

Part I

Notes of Budget Consultation meeting between representatives of the Council and the Chamber of Commerce held at Sunderland Civic Centre on Friday 1 February 2013 at 10.00am

Present:

Council Representatives

Councillor Henry Trueman	-	Deputy Leader of the Council
Councillor Mel Speding	-	Cabinet Secretary
Dave Smith	-	Chief Executive
Janet Johnson	-	Deputy Chief Executive
Malcolm Page	-	Executive Director, Commercial and Corporate Services
Sonia Tognarelli	-	Head of Financial Resources
John Rawling	-	Deputy Director of Human Resources and Organisational Development

Chamber of Commerce Representatives

Jonathan Walker	-	NECC
David John Parker	-	Stagecoach North East
Hirohito Imakoji	-	Liebherr Sunderland Works Ltd
Sheila Bamber	-	Sunderland Minster
Nicola Johnston	-	Sunderland Marriott
David Cook	-	TTR Barnes
Mike Smith	-	Ashmore Consulting

The Deputy Leader of the Council welcomed representatives from the Chamber of Commerce and thanked them for their attendance. He asked Malcolm Page, the Executive Director of Commercial and Corporate Services to outline the current position with regard to the Council's revenue budget for 2013/2014 and the Medium Term Financial Strategy 2013 – 2016.

The Executive Director of Commercial and Corporate Services outlined the context within which the Council was working and highlighted that there was a clear link between the national economic outlook and public sector finances. The scale of budget reductions had increased greatly and they were expected to last until at least 2018. The system of financing local government had been overhauled in recent months and there had been changes to schools and health funding as well as council tax benefit.

The Council had received its provisional settlement from the Government on 19 December 2012 and having worked this through, the authority now estimated it would need to make spending reductions of around £100million over the period 2013-2016. The Executive Director explained how reductions in Government funding had to be

combined with unavoidable cost pressures from areas such as waste disposal, children's services and adult social care to arrive at an overall sum for reductions to budgets.

The Council's approach to meeting the savings requirement continued to be strategically focused and based on robust and prudent financial management. The approach would also include:

- Continued aggressive targeting of Strategic and Shared Services
- Increasingly commercial approach bringing significant benefits – LABV, Airport, Port, ICT, Regeneration etc.
- Balanced approach to Income Generation opportunities
- Creative with our Corporate Resources
- Financial resilience maintained
- Financial grip tightened
- Front line services shielded in 2013/2014 draft proposals
- Updated approach to workforce planning.

The Executive Director provided detail on the Improvement Plans for Place and Economy, Children's Services and Health, Housing and Adult Services and also highlighted existing Capital Programme projects and new priorities for investment and growth.

The Council's Cabinet would consider the Revenue Budget, Capital Programme and Council Tax proposals at its meeting on 13 February 2013 and the reports would be taken to Council on 6 March 2013.

The Deputy Leader of the Council invited views and comments from the Chamber of Commerce representatives.

Jonathan Walker asked about the Council's resilience in relation to other authorities in the region and the Executive Director stated that Sunderland had a strong financial management culture which had led to it having a strong and robust balance sheet and to be in a better position for reserves and contingencies than some other councils. He also highlighted that the Council was prepared to take risks and make the right kind of investments to support the development of the City.

It was asked how successful the Council had been in developing partnerships for projects which form part of the Capital Programme. The Deputy Chief Executive advised that wherever possible the Council would seek to maximise its investment with a combination of commercial and non-commercial partners. The Executive Director added that the Local Asset Backed Vehicle (LABV) was designed to bring in private expertise and finance whilst using the local authority investment as a cornerstone.

Councillor Speding commented that there was a long period ahead, with difficult choices to be made but the Council had made a commitment with its Capital Programme which demonstrated how it wanted to move forward.

Mike Smith highlighted that there were developments in the private sector coming forward and through his work on the Business Improvement District (BID) he had observed a willingness and commitment on behalf of the private sector to take

ownership of the scheme. He had noticed momentum building in the City and local businesses were being inspired by the Capital Programme. Jonathan Walker echoed these comments and noted that there was an appetite in the private sector to design services which were good for all the residents of the city.

