

THE CABINET reports as follows:-

That they have referred the initial proposals on these matters to the Management Scrutiny Committee which supported the recommendations set out in the report to the Cabinet dated 17th January 2011.

That they have also subsequently, on 16th February 2011, submitted the attached report numbered 2 to the meeting of the Audit and Governance Committee on 11th February 2011 and also the reports numbered 1, 2 ,3 and 4 to the Management Scrutiny Committee on 17th February 2011.

The Management Scrutiny Committee commented that it appreciated and acknowledged the hard work that the Cabinet and Officers had undertaken in formulating the budget and how the Portfolio Holders had worked together to mitigate the impact of the constraints that the Council has been placed under.

Subsequently the precept figures of the Tyne and Wear Fire and Rescue Authority have been confirmed as those set out in the report to Cabinet on 16th February 2011. The Northumbria Police Authority have notified the Council of their precept figures for 2011/12 however the Band B figure of £65.09 as originally reported has been amended to £65.08. All other banding figures were as reported to Cabinet on 16th February 2011 and this very minor amendment is now reflected in Item 4.

NOTE: Members are requested to bring their copies of the Capital Programme 2011/2012 and Revenue Budget 2011/2012 which have been bound separately.

In relation to the report numbered 2 below entitled “Capital Programme 2011/2012 and Treasury Management Policy and Strategy, Including Prudential Indicators for 2011/2012 to 2013/2014”, Appendix 2 is now included as part of the separately bound document.

In relation to the report numbered 3 below entitled “Revenue Budget 2011/2012”, Appendix D has not been printed with this item, but the recommendation, which includes all of the substantive content of the report, is set out in full at item 4 below.

In relation to the report numbered 3 below entitled “Revenue Budget 2011/2012”, Appendix H is now included as part of the separately bound document.

Copies of the documents can also be viewed on the Council’s website at:-

<http://www.sunderland.gov.uk/committees/CmisWebPublic/Meeting.aspx?meetingID=>

1. Draft Council Tax Leaflet 2011/2012

That they have given consideration to the report relating to the Draft Council Tax Leaflet 2011/2012 document and recommend that the final version be circulated with Council Tax Bills. The latest outline version of the Council Tax Leaflet 2011/2012 will be tabled at the meeting.

2. Capital Programme 2011/2012 and Treasury Management Policy and Strategy, Including Prudential Indicators for 2011/2012 to 2013/2014

That they have given consideration to the attached joint report of the Executive Director of Commercial and Corporate Services and recommend that approval be given to:

- (i) the proposed Capital Programme for 2011/2012;
- (iii) the Annual Treasury Management Policy and Strategy (including specifically the Annual Borrowing and Investment Strategies);
- (iii) the prudential indicators for 2011/2012 to 2013/2014; and
- (iv) the Annual Minimum Revenue Provision Statement for 2011/2012.

The Audit and Governance Committee was consulted specifically on the Treasury Management Strategy and Policy for 2011/2012 and noted the careful and prudent approach adopted by the Council had been maintained for the 2011/2012 strategy.

The Committee received clarification on the potential use of external fund managers and endorsed the criteria which would be applied should they be appointed in the future.

The Committee were satisfied that the arrangements for Treasury Management were in an excellent position for the next and future years, and resolved that the Council be advised accordingly.

3. Revenue Budget 2011/2012

That they have given consideration to the attached joint report of the Chief Executive and the Executive Director of Commercial and Corporate Services on:

- the overall revenue budget position for 2011/2012;
- the projected balances position as at 31st March, 2011 and 31st March, 2012 and advise on their level;
- a risk analysis of the Revenue Budget 2011/2012;
- a summary of the emerging medium term financial position facing the Council from 2012/2013 to 2014/2015;
- views received from the North East Chamber of Commerce and Trade Unions.

They therefore recommend that:

- (i) the Revenue Budget for 2011/2012 be approved; and,
- (ii) that the notes of the meetings with the North East Chamber of Commerce and the Trades Unions be noted.

4. Determination of Council Tax 2011/2012

That they have given consideration to a report of the Executive Director of Commercial and Corporate Services making, subject to the approval of the Revenue Budget 2011/2012, recommendations with respect to Council Tax levels for 2011/2012, and advising that the Council Tax is calculated using the tax bases for the areas of the City Council and Hetton Town Council as approved by Council on 26th January, 2011, and setting out a number of resolutions required to be made to determine the Council Tax, including the confirmed precepts from the Major Precepting Authorities and the Parish of Hetton Town Council.

They therefore recommend that:

- (i) it be noted that, at its meeting on 26th January, 2011, the Council approved the following amounts for the year 2011/2012 in accordance with regulations made under Section 33 (5) of the Local Government Finance Act 1992:
 - (a) £80,167 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its Council Tax Base for the year;
 - (b) £4,017 being the amount calculated by the Council, in accordance with Regulation 6 of 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.
- (ii) the following amounts be now calculated by the Council for the year 2011/2012 in accordance with Sections 32 to 36 of the Local Government and Finance Act 1992:
 - (a) £744,664,552 being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (2) (a) to (e) of the Act.
 - (b) £490,935,200 being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (3) (a) to (c) of the Act.

- (c) £253,729,352 being the amount by which the aggregate at (ii)(a) above, exceeds the aggregate at (ii)(b) above calculated by the Council, in accordance with Section 32 (4) of the Act, as its budget requirement for the year.
- (d) £158,601,834 being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed Non-Domestic Rates, Revenue Support Grant, and the amount of the sum which the Council has estimated will be transferred from its Collection Fund to its General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (Council Tax Surplus).
- (e) £1,186.6169 being the amount at (ii)(c) above, less the amount at (ii)(d) above, all divided by the amount at (i)(a) above, calculated by the Council, in accordance with Section 33 (1) of the Act, as the basic amount of its Council Tax for the year.
- (f) £52,663 being the precept notified by Hetton Town Council as a special item under Section 34 (1) of the Act.
- (g) £1,185.9600 being the amount at (ii)(e) above less the result given by dividing the amount at (ii)(f) above by the amount at (i)(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 special item relates.
- (h) £1,199.0700 being the amount given by adding to the amount at (ii)(g) above, the amount (ii)(f) divided by the amount at (i)(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

(i)	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 (ii)(g) and (ii)(h) above, by the number which, in 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.

- (iii) it be noted that for the year 2011/2012, the Tyne and Wear Fire and Rescue Authority and the Northumbria Police Authority have confirmed the following amounts in precepts 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	£55.79	£48.77
B	£65.08	£56.90
C	£74.38	£65.03
D	£83.68	£73.16
E	£102.28	£89.42
F	£120.87	£105.68
G	£139.47	£121.93
H	£167.36	£146.32

- (iv) having calculated the aggregate in each case of the amounts of (ii)(i) and (iii) above, and having received confirmation of the precept in paragraph (iii), the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2010/2011 for each of the categories of dwellings shown below:

Parts of the Council's Area

Valuation Bands	Hetton Town Council	All other parts of the Council's Area
A	£903.94	£895.20
B	£1,054.59	£1,044.39
C	£1,205.25	£1,193.60
D	£1,355.91	£1,342.80
E	£1,657.23	£1,641.21
F	£1,958.54	£1,939.60
G	£2,259.85	£2,238.00
H	£2,711.82	£2,685.60