

2 March 2010

Dear Councillor

**COUNCIL - TUESDAY, 2ND MARCH 2010**

The following reports are attached.

**Agenda No    Item**

6.    **General Fund Revenue and Capital Budget and Council Tax, 2010/2011 (Pages 97 - 112)**

Additional report of the Executive enclosed, including the following appendices:

Appendix A – Additional savings options and proposals (Page 101)

Appendix B – Fees and charges review (Page 103)

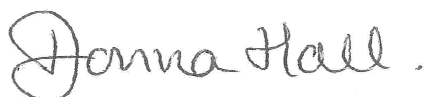
Appendix C – Revised Council Tax resolution (Pages 105 -110)

Appendix D – Analysis of budget variations 2009/10 - 2012/13 (Page 111)

7.    **Alternative Budget Proposals (Pages 113 - 128)**

Report of the Labour Group enclosed

Yours sincerely



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Chief Executive

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Report of	Meeting	Date
The Executive (Introduced by the Executive Member for Resources)	Council	2 March 2010

## **ADDITIONAL BUDGET PROPOSALS 2010/11**

### **PURPOSE OF REPORT**

- To present a revised proposal to those set out in the papers to Council,

### **RECOMMENDATION(S)**

- That the Council agrees to the proposed additional budget amendments and savings as follows:
  - The following posts are disestablished:
    - 1 FTE Building Control Officer
    - 1 Business Process Officer (Neighbourhoods)
    - 1 Head of Customer Services
  - That consultation takes place with staff in respect of reducing the Council's cost of car leasing scheme by 25%.
  - That an immediate review be undertaken following the senior management restructure of the Council's administrative and transactional service provision to identify further potential savings.
  - That the budget for the Council's contribution towards the Local Strategic Partnership is reduced by £50k from 2010/11.
  - That the building maintenance revenue budget for the Council's leisure facilities be reduced by £50k from 2010/11.
  - That the Council negotiate with Lancashire County Council with a view to producing an alternative public realm provision with a resultant saving for the Council.
  - That the fees and charges items shown in Appendix B are increased below inflation by 2% with effect from the 1 April 2010.
  - That £100k of non recurrent expenditure be allocated in 2010/11 budget to pay for additional street cleaning activities and the creation of additional allotments.
  - Approve the budget and Council tax set out in the resolutions at Appendix C allowing for the freezing of Council tax at the levels set in 2009/10 and the items set out in the original budget papers Appendices B, C and E and note the other items D, F G and H.

**EXECUTIVE SUMMARY OF REPORT**

3. This report sets out a series of proposed amendments to the Council’s budget for 2010/11 that is designed to:
  - (a) Identify additional resources for spending on street cleaning and allotment activities during 2010/11.
  - (b) In line with the budget proposals to start to prepare for the future create budget headroom in 2010/11 that will contribute £320k, or almost 50% of the forecast budget deficit for 2011/12.
  - (c) To enable further funds to be identified that will be used to increase the Council’s working balances in line with the Executives budget principles and the Medium Term Financial Strategy.

**REASONS FOR RECOMMENDATION(S)**

**(If the recommendations are accepted)**

4. To improve the financial position of the Council and to identify resources for additional spending on priorities in 2010/11.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

5. None.

**CORPORATE PRIORITIES**

6. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region		Develop local solutions to climate change.	
Improving equality of opportunity and life chances		Develop the Character and feel of Chorley as a good place to live	
Involving people in their communities		Ensure Chorley Borough Council is a performing organization	√

**BACKGROUND**

7. The Executive proposals in terms of the 2010/11 budget are contained in the budget papers being presented to Council. However, on reflection and having further considered the advice of the Statutory Finance Officer in his Statutory Report and Medium Term Financial Strategy, it is felt further savings need to be identified during the 2010/11 budget process. The rationale for this change is two fold:

Firstly, the state of the public finances and the uncertainty on funding from 2011/12 onwards means preparing early will ensure the Council is well placed to deliver on its promise to try to minimise the impact on front line services for the tax payer of Chorley.

Secondly, as a prudent measure, increasing the level of working balances will improve the Council’s financial standing.