The Chief Executive referred to the Voluntary and Community Sector and that the Council's core spend in this area had not altered in the last three years while spending reductions had been made elsewhere. This would not be a sustainable position in three years time and dialogue was required in the city on how the voluntary and community sector could reconfigure to become more efficient.

Jonathan Walker asked if representations were being made by the Council and its neighbouring authorities about the disproportionate impact of the cuts in the region. Councillor Speding indicated that he was making this case at every opportunity and that the Leader of the Council, in his capacity as Chair of the Association of North East Councils (ANEC), was also making these points with politicians and civil servants.

The Chief Executive highlighted that although Members would work hard to demonstrate the unfairness of the settlement, the Council still had to find ways to balance the budget with the least impact on services. He reported that against the backdrop of £100million savings over the last three years, the Council had achieved high levels of satisfaction both within the city and from elected Members and staff. The business community had never been as strong as it was currently and the voluntary and community sector was also very robust and dynamic. There were good relationships between elected Members and local community groups and these were just some of the things which should inspire energy and confidence in the City.

The Deputy Leader thanked those present for their attendance and their comments which would be taken into consideration by the Cabinet. He stated that the Council was always glad to hear the views of the Chamber of Commerce and valued their contribution. The Deputy Leader then closed the meeting.

Notes of Budget Consultation meeting between representatives of the Council and the Trade Unions held at Sunderland Civic Centre on Friday 1 February 2013 at 11.30am

Present:

Council Representatives

Councillor Henry Trueman	-	Deputy Leader of the Council
Councillor Mel Speding	-	Cabinet Secretary
Dave Smith	-	Chief Executive
Malcolm Page	-	Executive Director, Commercial and Corporate Services
Sonia Tognarelli	-	Head of Financial Resources
John Rawling	-	Deputy Director of Human Resources and Organisational Development

Trade Union Representatives

John Kelly	-	UNITE
Dave Riddle	-	GMB
Maxine Bartholomew	-	GMB
Alyson Bryan	-	GMB
Tom Usher	-	UCATT
Helen Coomer	-	Unison
Lisa Foot	-	Unison
George Pearson	-	Unison
Keith Ratcliffe	-	NUT
Gillian Mitchell	-	NUT

The Deputy Leader of the Council welcomed representatives from the Trade Unions and thanked them for their attendance. He asked Malcolm Page, the Executive Director of Commercial and Corporate Services to outline the current position with regard to the Council's revenue budget for 2013/2014 and the Medium Term Financial Strategy 2013 – 2016.

The Executive Director of Commercial and Corporate Services outlined the context within which the Council was working and highlighted that there was a clear link between the national economic outlook and public sector finances. The scale of budget reductions had increased greatly and they were expected to last until at least 2018. The system of financing local government had been overhauled in recent months and there had been changes to schools and health funding as well as council tax benefit.

The Council had received its provisional settlement from the Government on 19 December 2012 and having worked this through, the authority now estimated it would need to make spending reductions of around £100million over the period 2013-2016. The Executive Director explained how reductions in Government funding had to be combined with unavoidable cost pressures from areas such as waste disposal,

children's services and adult social care to arrive at an overall sum for reductions to budgets.

The Council's approach to meeting the savings requirement continued to be strategically focused and based on robust and prudent financial management. The approach would also include:

- Continued aggressive targeting of Strategic and Shared Services
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The Executive Director provided detail on the Improvement Plans for Place and Economy, Children's Services and Health, Housing and Adult Services and also highlighted existing Capital Programme projects and new priorities for investment and growth.

The Council's Cabinet would consider the Revenue Budget, Capital Programme and Council Tax proposals at its meeting on 13 February 2013 and the reports would be taken to Council on 6 March 2013.

The Deputy Leader of the Council invited views and comments from the Trade Union representatives.

