.0
30.7	8.4	22.3	Environmental and Regulatory Services	33.9	8.2	25.7
30.2	13.1	17.1	Highways and Transport Services	31.2	12.2	19.0
128.8	125.9	2.9	Housing Services (non council housing costs)	128.5	125.8	2.7
19.1	10.3	8.8	Planning Services	21.2	12.2	9.0
22.8	22.8	0.0	Public Health	23.4	23.4	0.0
28.0	8.3	19.7	Other Services	26.0	9.0	17.0
0.0	30.3	(30.3)	Other Core Grants	0.0	38.0	(38.0)
20.1	0.0	20.1	Capital Financing Costs	25.4	0.0	25.4
629.3	406.8	222.5		643.3	414.9	228.4
5.8	0.0	5.8	Provision for contingencies and strategic priorities	10.3	0.0	10.3
0.0	1.5	(1.5)	Interest on Balances	0.0	1.8	(1.8)
0.9	1.4	(0.5)	Movement on Reserves (including Medium Term Planning Smoothing Reserve)	0.3	0.0	0.3
0.0	26.9	(26.9)	Capital Charges and IAS 19 entries	0.0	28.7	(28.7)
636.0	436.6	199.4	TOTAL EXPENDITURE	653.9	445.4	208.5
			Levies and Precepts			
		15.0	North East Combined Authority			14.9
		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
		214.8	TOTAL BUDGET REQUIREMENT			223.8
		27.5	Less Revenue Support Grant			28.0
		44.4	Retained Business Rates			46.4
		43.0	Top Up Grant			43.7
		0.3	Collection Fund Surplus			0.8
		99.6	COUNCIL TAX REQUIREMENT			104.9

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 2019-2020			This Year 2020-2021			
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	
Flood Defence	12.9	10.6	2.3	27.0	24.6	2.4	Programme of works for both capital and revenue needed by the Regional Flood and Coastal Committee 0.1
Levy			2.3			2.4	0.1
							Sunderland's proportion of the Environment Agency levy is £0.231m in 2020-2021 (2019-2020 £0.227m).

Levy: North East Combined Authority							Change in levy between years is attributable to: £m
	Last Year 2019-2020			This Year 2020-2021			
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	
Tyne Tunnels	28.4	28.4	0.0	28.7	28.7	0.0	Inflation and other cost pressures 0.9
ITA	2.1	0.0	2.1	2.1	0.0	2.1	Increased income (0.3)
Grant to Nexus	86.9	0.0	86.9	87.4	0.0	87.4	Budget reductions (0.1)
Grant to Durham and Northumberland	21.7	0.0	21.7	21.7	0.0	21.7	Movement on contribution from reserves 0.7
	139.1	28.4	110.7	139.9	28.7	111.2	Increase in Grants (1.2)
Transfer to Reserves			(0.7)			0.0	0.0
Total Budget Requirement			110.0			111.2	Sunderland's proportion of the North East Combined Authority levy is £14.916m in 2020-2021 (2019-2020 £14.999m).
Less Rail Grants and Miscellaneous Grants			(27.2)			(28.4)	
Levy			82.8			82.8	

BUDGET INFORMATION

Precept: Police and Crime Commissioner for Northumbria

	Last Year 2019-2020			This Year 2020-2021		
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m
Police General	296.9	12.8	284.1	321.4	18.9	302.5
Less: Formula Grant			218.9			235.3
Pension Grant			3.4			3.4
Legacy Council Tax Grant			1.3			1.3
Council Tax Support Grant			6.9			6.9
Collection Fund Surplus			0.8			0.9
Precept			52.8			54.7

Change in Precept between years is attributable to:

	£m
Inflation, budget pressures and other budget adjustments	18.6
Investment in policing priorities	4.4
Budget savings	(3.7)
Increase in formula grant funding	(16.4)
Ring-fenced uplift grant	(5.2)
Change in required transfer to reserves	4.2

1.9

Sunderland's proportion of the Police and Crime Commissioner for Northumbria's precept is £9.773m in 2020-2021 (2019-2020 £9.455m).

This represents £137.00 of the Band D Council Tax and equates to a Council Tax increase of 1.99%.

Council Tax represents 17.0% of Gross Expenditure (2019-2020 17.8%) this reduces the reliance on Council Tax as a funding stream.

Precept: Tyne and Wear Fire and Rescue Authority

	Last Year 2019-2020			This Year 2020-2021		
	Gross Expenditure £m	Gross Income £m	Net Expenditure £m	Gross Expenditure £m	Gross Income £m	Net Expenditure £m
Fire Service	50.9	4.2	46.7	51.6	4.1	47.5
			46.7			47.5
Contingencies			2.0			2.7
Interest on Balances			(0.1)			(0.3)
Total Budget Requirement			48.6			49.9
Less Revenue Support Grant			8.8			8.9
Collection Fund Surplus			0.4			0.5
Top up Grant			11.3			11.5
Business Rate Share			3.9			3.9
SFA Adjustment			0.5			0.6
Precept			23.7			24.5

Change in Precept between years is attributable to:

	£m
Cost pressures	4.2
Increase in Government funding	(0.5)
IRMP Savings	(0.8)
Budget Efficiencies	(2.9)
Reduction in use of reserves	0.8

0.8

Sunderland's proportion of the Tyne and Wear Fire and Rescue Authority precept is £5.990m in 2020-2021 (2019-2020 £5.795m).

This represents £83.97 of the Band D Council Tax and equates to a Council Tax increase of 1.99%.

Council Tax represents 45.2% of Gross Expenditure (2019-2020 44.8%) 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?



Do it online...

- Set up a Council Tax Direct Debit
- 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