As a consequence and, in addition to the positive measures outlined in the budget report of:

- Freezing of Council Tax
- Freezing of Market Rents and Car Parking charges
- A balanced budget
- Working balances improved

The Executive have decided to commit a sum of £60k to spend on street cleaning activities in the Borough in recognition of the importance of this issue to the tax payer in Chorley and a further £40k on the creation of additional allotments provision in the borough.

### WHAT IS PROPOSED

8. Set out in Appendix A are details of the further budget reductions proposed which are based upon the budget principles outlined previously resulting in:
- Further reduction in management and administrative costs
  - Removing unnecessary posts achieved by the reduction in workload
  - Planning for the future by reviewing the terms and conditions for officers eligible for the car leasing scheme
  - Reducing maintenance costs to offset the significant investment made in the Council's leisure assets over the last 3 years
  - Instigating work to illicit further savings during 2010/11
  - Proposing a below inflation rise on income streams other than those that have been frozen as part of the budget process

### SPENDING PROPOSALS

9. Allotments and Community Growing Projects
- We've seen an increased demand for allotments over the past few years
  - In partnership with the PCT we've carried out research/consultation
  - We have a project in the Corporate Strategy that addresses this
  - £40,000 will allow us to deliver additional allotment spaces and provide match funding for community growing projects

#### N1195 – Litter, detritus, fly-tipping and graffiti

- Litter, detritus, fly-tipping and graffiti is a key issue for local people
- Plan to invest a further £60,000 into projects to tackle this issue
- This will include:-
  - community clean ups
  - a focus on partnership working to improve problem sites
  - campaigns to change behaviour
  - move enforcement action

### S25 REPORT

10. In terms of the proposals, some will generate immediate savings. The staff reductions of £126,000 will come from vacant posts.

The contractual proposals in relation to the LSP and the maintenance of the leisure facilities can be delivered immediately, thereby guaranteeing a further £100k.

The remaining sums of £93,420 represent a target to be achieved in year.

Given that £226k of the proposals can be taken immediately, and the budget is already balanced, the fact that £93k of the proposal is a target for 2010/11 does not jeopardise the delivery of a balanced budget in 2010/11.

For these reasons I am content that the proposals are reasonable and deliverable. Further details of the proposal plus the impact in the Council Medium Term financial forecasts are shown in Appendix D.

### LEVEL OF RESERVES

11. In terms of resource availability, members will be aware and as reported in monitoring working balances are estimated to total £1,556k at the end of March 2010. The working balances position is now made up of estimated balances in hand and forecast forward as shown below and after the impact of the further budget proposals are considered.

	£'000
General fund working balance forecast 31/03/10	1,262
VAT recovery 09/10 and 10/11	545
Recovery of Parkwise sums in dispute	59
Set aside for impairment of Icelandic bank deposit	(310)
Transfer to working balances	220
Forecast balances 31/03/11	1,776

### IMPLICATIONS OF REPORT

12. This report has implications in the following areas and the relevant Directors' comments are included:

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal		No significant implications in this area	

GARY HALL  
DIRECTOR OF TRANSFORMATION

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Gary Hall	4180	12/2/2010	Additional Budget Proposals

## Savings Options & Proposals 2010/11

<b>Further Staffing Changes</b>	<b>£</b>	<b>Reason for Saving</b>
Delete Building Control Officer post	41,990	Significant reduction in building control work during 2009/10
Delete Business Process Officer post (Neighbourhoods)	23,050	Improvements to internal processes, particularly e-enabling financial process
Delete Head of Customer Services post	61,080	Consequence of Senior Management Restructure increasing the total saving from the restructure to £724k
Target for review of admin and transactional services	50,000	Improvement co-ordination of Transactional and Administrative Services and better use of technology
Review of Car Leasing scheme	10,000	Reductions in cost of car leasing scheme of 25%. Target £70k saving by 2012/13
<b>Contracts</b>		
LSP contribution reduced from £90k - £40k	50,000	Core funding to be pooled into LSP budget - £180k + £40k = £220k
Maintenance of Leisure Facilities	50,000	Reduced ongoing revenue requirement following significant capital investment
Impact of additional funding for maintenance from LCC	20,000	Adoption of an alternative public realm agreement
<b>Income Generation</b>		
2% fees and charges increase	13,420	Inflationary increase (inflation currently 3.5%)
<b>Total</b>	<b>319,540</b>	
<b>Less</b>		
Budget for additional street cleaning and allotment activities	-100,000	
Transfer to working balances	<b>219,540</b>	