Gillian Mitchell commented that the pressures which the Council was under were fully appreciated, however there would be a point where there would be nothing left to cut and she expressed concern that this would have a negative impact on the quality of services offered to schools. She highlighted that some schools were buying in services from other sources and this would affect income for the authority.

The Executive Director stated that although there had been a reduced requirement from schools in some areas of service, there had also been an increase in buy back from some schools. As part of the strategic approach, there had been success in re-engineering services to be more efficient without a loss in quality. The Head of Financial Services added that there was a lot of work going on with schools so that their needs and the market for services in the future was fully understood.

Helen Coomer expressed concern about the development of alternative service delivery models and that if services were placed outside of the Council now, should there be opportunities for reinvestment in the future, there would not be anything to build upon. The Chief Executive stated that unfortunately, the Council could not wait and hope for a change in external factors but would continue to discuss and negotiate how alternative service delivery would be implemented. The Council was committed to working in partnership with staff, trade unions and partners.

The SWITCH programme had been very successful in achieving savings for the Council over the last three years, however it was acknowledged that this model would not be able to deliver in the same way over the next three year period and new solutions would have to be developed. The Council would involve the trade unions in all discussions and accepted the points made about the communication of messages about this to staff.

Keith Ratcliffe noted that, from his experience in Children's Services, it was important to retain expertise within the city, as making savings in certain areas would result in more money being spent on services outside the authority. The Executive Director agreed that this was the case and that it was planned to make some investment into services which would achieve efficiencies and reduce out of city placements for looked after children. It was up to professionals and management to find the right balance for children and young people and for the Council.

The Deputy Leader thanked those present for their attendance and their comments which would be taken into consideration by the Cabinet. He stated that the Council was always glad to hear the views of the Trade Unions and noted the concerns which had been expressed. The Deputy Leader then closed the meeting.

CABINET – 13th February, 2013**EXECUTIVE SUMMARY SHEET- PART 1****Title of Report:**

Item 9 (ii) – Appendix D – Revenue Budget and Proposed Council Tax 2013/2014

Author(s):

Executive Director of Commercial and Corporate Services

Purpose of Report:

To advise Cabinet of the final General Summary for the Revenue Estimates and the proposed Contingencies and Provisions for Strategic Priorities for 2013/2014 set out at Annex 1.

To enable recommendations to be made to Council with respect to Council Tax levels for 2013/2014, subject to the approval of the Revenue Budget 2013/2014. The Council Tax is calculated using the tax bases for the areas of the City Council and Hetton Town Council as confirmed by Council on 30th January 2013. There are a number of resolutions required to be made to determine the Council Tax including precepts from the Major Precepting Authorities and the Parish of Hetton Town Council.

To detail the required statutory requirements that in summary mean that Cabinet is recommending to Council a proposal to set a Council Tax Requirement that will mean a freeze to the Council Tax for 2013/2014.

The Localism Act 2011 made changes to the Local Government Finance Act 1992, with the main requirements set out below:

- a) the council, as a billing authority, is required to calculate a council tax requirement for the year;
- b) to resolve that the Council, in accordance with the regulations, is not required to hold a referendum on its proposed Council Tax level for 2013/2014 as its relevant basic amount of council tax for 2013/2014 is not excessive in accordance with the principles determined under Section 52ZC(1) of the Act for 2013/2014.

The government has relaxed its regulations under the Council Tax and Non Domestic Rates (Demand Notices) (Amendment) Regulations 2012 which provide the scope not to include the Council Tax Leaflet with demand notices, but to signpost to the Authorities website where the information is made available and to provide a hard copy if requested. The Council is proposing to take advantage of this amendment which will help to reduce the costs involved in producing, printing and posting out this information but which will still be made readily available.

