

**BABERGH DISTRICT COUNCIL**

**FROM:** Director of Corporate Services  
and Director of Finance

**REPORT NUMBER:** **K76**

**TO:** **OVERVIEW AND SCRUTINY  
(STEWARDSHIP) COMMITTEE**

**DATE OF MEETING:** 10 August 2010

**THE COUNCIL'S ANNUAL REPORT 2009/10**

**1. PURPOSE OF REPORT**

- 1.1 This report recommends an Annual Report to provide Babergh residents and the business community with an analysis of achievements and financial performance for the 2009/10 year. It sets out a proposed format and content for the Annual Report which, when agreed, will be submitted to a meeting of the Full Council for ratification.

**2. RECOMMENDATION TO COUNCIL**

- 2.1 That the draft Annual Report attached as Appendix A be adopted subject to the Director of Corporate Services being authorised to make any necessary final amendments to the draft prior to its publication.

**3. FINANCIAL IMPLICATIONS**

- 3.1 The report will be published on the Council's website; therefore there are no financial implications.

**4. RISK MANAGEMENT**

- 4.1 The report relates to Significant Business Risk No.7 – Financial, Performance and Risk Management. Key risks are set out below:

<b>Risk Description</b>	<b>Likelihood</b>	<b>Seriousness or Impact</b>	<b>Mitigation Measures</b>
Missing an opportunity to bring together all the Council's information that it is statutorily required to publish.	Very Low	Marginal	Annual Report has been produced which meets statutory requirements.

**5. EQUALITY AND DIVERSITY IMPACT**

- 5.1 There are no specific equality and diversity implications as this report provides monitoring information in relation to the actions and achievements of the Council and financial performance for the year 2009/10.

## 6. KEY INFORMATION

- 6.1 The overall objective in developing the Annual Report is to produce a publication for local residents and the business community in an accessible format providing an objective, balanced and clear assessment of the Council's activities, achievements and financial performance in the year.
- 6.2 The format and content have been informed by a consultation exercise carried out with key stakeholder organisations. This exercise asked the organisations to provide feedback on whether the document met their information needs. In response to the feedback we have made improvements to the format of the document and have added more comparative data and financial information on staffing levels.
- 6.3 The Annual Report enables the Council to co-ordinate the past year's statutory information in a short, easy to read, simple document. It will also signpost residents and other stakeholders to where more information on the Council's performance and finances can be accessed - for example, on the website. The Annual Report includes examples of the Council's key actions and achievements in relation to the five Strategic Plan Themes.
- 6.4 The Annual Report includes the following information:
- **Executive Summary** – Highlighting key achievements for 2009/10 and a précis of the main financial information.
  - **Key Financial Information** – summary of where our money comes from, how it is spent and other information including efficiencies and savings, and an analysis of staffing levels.
  - **Key achievements for each of the strategic priorities** – explanation of our theme outcomes and what has been achieved in 2009/10 linked to more detailed case studies.
  - **Environmental Footprint** – sets out our actions and achievements in relation to carbon reduction, waste and recycling and biodiversity.

## 7. APPENDICES

Appendix A- draft Babergh District Council Annual report 2009/10.

## 8. BACKGROUND PAPERS REFERRED TO

None.

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## **COUNCIL MEETING – 31 AUGUST 2010 – AGENDA ITEM 6(C)**

### **APPENDIX A (REVISED) TO PAPER K76**

#### **Babergh District Council – 2009/10 Annual Report**

##### **Overview**

Babergh District Council's Annual Report covers the period from April 2009 to the end of March 2010. The report presents both our key achievements, and areas where we still need to improve for each of our Strategic Plan themes. It also includes information on how the Council is managing its finances to ensure value for money for local residents and explains what is being done to minimise the Council's impact on the local environment. Further detailed information on the Council's work can be found at [www.babergh.gov.uk](http://www.babergh.gov.uk) and at <http://twitter.com/BaberghDistrict>.