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**FEES & CHARGES REVIEW**

DESCRIPTION	COMMENTS	2008/09 ACTUAL £	2009/10 FORECAST £	2010/11 BUDGET £	IMPACT OF INCREASE IN FEES & CHARGES									
					1% £	2% £	3% £	4% £	5% £	6% £	7% £	8% £	9% £	10% £
<b>BUSINESS TRANSFORMATION</b>														
Rent Garages	3% Increase in 2009/10	(46,209)	(41,500)	(41,500)	(415)	(830)	(1,245)	(1,660)	(2,075)	(2,490)	(2,905)	(3,320)	(3,735)	(4,150)
<b>PEOPLE DIRECTORATE</b>														
Adlington Cem-Grant Right of Burial	3% Increase in 2009/10	(5,790)	(2,200)	(8,030)	(80)	(161)	(241)	(321)	(402)	(482)	(562)	(642)	(723)	(803)
Adlington Cem-Interment Fees	3% Increase in 2009/10	(6,330)	(2,000)	(11,520)	(115)	(230)	(346)	(461)	(576)	(691)	(806)	(922)	(1,037)	(1,152)
Chorley Cem-Grant Right of Burial	3% Increase in 2009/10	(40,120)	(30,000)	(34,440)	(344)	(689)	(1,033)	(1,378)	(1,722)	(2,066)	(2,411)	(2,755)	(3,100)	(3,444)
Chorley Cem-Interment Fees	3% Increase in 2009/10	(37,942)	(45,000)	(45,320)	(453)	(906)	(1,360)	(1,813)	(2,266)	(2,719)	(3,172)	(3,626)	(4,079)	(4,532)
Young Peoples Activities-Other Fees	Introduced in 2009/10	(1,573)	(15,000)	(20,430)	(204)	(409)	(613)	(817)	(1,022)	(1,226)	(1,430)	(1,634)	(1,839)	(2,043)
Community Centres-Hire of Offices	3% Increase in 2009/10	(24,099)	(24,099)	(21,010)	(210)	(420)	(630)	(840)	(1,051)	(1,261)	(1,471)	(1,681)	(1,891)	(2,101)
<b>BUSINESS DIRECTORATE</b>														
Local Land Charges	3% Increase in 2009/10	(94,995)	(108,210)	(116,210)	(1,162)	(2,324)	(3,486)	(4,648)	(5,811)	(6,973)	(8,135)	(9,297)	(10,459)	(11,621)
Building Control-Planning Fees	3% Increase in 2009/10	(115,719)	(85,640)	(90,000)	(900)	(1,800)	(2,700)	(3,600)	(4,500)	(5,400)	(6,300)	(7,200)	(8,100)	(9,000)
Building Control-Inspection Fees	3% Increase in 2009/10	(151,117)	(117,975)	(120,000)	(1,200)	(2,400)	(3,600)	(4,800)	(6,000)	(7,200)	(8,400)	(9,600)	(10,800)	(12,000)
<b>NEIGHBOURHOODS</b>														
Refuse Collection/Civic Amenity Collection	3% Increase in 2009/10	(24,281)	(28,840)	(28,840)	(288)	(577)	(865)	(1,154)	(1,442)	(1,730)	(2,019)	(2,307)	(2,596)	(2,884)
Wheeled Bins	3% Increase in 2009/10	(12,424)	(13,000)	(13,000)	(130)	(260)	(390)	(520)	(650)	(780)	(910)	(1,040)	(1,170)	(1,300)
Neighbourhood Quality Te/Pest Control Contracts	3% Increase in 2009/10	(11,954)	(12,000)	(15,820)	(158)	(316)	(475)	(633)	(791)	(949)	(1,107)	(1,266)	(1,424)	(1,582)
G M Overheads/Rechargeable Works - Pri	3% Increase in 2009/10	(34,039)	(20,600)	(20,600)	(206)	(412)	(618)	(824)	(1,030)	(1,236)	(1,442)	(1,648)	(1,854)	(2,060)
Hackney/Prvt Carriage Licences	3% Increase in 2009/10	(86,896)	(74,090)	(74,090)	(741)	(1,482)	(2,223)	(2,964)	(3,705)	(4,445)	(5,186)	(5,927)	(6,668)	(7,409)
<b>CORPORATE GOVERNANCE</b>														
Casual Hire Lancastrian	3% Increase in 2009/10	(10,203)	(10,000)	(10,300)	(103)	(206)	(309)	(412)	(515)	(618)	(721)	(824)	(927)	(1,030)
		<b>(703,690)</b>	<b>(630,154)</b>	<b>(671,110)</b>	<b>(6,711)</b>	<b>(13,422)</b>	<b>(20,133)</b>	<b>(26,844)</b>	<b>(33,556)</b>	<b>(40,267)</b>	<b>(46,978)</b>	<b>(53,689)</b>	<b>(60,400)</b>	<b>(67,111)</b>