Description of Decision:

Cabinet is requested to recommend to Council the Council Tax levels for 2013/2014 and associated matters in accordance with the amended statutory requirements. The recommendations are:

- a) To note the Council Tax base applicable to the Council and to the Parish of Hetton Town Council.
- b) To recommend the estimated amount of the Council's aggregate gross revenue expenditure.
- c) To recommend the estimated amount of the Council's aggregate gross

<p>revenue income.</p> <p>d) To recommend the estimated amount of the Council's Council Tax Requirement.</p> <p>e) To note the precept notified by Hetton Town Council.</p> <p>f) To note the Council Tax bands applicable to the Council and to the Parish of Hetton Town Council based on the above financial information.</p> <p>g) To note the provisional precept of the Tyne and Wear Fire and Rescue Authority.</p> <p>h) To note the provisional precept of the Police and Crime Commissioner for Northumbria.</p> <p>i) To recommend the draft total Council Tax levels for 2013/2014 applicable to the Council and to the Parish of Hetton Town Council including all relevant precepts.</p> <p>j) To note that the Council's relevant basic amount of Council Tax for 2013/2014 is not excessive in accordance with Section 52ZB of the Local Government Finance Act 1992.</p> <p>k) To recommend that the Council Tax Leaflet be made available via the Council's website rather than enclosed with Council Tax bills which reflects a relaxation of the rules and that due to timings the final document be delegated to and finalised by the Executive Director of Commercial and Corporate Services in consultation with the Leader of the Council and the Cabinet Secretary.</p>									
<p>Is the decision consistent with the Budget/Policy Framework? Yes</p>									
<p>If not, Council approval is required to change the Budget/Policy Framework</p>									
<p>Suggested reason(s) for Decision: To comply with all legal requirements including changes to the Local Government Act 1992 made by the Localism Act 2011, in order to determine the Council Tax Requirement and the applicable basic Council Tax for 2013/2014 and changes to the Council Tax and Non Domestic Rates (Demand Notices) (Amendment) Regulations 2012.</p>									
<p>Alternative options to be considered and recommended to be rejected: There are no alternative options recommended for approval.</p>									
<p>Impacts analysed:</p> <table border="0"> <tr> <td>Equality</td> <td><input checked="" type="checkbox"/></td> <td>Privacy</td> <td><input checked="" type="checkbox"/></td> <td>Sustainability</td> <td><input checked="" type="checkbox"/></td> <td>Crime and Disorder</td> <td><input checked="" type="checkbox"/></td> </tr> </table>		Equality	<input checked="" type="checkbox"/>	Privacy	<input checked="" type="checkbox"/>	Sustainability	<input checked="" type="checkbox"/>	Crime and Disorder	<input checked="" type="checkbox"/>
Equality	<input checked="" type="checkbox"/>	Privacy	<input checked="" type="checkbox"/>	Sustainability	<input checked="" type="checkbox"/>	Crime and Disorder	<input checked="" type="checkbox"/>		
<p>Is this a "Key Decision" as defined in the Constitution? Yes</p> <p>Is it included in the Forward Plan? Yes</p>	<p>Relevant Review Committee: Scrutiny</p>								

Cabinet – 13th February 2013

Proposed Council Tax 2013/2014

Report of the Executive Director of Commercial and Corporate Services

1. Purpose of Report

- 1.1 To advise Cabinet of the final General Summary for the Revenue Estimates and the proposed Contingencies and Provisions for Strategic Priorities for 2013/2014 set out at Annex 1.
- 1.2 To enable recommendations to be made to Council with respect to Council Tax levels for 2013/2014, subject to the approval of the Revenue Budget 2013/2014. The Council Tax is calculated using the tax bases for the areas of the City Council and Hetton Town Council as confirmed by Council on 30th January 2013. There are a number of resolutions required to be made to determine the Council Tax including precepts from the Major Precepting Authorities and the Parish of Hetton Town Council.
- 1.3 To detail the required statutory requirements that in summary mean that Cabinet is recommending to Council a proposal to set a Council Tax Requirement that will mean a freeze to the Council Tax for 2013/2014.
- 1.4 The Localism Act 2011 made changes to the Local Government Finance Act 1992, with the main requirements set out below:
 - a) the council, as a billing authority, is required to calculate a Council Tax Requirement for the year;
 - b) to resolve that the Council, in accordance with the regulations, is not required to hold a referendum on its proposed Council Tax level for 2013/2014 as its relevant basic amount of council tax for 2013/2014 is not excessive in accordance with the principles determined under Section 52ZC(1) of the Act for 2013/2014.
- 1.5 The government has relaxed its regulations under the Council Tax and Non Domestic Rates (Demand Notices) (Amendment) Regulations 2012 which provide the scope not to include the Council Tax Leaflet with demand notices, but to signpost to the Authorities website where the information is made available and to provide a hard copy if requested. The Council is proposing to take advantage of this amendment which will help to reduce the costs involved in producing, printing and posting out this information but which will still be made readily available.