##### **Executive Summary**

##### **Key Financial Information**

- We continued to achieve our Financial Strategy and aim of not increasing council tax by more than the rate of inflation.
- The total council tax for a Band D property in Babergh was £1,453 per annum. Of this, only £135, or less than 10%, is for Babergh's services.
- Babergh continued driving out savings and efficiencies and has achieved £1.25m in total efficiency savings since 2008.
- During 2009/10 Babergh spent just over £50m on providing services and delivering projects.
- £20m was collected from Babergh business ratepayers on behalf of central government. The total collected nationally was then redistributed to Councils, with Suffolk County Council and Babergh receiving around £21m.
- Babergh invested £6.7m on improving facilities and maintaining the Council's land and property just over half of which was spent on council housing

##### **Key Achievements**

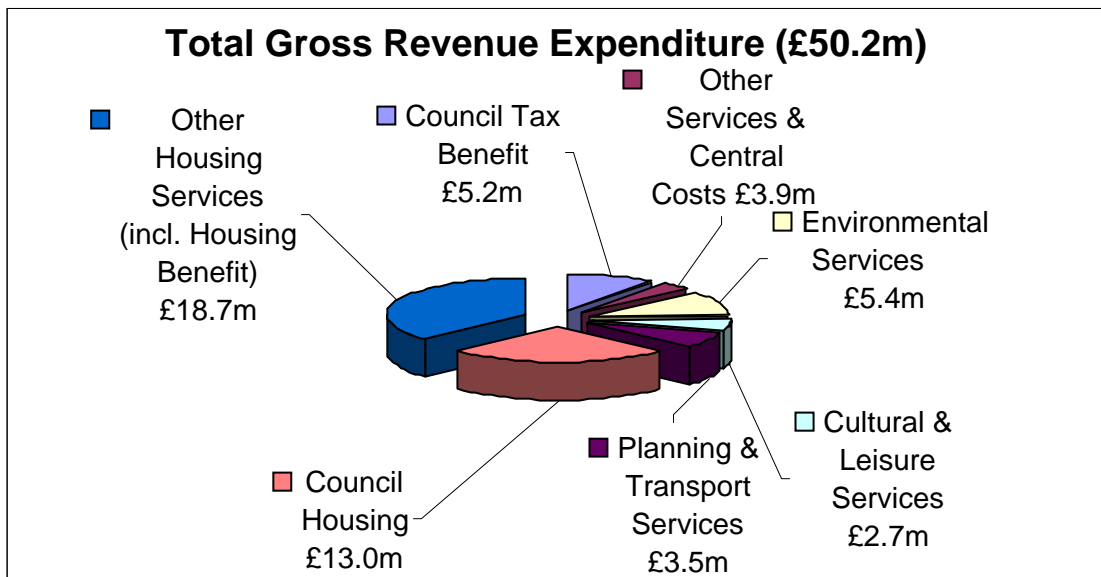
- 185 new homes were built in the Babergh area – 36 of these were affordable homes. In addition 91 affordable units were under construction as at 31 March 2010
- 98% of Babergh council homes now meet the Decent Homes Standard
- 918 new customers subscribed to the Garden Waste Scheme – 23% of Babergh's households are now participating
- In the market towns of Sudbury and Hadleigh, criminal damage has fallen by 15% and serious public order offences by 23%
- Babergh launched its 5 Star Scores on the Doors programme for regulated food businesses. This has resulted in more food establishments meeting the required standard in respect of food hygiene law (91%)
- Customers reported very high satisfaction levels in respect of contact with customer service advisers for the Council (98%)

Further details of the Council's achievements on each of its 5 priorities are provided later in the report.