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**OTHER FEES & CHARGES - NO PROPOSED INCREASE**

DESCRIPTION	COMMENTS	2008/09 ACTUAL £	2009/10 FORECAST £	2010/11 BUDGET £	IMPACT OF INCREASE IN FEES & CHARGES									
					1% £	2% £	3% £	4% £	5% £	6% £	7% £	8% £	9% £	10% £
<b>BUSINESS DIRECTORATE</b>														
Tolls-General Markets	No increase in 2009/10	(221,168)	(245,350)	(245,350)	(2,454)	(4,907)	(7,361)	(9,814)	(12,268)	(14,721)	(17,175)	(19,628)	(22,082)	(24,535)
Tolls-Flat Iron Markets	No increase in 2009/10	(62,099)	(65,000)	(65,000)	(650)	(1,300)	(1,950)	(2,600)	(3,250)	(3,900)	(4,550)	(5,200)	(5,850)	(6,500)
<b>NEIGHBOURHOODS</b>														
Car Parking Fees	Tariff adjusted in 2009/10	(779,618)	(750,000)	(750,000)	(7,500)	(15,000)	(22,500)	(30,000)	(37,500)	(45,000)	(52,500)	(60,000)	(67,500)	(75,000)
		<b>(1,062,885)</b>	<b>(1,060,350)</b>	<b>(1,060,350)</b>	<b>(10,604)</b>	<b>(21,207)</b>	<b>(31,811)</b>	<b>(42,414)</b>	<b>(53,018)</b>	<b>(63,621)</b>	<b>(74,225)</b>	<b>(84,828)</b>	<b>(95,432)</b>	<b>(106,035)</b>

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**FORMAL COUNCIL RESOLUTION*****Draft resolution on setting of 2010/11 Council Tax for the Borough to be passed in approving the Executive Cabinet's recommendations for the Council's Budget.***

1. That it be noted that acting under delegated powers the Director of Finance calculated the amount of 35,204.50 as its Council Tax Base for the year 2010/11 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33(5) of the Local Government Finance Act 1992.
- (a) 35,204.50 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) being the amounts calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate.

	<b><u>(b)Part of the Council's area</u></b>	<b>2010/11</b>
		<b>£</b>
<b>Parish of:</b>	Adlington	1,951.60
	Anderton	498.90
	Anglezarke	17.00
	Astley Village	1,092.00
	Bretherton	291.40
	Brindle	456.10
	Charnock Richard	677.20
	Clayton le Woods	4,692.30
	Coppull	2,343.30
	Croston	1,026.90
	Cuerden	39.50
	Eccleston	1,557.60
	Euxton	3,409.80
	Heapey	379.80
	Heath Charnock	794.20
	Heskin	345.90
	Hoghton	358.20
	Mawdesley	749.40
	Rivington	50.80
	Ulnes Walton	257.50
	Wheelton	393.60
	Whittle Woods	1,982.70
	Withnell	1,239.10
	All other parts of the Council's area	10,599.70
	<b>Total</b>	<b>35,204.50</b>