2. Description of Decision

2.1 It is recommended that Cabinet recommend to Council:

- 2.1.1 The proposed Council Tax Requirement for the Council for 2013/2014 for its own purposes is £76,012,920 (excluding Parish precepts) and represents a freeze to Council Tax for 2013/2014.
- 2.1.2 It be noted that at its meeting on 30th January 2013 the Council approved the following amounts for the year 2013/2014 in accordance with the amended

regulations made under Section 31B(3) of the Local Government Finance Act 1992 (the 'Act'):

- a) £64,094 being the amount calculated by the Council, in accordance with the above regulation of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 as amended by Local Authorities (Calculation of Tax Base) (Amendment) (England) Regulations 2012, as its Council Tax Base for the year (Item T).
- b) £ 3,122 being the amount calculated by the Council, in accordance with the Regulations, as the amount of its Council Tax Base for the year for dwellings in the area of the Parish of Hetton Town Council.

2.1.3 That the Council Tax Leaflet be made available via the Council's website rather than enclosed with Council Tax bills which reflects a relaxation of the rules and that due to timings the final document be delegated to and finalised by the Executive Director of Commercial and Corporate Services in consultation with the Leader of the Council and the Cabinet Secretary.

3. It is also recommended that Cabinet recommend to Council:

3.1 That the following amounts be now calculated by the Council for the year 2013/2014 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended:

- a) £694,729,777 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued to it by Parish Councils.
- b) £618,675,928 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.
- c) £76,053,849 being the amount by which the aggregate at 3 (a) above exceeds the aggregate at 3 (b) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax Requirement for the year including Parish precepts (Item R in the formula in Section 31A(4) of the Act)
- d) £1,186.5986 being the amount at 3 (c) above (Item R) all divided by Item T (2 (a) above), calculated by the Council, in accordance with Section 31B (1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- e) £40,929 being the precept notified by Hetton Town Council as a special item under Section 34 (1) of the Act.
- f) £1,185.9600 being the amount at 3 (d) above less the result given by dividing the amount at 3 (e) above by the Item T (2 (a) above), calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.
- g) £1,199.0699 being the amount given by adding to the amount at 3 (f) above the amount 3 (e) divided by the amount at 2 (b) above, calculated by the

Council in accordance with Section 34 (3) of the Act as the basic amounts of its Council Tax for the year for dwellings in the area of the Parish of Hetton Town Council.

Parts of the Council's Area

(h) Valuation Bands	Hetton Town Council	All other parts of the Council's Area
A	£ 799.38	£ 790.64
B	£ 932.61	£ 922.41
C	£ 1,065.84	£ 1,054.19
D	£ 1,199.07	£ 1,185.96
E	£ 1,465.53	£ 1,449.51
F	£ 1,731.99	£ 1,713.05
G	£ 1,998.45	£ 1,976.60
H	£ 2,398.14	£ 2,371.92

being the amounts given by multiplying the amounts at 3 (f) and 3 (g) above by the number which, in the proportion set out in Section 5 (1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36 (1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

4. It is also recommended that Cabinet recommend to Council:

- 4.1 That it be noted that for the year 2013/2014, Tyne and Wear Fire and Rescue Authority and the Police and Crime Commissioner for Northumbria have supplied their best estimate of their proposed precepts, which have still to be approved by their respective Authorities. Consequently, the following amounts for both the Tyne and Wear Fire and Rescue Authority and the Police and Crime Commissioner for Northumbria represent the provisional precepts for 2013/2014, which may be issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings as follows:

Precepting Authority

Valuation Bands	Northumbria Police Authority	Tyne & Wear Fire and Rescue Authority
A	£ 57.74	£ 48.77
B	£ 67.36	£ 56.90
C	£ 76.99	£ 65.03
D	£ 86.61	£ 73.16
E	£105.86	£ 89.42
F	£125.10	£105.68
G	£144.35	£121.93
H	£173.22	£146.32

5. It is also recommended that Cabinet recommend to Council:

- 5.1 That having calculated the aggregate in each case of the amounts at 3 (h) and 4 above but not having received confirmation of the precept in paragraph 4, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, estimate the following amounts as the amounts of Council Tax for the year 2013/2014 for each of the categories of dwellings shown below at this point in time. The exact levels will only become known once formal notification of the precepts from the Tyne and Wear Fire and Rescue Authority and the Police and Crime Commissioner for Northumbria are received.

Parts of the Council's Area

Valuation Bands	Hetton Town Council	All other parts of the Council's Area
A	£ 905.89	£ 897.15
B	£ 1,056.87	£ 1,046.67
C	£ 1,207.86	£ 1,196.21
D	£ 1,358.84	£ 1,345.73
E	£ 1,660.81	£ 1,644.79
F	£ 1,962.77	£ 1,943.83
G	£ 2,264.73	£ 2,242.88
H	£ 2,717.68	£ 2,691.46

6. It is also recommended that Cabinet recommend to Council:

To note that under Section 52ZB of the Local Government Finance Act 1992, that the Authority's relevant basic amount of Council Tax for 2013/2014 is not excessive in accordance with the principles determined under Section 52ZC(1) of the Act.

(i.e. the proposed Council Tax freeze for 2013/14 means that the Council does not need to hold a referendum on its proposed council tax. The regulations set out in Section 52ZC of the Local Government Finance Act 1992 requires all billing authorities (councils and precept authorities (i.e. Fire and Police authorities)) to hold a referendum on their proposed level of basic Council Tax each year if they exceed government guidelines set out annually.

For 2013/14 the guideline increase for the council was 2.0%.

As the council is proposing a Council Tax freeze for 2013/14 then the above regulations have no impact for 2013/14).

7. Equality

- 7.1 The council has to have regard to the elimination of unlawful discrimination and harassment and the promotion of equality under the Equality Act 2010 and related statutes.

- 7.2 There are no implications.

8. Privacy

8.1 There are no implications.

9. Sustainability

9.1 There are no implications.

10. Crime and Disorder

10.1 Under the Crime and Disorder Act 1998, the council has to have regard to the need to reduce crime and disorder in exercising any of its functions.

10.2 There are no implications

11. Suggested Reason for Decision

11.1 To comply with all legal requirements including changes to the Local Government Act 1992 as required by the Localism Act 2011, in order to determine the Council Tax Requirement and the applicable basic Council Tax for 2013/2014 and changes to the Council Tax and Non Domestic Rates (Demand Notices) (Amendment) Regulations 2012.

12. Alternative options to be considered and recommended to be rejected

12.1 There are no alternative options recommended for approval.

Annex 1(a)