## Key Financial Information

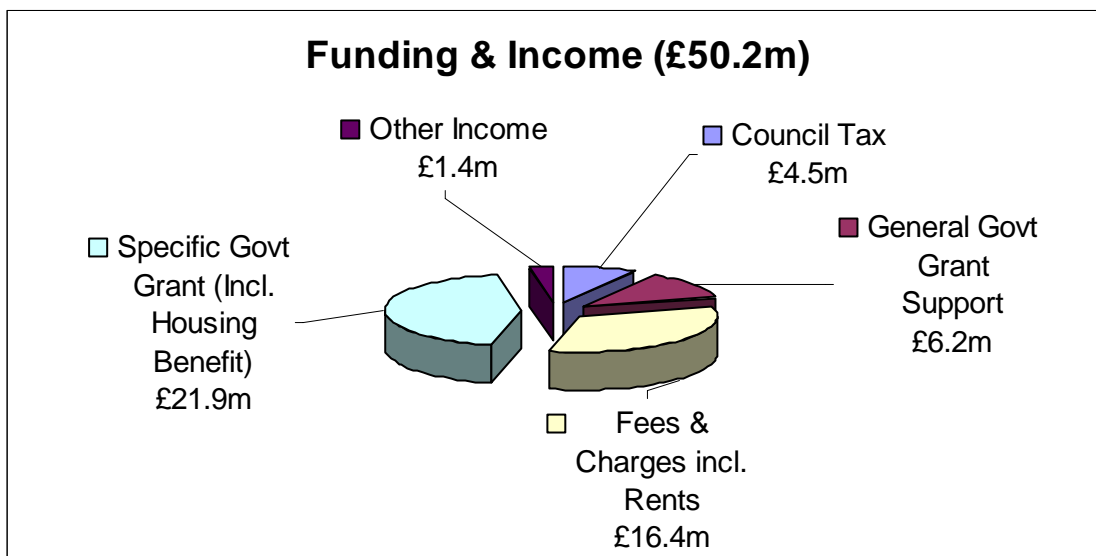
### Services - where we spent the money

In 2009/10 Babergh spent £50.2m on providing services and on projects that benefit communities and council tenants. The following chart shows how much was spent on providing various services to council taxpayers and on council housing (council housing is not funded through council tax).



### Where the money came from

This chart shows how Babergh's services are funded.



## Business Rates

In 2009/10 Babergh collected about £20m from business taxpayers. The amount payable by individual businesses is determined by the Government and the rateable value is set by the Valuation Office. This money is paid over to the Government and is redistributed to the County Council and Babergh on a population basis.

## Capital Investment

Babergh spent the following money on providing or improving facilities and maintaining our land and property. This included giving grants to individuals and organisations.

What we spent	Net Expenditure	Net Expenditure
	£m	%
Council Housing	3.6	54
Housing - Private Sector Renewal Grants/Loans	0.5	7
OD, ICT & E-Government	0.6	9
Community Development & Environment	0.4	6
Contract & Asset Management	1.6	24
<b>Total Capital Investment</b>	<b>6.7</b>	<b>100</b>
This was Financed by		
Capital Receipts	1.2	18
Council Housing Major Repairs Grant	2.6	39
Grants/external Contributions	0.8	12
Revenue Contributions	0.4	6
Borrowing	1.7	25
<b>Total</b>	<b>6.7</b>	<b>100</b>

Most of the revenue contributions and borrowing relate to Council Housing and this does not have an effect on Council Tax.

## What is Babergh worth?

The table shows the financial position of Babergh, i.e. its net assets and liabilities at the end of the financial year, 31 March 2010:

<b>NET ASSETS</b>	<b>£M</b>
Operational Assets (Buildings & Land owned by Council)	202
Non-Operational Assets/other	8
<b>Total Long Term Assets</b>	<b>210</b>
Net Current Liabilities (Debtors less Creditors)	(2)
<b>Total Assets less Current Liabilities</b>	<b>208</b>
Long-term borrowing	(1)
Deferred Liabilities/Grants/Capital Contributions	(1)
Pensions Liability	(33)
<b>Total Assets less Liabilities</b>	<b>173</b>

## Council Tax

We continued to achieve our Financial Strategy and aim of not increasing council tax by more than the rate of inflation. The total council tax for a Band D property in Babergh was £1,453 per annum. **Of this, only £135 or less than 10% (9.3%) is for Babergh's services** - in 2001 it was 10.9%.

<b>Organisation</b>	<b>Total Received £m</b>	<b>Amount per Band D property (£ p.a.)</b>
Suffolk County Council	36.1	1,100.16
Suffolk Police Authority	5.1	156.06
Babergh District Council	4.4	134.96
Town / Parish Council	2.0	61.51
<b>Total</b>	<b>47.6</b>	<b>1,452.69</b>

## Efficiencies and Savings

The Council is committed to providing value for money by delivering services for its residents at a reasonable and acceptable cost. This year we built on our considerable efforts to reduce costs and achieve further efficiencies and have delivered cumulative efficiencies of £1.25m since 2008.

