

District councillor's report, March 2013

1. 2013/14 budget

At the Council meeting on February 21st, the District Council approved the budget for the next financial year. This includes the decision to freeze Council Tax for a further year.

However, as already indicated, the outlook further out is not rosy, as we currently envisage that, on top of projected savings of £1.4m in 2013/14, we will need to make additional savings of £1.2m and £1m in 2014/15 and 2015/16 respectively. As it is now clear that further "salami slicing" of Budgets will not deliver the required savings, and that future detailed budgets will look very different in future due to the changes in funding arrangements that are taking place. The new integrated management and staffing structure and future service delivery outcomes will be based on the new strategic priorities and will be reflected in future Budgets.

The 2013/14 Budget will therefore provide the starting point for both Mid Suffolk and Babergh to realign future resources to the new strategic priorities and undertake specific projects to achieve agreed outcomes related to these.

2013/14 will benefit from a one-off rural efficiency grant of £41,000 which the District managed to negotiate from Government. This is part of an £8.5m national allocation, and represents the highest such grant for any District in the County.

2. Future funding arrangements

These will change significantly, with less general Formula Grant on the one hand, but more income expected on the other from the retention of 50% of Business Rates. Business rates growth is expected to be a significant factor in maintaining the Council's level of income in future years. However, it is to be pooled on a County-wide basis as a safety measure, in order to safeguard against the risks to any particular District in the event of a single large business failing. £1m will be retained in the pool as an additional safety measure.

As a result of the pooling arrangement, no authority will be worse off.

- The second £1m will be split 50:50 between the Borough/Districts, and a Public Sector Leaders Fund.
- The remainder of the pooled rates will be split 40% to the Borough/Districts, 40% to the Public Sector Leaders Fund, and 20% to SCC.
- Suffolk Leaders will recommend how the Leaders Fund is to be spent and each Council will delegate responsibility for taking decisions on their behalf. The Leaders Fund will be used to support projects coming forward as the result of an agreed countywide economic growth strategy, i.e. on strategic importance to growth across the county. If agreement cannot be reached on distribution of the fund, it will be split 60:40 between the Borough/Districts and SCC.

- The distribution of the Borough/Districts' share will be split between the 7 Councils according to the following formula: 50% on the basis of each Council's spending baseline and 50% on the basis of growth in each District. Each District will therefore be incentivised to deliver growth.

3. Waste collection

During the period bad weather, waste and recycling collections fell below the usual high standards that we have grown to expect in Mid Suffolk, with some collections missing their scheduled days. This was due not only to the weather but also to vehicle breakdowns, downtime at the disposal sites, crew injuries, crew sickness and vehicles going into ditches. Complaints were numerous and justified. The manager, together with Serco, the operator, will be reviewing how the service is operating during periods of very poor weather, and will be revising operational service delivery issues as a matter of high priority.

4. Textile recycling

The textile recycling project is going strong, with over 400 tonnes of textiles collected across Suffolk to the end of December. Further promotional campaigns are planned to encourage residents to continue to support the scheme, which has the major benefit of removing large quantities of textiles which had previously been going to landfill, at significant extra cost to Council Tax payers.

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