City of Sunderland REVENUE ESTIMATES 2013/2014

General Summary

Original Estimate 2012/13 £	Revised Estimate 2012/13 £		Estimate 2013/14 £
7,301,798	7,456,185	Leader	7,432,226
5,428,714	5,015,667	Deputy Leader	4,434,096
8,576,869	8,272,875	Cabinet Secretary	7,877,593
53,961,606	54,723,130	Children's Services	65,032,838
69,368,836	70,441,230	Health Housing and Adult Services	82,538,333
17,825,373	19,279,068	Public Health Wellness and Culture	16,898,151
44,919,937	48,088,710	City Services	45,433,517
4,378,978	4,260,369	Responsive Services and Customer Care	4,146,146
10,486,000	12,367,569	Provision for Contingencies	6,254,018
10,596,000	9,611,754	Provision for Strategic Priorities	10,155,000
		Capital Financing Costs	
2,570,000	2,570,000	- Revenue Contributions to Capital Programme	2,570,000
22,596,000	22,596,000	- Debt Charges	25,096,000
(1,600,000)	(1,600,000)	- Interest on balances	(1,600,000)
(37,500)	(37,500)	- Interest on Airport long term loan notes	0
		Transfer to Reserves	
0	0	- Safety Net Reserve	6,097,069
(24,611,055)	(31,283,501)	Technical Adjustments: IAS19 and Reversal of Capital Charges	(30,095,194)
<u>231,761,556</u>	<u>231,761,556</u>		<u>252,269,793</u>
LEVIES			
17,777,529	17,777,529	Tyne and Wear Integrated Transport Authority	17,505,682
206,298	206,298	Environment Agency	197,427
63,357	63,357	North East Inshore Fisheries Conservation Authority	63,357
<u>18,047,184</u>	<u>18,047,184</u>		<u>17,766,466</u>
Less Grants			
(2,378,160)	(2,378,160)	Council Tax Freeze Grant 2012/2013	0
0	0	Council Tax Freeze Grant 2013/2014	(967,459)
0	0	New Homes Bonus	(1,703,819)
(157,000)	(157,000)	Lead Local Flood Authorities	(37,277)
(13,781)	(13,781)	Inshore Fisheries Conservation Authority New Burdens	(13,781)
<u>247,259,799</u>	<u>247,259,799</u>	TOTAL NET EXPENDITURE	<u>267,313,923</u>
(2,272,000)	(2,272,000)	Less: (Use of)/Addition to Balances	(2,572,000)
<u>244,987,799</u>	<u>244,987,799</u>	LOCAL BUDGET REQUIREMENT	<u>264,741,923</u>
54,144	54,144	Hetton Town Council	54,144
<u>245,041,943</u>	<u>245,041,943</u>	TOTAL BUDGET REQUIREMENT	<u>264,796,067</u>
Deduct Grants etc.			
2,817,915	2,817,915	Revenue Support Grant	112,757,039
145,367,560	145,367,560	National Non Domestic Rates/Retained Business Rates	40,885,578
0	0	Top up Grant	34,599,601
500,000	500,000	Collection Fund Surplus - Council Tax	500,000
<u>148,685,475</u>	<u>148,685,475</u>		<u>188,742,218</u>
<u>96,356,468</u>	<u>96,356,468</u>	LOCAL COUNCIL TAX REQUIREMENT INCLUDING PARISH PRECEPT	<u>76,053,849</u>
<u>96,302,324</u>	<u>96,302,324</u>	LOCAL COUNCIL TAX REQUIREMENT EXCLUDING PARISH PRECEPT	<u>76,012,920</u>

Annex 1(b)**Contingencies 2013/2014**

	£'000s
Pay and Cost Pressures	4,323
General Contingency	900
Improvement Programme Efficiencies	(2,169)
SWITCH Budget	3,200
Total Contingency	6,254

Provision for Strategic Priorities 2013/2014

Independent Care Services	882
Adoption and Guardianship Allowances	350
Waste Disposal - Provision for Strategic Solution and Preparatory Costs	4,492
Kerb It Vehicle Leasing	120
Inward Investments - International Strategy	50
Wellness Equipment	250
Port Dredging	220
Carbon Reduction	320
Winter Maintenance	800
Economic Downturn	1,327
Welfare Reform	1,344
Total Strategic Priorities	10,155

STATEMENT OF GENERAL BALANCES

	£m
Balances as at 31st March 2012	7.570
Use of Balances 2012/2013	
- Contribution to Revenue Budget	(2.272)
Additions to Balances 2012/2013	
- Transfer from Strategic Investment Reserve to support transitional costs	2.272
Estimated Balances 31st March 2013	7.570
Use of Balances 2013/2014	
- Contribution to Revenue Budget	(2.572)
Additions to Balances 2013/2014	
- Transfer from Strategic Investment Reserve to support transitional costs	2.572
Estimated Balances 31st March 2014	7.570