The Council, similar to many others, is faced with significant budgetary challenges and is actively involved in a number of innovative and radical plans to meet these.

**Staffing Levels**

The Council continues to review its deployment of staff to ensure there is a focus on service provision and delivering value for money. The number of full time and part time staff (full time equivalents) has reduced during the year, as indicated below. A proportion of these staff (around 25%) are engaged on Council Housing services and the related costs do not, therefore, fall on Council Taxpayers.

1 April 2009	281.0
31 March 2010	269.6 (a 4% reduction)

**Statement of Accounts**

Full details of the Council’s Statement of Accounts and Summary Financial Information for the year can be found at <http://www.babergh.gov.uk/Babergh/Home/Council+and+Democracy/Statement+of+Accounts>

## **BABERGH DISTRICT COUNCIL'S PRIORITIES 2009/10 – KEY ACHIEVEMENTS**

The Council's vision, developed in consultation with Babergh's communities and partner organisations, provides an aspiration that the Babergh area will be:

“A great environment in which to live, work and visit, where people have the opportunity to develop their potential and feel that they belong to strong and vibrant communities”.

The Council's Strategic Plan (2008 – 2018) translates this vision into the following five priorities:

- Quality homes local people can afford
- A greener and cleaner Babergh
- A safer and healthier Babergh
- A strong and sustainable community
- Vibrant places and communities.

The Strategic Plan also identifies 28 challenging outcomes that the Council aims to achieve by 2018. Each outcome is managed and monitored through the Council's rolling 3-year Medium Term Plans and an Annual Delivery Plan. These documents are updated annually and take account of the Council's budget and resource allocation decisions.

A copy of the Strategic Plan and 2009/10 Delivery Plan can be downloaded from the Council's website

<http://www.babergh.gov.uk/Babergh/Home/About+us/How+We+Work/Strategic+Plan/>

The following section provides a summary of the progress the Council has made during 2009/10 towards achieving the Strategic Plan outcomes.

### **Quality homes local people can afford**

Related strategic plan outcomes:

- There are enough good quality homes, which meet high environmental and sustainability standards, to meet the needs of the people of Babergh
- There are enough affordable homes to meet the needs of the people of Babergh
- Fewer people are homeless

Key achievements in 2009/10

- 185 new homes were built in the Babergh area – 36 of these were affordable homes. In addition 91 affordable units were under construction as at 31 March 2010
- 98% of Babergh council homes now meet the Decent Homes Standard, we provided grants and loans to improve 27 private sector properties to the Decent Homes Standard
- 616 council homes were insulated up to current building regulation standards, 129 energy-efficient heating systems installed and 54 air source heat pumps fitted

- The Council has worked with Warm Front to improve the energy efficiency of private sector homes in Babergh. Warm Front spent a total of £486K on 79 replacement boilers, 26 cavity wall insulations and 55 loft insulations. This is 39% more than the amount spent in Babergh during 2008/09
- The Council worked with Orwell Housing to remodel Stour House, Sudbury to provide 12 self-contained flats. These are now being used to provide temporary accommodation for homeless people
- A 'Nightstop' service has been set up to provide emergency accommodation for young people in Sudbury and the Homelessness Team dealt with 78 homelessness presentations. Only 2 households were in temporary accommodation as at 31 March 2010

#### Case Study – Affordable Housing Scheme Ipswich Road, Holbrook

12 affordable homes for social rent have been completed on a rural exception site on Ipswich Road, Holbrook. The development provides a mixture of 1, 2 and 3 bedroom houses and bungalows for local people.

Babergh, Holbrook Parish Council, Orwell Housing Association, Suffolk ACRE and the Homes and Communities Agency worked together to complete the development following a local housing needs survey and consultation with the community. The scheme attracted £430K Social Housing Grant and was delivered to Level 3 of the Code for Sustainable Homes.

