

Balancing Hartlepool's Budget 2020-2021



Consultation Survey

hartlepool.gov.uk/budget-consultation



Overview

Every February, Hartlepool Borough Council sets a budget for the year which outlines how much money we will be able to spend on each of the services we provide.

Looking ahead to 2020/21, we have forecast a budget gap of £6.9m.

However, thanks to an unexpected Government funding increase and the identification of internal savings, we believe we are able to address this deficit in a way that also protects services.

How each £1 of Council Tax is spent:



Council Tax in context

Council Tax is one of the most visible taxes and although it is set by local Councils across the country it is directed by Central Government policy.

There are a number of taxes which receive far less attention. For example, many of us buy goods on a daily basis without thinking about the rate of Value Added Tax (VAT). The standard rate of VAT for most goods and services is 20% which goes directly to the Government.

Similarly, the price we pay for petrol and diesel - something few of us think about when filling our car - includes Fuel Duty and VAT of around 65% of what we pay.

Are regeneration schemes funded using my Council Tax?

No. Over the last five years, Hartlepool has received around £160m of external funding for schemes including Church Street, the Waterfront, The BIS and the new splash pad facilities at Seaton Carew. Put simply, if we didn't bid for this money to come to Hartlepool it would have gone to another area.

Growing Hartlepool

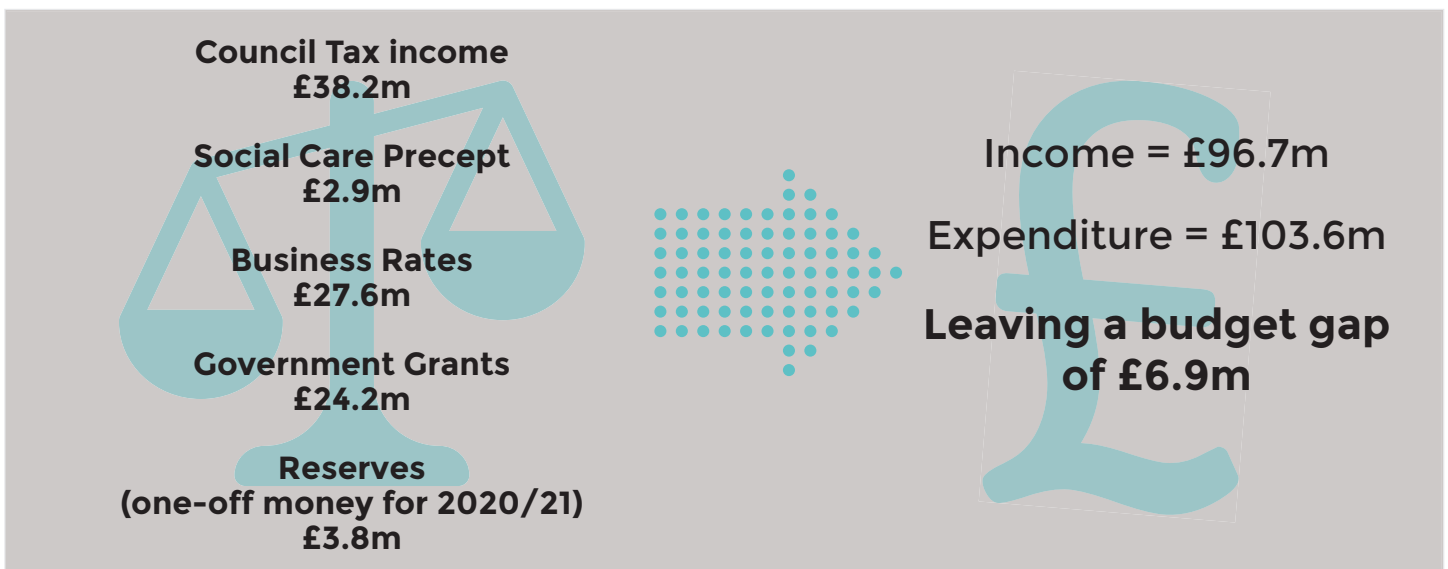
The Government has shifted the funding of local services from Government Grant onto Council Tax with an emphasis on encouraging housing growth to increase Council Tax income.

In response to these national policies, the Council has achieved the fastest growth in housing in the Tees Valley over the period 2014/15 to 2019/20, up 11.46% - compared to an average of 9.62%.

In 2019/20, this growth is providing additional Council Tax income of £3.3m which equates to 8% of all Council Tax income.

Our proposed budget for 2020/21

This is the position we are currently facing next year



How we plan to bridge the gap

- 1.9% increase in Council Tax = £0.7m
- Government funding increase specifically for Social Care = £2m
- Adult Social Care Precept of 2% = £0.8m
- Savings and income generation proposals = £2.4m
- Housing growth (through additional homes paying Council Tax) = £0.7m
- Still to be identified = £0.3m

If we do not increase Council Tax next year and apply a 2% Adult Social Care Precept, we would need to make £1.5m of additional savings, further reducing the money we can spend on the services we provide.

You can read a more detailed budget proposal at
www.hartlepool.gov.uk/budget-consultation

Have your say on our budget proposals

As we look to set our budget for 2020/21, we want to hear your views on our budget proposals.

You can also use this opportunity to tell us if you have suggestions for other ways you think we can make savings or generate more money.

Your views are important and will be considered when a decision about the budget for 2020/21 is made.

The deadline to take part in our Budget Consultation is Friday 6th December 2019.



You can complete the survey online by visiting
www.hartlepool.gov.uk/budget-consultation