#### **A greener and cleaner Babergh**

Related strategic plan outcomes:

- A smaller carbon footprint for the area
- Babergh's environment is clean, with little environmental vandalism such as fly tipping and is recognised as such by residents
- Better traffic management, air quality, improved road infrastructure and more effective public transport.

Key achievements in 2009/10

- The Joint Waste Collection Service reviewed their collection rounds resulting in a 6% reduction in fuel consumption and hence carbon emissions
- The Council was awarded 4 (out of 5) stars in the Chartered Institution of Wastes Management (CIWM), national 2009 Clean Britain Award for environmental cleanliness, in addition a survey of local street and environmental cleanliness showed that Babergh was exceeding its local targets on all measures (litter, detritus, graffiti and fly-tipping)
- Resident satisfaction with the way the Council manages and maintains its land remains high at 84%
- 918 new customers subscribed to the Garden Waste Scheme – 23% of Babergh's households are now participating
- Air pollution levels in Cross Street, Sudbury were monitored and a working group established to tackle this issue and recommendations for improvements made to Suffolk County Council.

### Case Study – Air Source Heat Pumps

Air source heat pumps have been fitted in 54 Council homes. They provided an optimum solution for the refurbishment of properties, particularly those in rural areas with no gas supply.

Outcomes include a reduction in energy costs and carbon emissions by at least 30% compared to oil fired installations and a reduction in the average cost of the system compared with oil fired installations.

### **A safer and healthier Babergh**

Related strategic plan outcomes:

- People living, working and visiting Babergh are safer and feel safer from crime and its effects
- A more active population with healthier lifestyles
- The area is ready to respond effectively to emergency situations arising from environmental or other causes.

Key achievements in 2009/10

- In the market towns of Sudbury and Hadleigh, criminal damage has fallen by 15% and serious public order offences by 23%
- Responsible drinking campaigns and a number of education events were undertaken, engaging with over 3,000 people
- There was a doubling in the number of people using the pools at Hadleigh and Kingfisher Leisure Centres following the introduction of free swimming sessions for anyone under 17 or over 60
- Babergh launched its 5 Star Scores on the Doors programme for regulated food businesses. This has resulted in more food establishments meeting required standard in respect of food hygiene law (91%)
- The Council has developed a Major Incident Recovery Plan, Communications Plan and Suffolk Flood Plan with partner organisations to ensure that Babergh is prepared to deal with any emergency situations. A joint exercise has also been carried out with Mid Suffolk to test these arrangements

### Case Study – Improved CCTV monitoring arrangements

The decision to change the CCTV monitoring arrangements in the District has resulted in a large increase in the number of incidents being detected. CCTV cameras covering Sudbury and Hadleigh are now being monitored at Sudbury Police Station. This has resulted in quicker intervention in a number of cases and has helped to limit the escalation of incidents.

### **A strong and sustainable Babergh economy**

Related strategic plan outcomes:

- Babergh's economy has grown sustainably, with more small and medium sized enterprises situated here

- Increased local educational opportunities and improved attainment and skill levels among Babergh's children, young people and working population – particularly in the more income deprived areas
- Improved infrastructure in our market towns to increase vitality and viability.

#### Key achievements in 2009/10

- Invoices from small and medium local suppliers and contractors were paid more quickly by the Council (within 10 days)
- Babergh held a Youth Conference giving 58 young people from local schools the opportunity to develop business skills and encourage entrepreneurship.
- The Council actively promoted the 'Train to Gain' programme to local companies, 25 Babergh employees achieved NVQ level 2 or 3 qualifications. Babergh employed 3 apprentices and encouraged other local employers to do so.
- Work undertaken to provide improved opportunities for local businesses to provide goods and services to the Council.
- The Council conducted a mixed-media consultation campaign for the future development of the Hamilton Road quarter, Sudbury to support the development of this project.

#### Case Study – Providing an excellent Benefits Service

The Council has exceeded its performance targets for processing benefits claims. The average time taken to process a Housing or Council Tax benefit claim has fallen to 6.4 days and this is despite a 9% increase in caseload over the year.

To improve benefit take-up the Council has participated in credit crunch road shows and held a number of surgeries targeting new parents. Customer Services staff also highlight benefits when dealing with customers either on the phone or face to face.

#### **Vibrant places and strong communities**

Related strategic plan outcomes:

- Active local villages and communities
- Public services appropriately reflect the needs, aspirations and choices of individuals from different groups, such as older people, in their design, resourcing and delivery
- Vulnerable people are supported to live in the community
- More people are involved in local decision making and participate in democratic processes which appropriately reflect the diversity of local communities.

#### Key achievements in 2009/10

- Babergh Community Grants scheme provided funding to 17 capital and 57 revenue projects - a total of £128K and £453K respectively to support local communities
- Customers reported very high satisfaction levels in respect of contact with customer service advisers for the Council (98%)

- 34 private sector homes were adapted to meet the needs of older or disabled people. Babergh has secured £222K from EERA, and will provide an additional £113K, to continue this work during 2010/11, Mulberry House in Sudbury, a vulnerable single person's housing scheme, was completed and occupied by December 2009
- Babergh's approach to equality and diversity is to understand the needs of the communities we serve and work with those communities to meet their needs whilst maintaining fair and equal access to all our services. During 2009/10 the Council has made good progress towards the 'achieving' level of the Equality framework for Local Government .
- A panel has been established to help the Council consult with under-represented groups in the community , in addition focus groups were held with Babergh residents to find out which of the Council's Strategic Plan outcomes were most important to them. The findings were used to inform the development of the budget for 2010/11 and the review of the strategic plan.

#### Case Study – Shotley Youth Group

A group of teenagers from Shotley were supported by the Council and Community Service Volunteers Media to shoot a film that challenged the stereotypical view of young people in their community. The film, which highlighted the lack of local facilities for young people, was screened in the village hall in May 2009.

The group bid for funding to establish a youth group and were awarded nearly £20K from the Suffolk CC Youth Opportunity Fund and the Extended Schools Fund. Shotley Youth News Crew now has 39 members and is supported by adult volunteers from the local community.

#### **Babergh's Environmental Footprint**

The Council recognises that it has a significant role to play in achieving sustainable development and reducing its environmental footprint through efficient use of resources. To support this, Babergh has been establishing systems and processes to help:

- understand and then reduce its use of energy, fuel, water and raw materials through reducing demand and using more efficient approaches or products;
- reduce the waste it produces, reuse and recycle resources wherever possible; and
- promote, enhance and protect biodiversity on Babergh District Council land.

Key actions and achievements:

#### Carbon Reduction

- The Council monitors and manages its consumption of gas, electricity, water and transport fuel, this has led to a reduction in consumption of resources and production of waste. Fuel consumption is constantly monitored through the building management system which supplies information against which improvements are made.

- Babergh has worked with the Energy Saving Trust and Carbon Trust to assess its carbon footprint and the impact of its estate. A Carbon Management action plan has been produced and capital programme funding has been allocated to the priority actions in the plan
- Affordable homes that are commissioned by the Council will be built to Code for Sustainable Homes (CfSH) Level 3 standard
- The Council has procured a new, more energy efficient fleet of refuse / recycling vehicles
- 129 energy efficient heating systems and 52 air source heat pumps have been installed in council homes
- A mini Combined Heat and Power plant has been installed at Playford Court, one of the Council's sheltered housing schemes, to provide all the energy requirements for the complex. The resulting savings in energy efficiency and costs are being monitored and the Council is looking to roll this out to other sheltered homes following evaluation

### Waste and recycling

- Waste generated from works undertaken on our housing stock and other fixed assets (offices, depots etc) is monitored and managed
- An office recycling scheme has been introduced resulting in a 30% improvement in waste recovery and a reduction to landfill of nearly 50%, equivalent to about 4 tonnes of waste diverted and a saving to the Council in collection and landfill costs.

### Biodiversity

- 4 of our 9 countryside sites are managed by local conservation charity landowners along with their adjacent sites to ensure an holistic approach to biodiversity in the locality
- Woodland biodiversity has been encouraged by a positive management regime which includes coppicing, habitat piles of both wood and herbaceous vegetation and re-planting with local provenance plants where possible