2. That the following amounts be now calculated by the Council for the year 2010/11 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:
- (a) £48,980,040 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) £33,576,240 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) £15,403,800 being the amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year;
- (d) £8,486,750 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, increased by the amount of the sums which the Council estimates will be transferred in the year from its collection fund to its general fund in accordance with Section 97(3) of the Local Government Finance Act 1988;
- (e) £196.48 being the amount at 2(c) above less the amount at 2(d) above, all divided by the amount at 1(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) £1,284,713 being the aggregated amount of all special items referred to in Section 34(1) of the Act;
- (g) £159.99 being the amount at 2(e) above less the result given by dividing the amount at 2(f) above by the amount at 1(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 items relates;

<b>(h)Part of the Council's area</b>		
		<b>£</b>
<b>Parish of:</b>	Adlington	173.72
	Anderton	171.02
	Anglezarke	159.99
	Astley Village	206.56
	Bretherton	191.30
	Brindle	179.15
	Charnock Richard	200.78
	Clayton le Woods	222.69
	Coppull	201.96
	Croston	190.38
	Cuerden	197.45
	Eccleston	192.55
	Euxton	211.16
	Heapey	201.70
	Heath Charnock	187.99
	Heskin	195.11
	Hoghton	179.00
	Mawdesley	193.35
	Rivington	191.49
	Ulnes Walton	180.82
	Wheelton	188.90
	Whittle le Woods	198.41
	Withnell	192.10
	All other parts of the Council's area	187.28

being the amounts given by adding to the amount at 2(g) above to the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(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 those parts of its area to which one or more special items relate;

(i) **Part of the Council's Area**

	<b>Valuation Bands</b>							
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
	£	£	£	£	£	£	£	£
<b>Parish of:</b>								
Adlington	115.81	135.12	154.42	173.72	212.32	250.93	289.53	347.44
Anderton	114.01	133.02	152.02	171.02	209.02	247.03	285.03	342.04
Anglezarke	106.66	124.44	142.21	159.99	195.54	231.10	266.65	319.98
Astley Village	137.71	160.66	183.61	206.56	252.46	298.36	344.27	413.12
Bretherton	127.53	148.79	170.04	191.30	233.81	276.32	318.83	382.60
Brindle	119.43	139.34	159.24	179.15	218.96	258.77	298.58	358.30
Charnock Richard	133.85	156.16	178.47	200.78	245.40	290.02	334.63	401.56
Clayton le Woods	148.46	173.20	197.95	222.69	272.18	321.66	371.15	445.38
Coppull	134.64	157.08	179.52	201.96	246.84	291.72	336.60	403.92
Croston	126.92	148.07	169.23	190.38	232.69	274.99	317.30	380.76
Cuerden	131.63	153.57	175.51	197.45	241.33	285.21	329.08	394.90
Eccleston	128.37	149.76	171.16	192.55	235.34	278.13	320.92	385.10
Euxton	140.77	164.24	187.70	211.16	258.08	305.01	351.93	422.32
Heapey	134.47	156.88	179.29	201.70	246.52	291.34	336.17	403.40
Heath Charnock	125.33	146.21	167.10	187.99	229.77	271.54	313.32	375.98
Heskin	130.07	151.75	173.43	195.11	238.47	281.83	325.18	390.22
Hoghton	119.33	139.22	159.11	179.00	218.78	258.56	298.33	358.00
Mawdesley	128.90	150.38	171.87	193.35	236.32	279.28	322.25	386.70
Rivington	127.66	148.94	170.21	191.49	234.04	276.60	319.15	382.98
Ulnes Walton	120.55	140.64	160.73	180.82	221.00	261.18	301.37	361.64
Wheulton	125.93	146.92	167.91	188.90	230.88	272.86	314.83	377.80
Whittle le Woods	132.27	154.32	176.36	198.41	242.50	286.59	330.68	396.82
Withnell	128.07	149.41	170.76	192.10	234.79	277.48	320.17	384.20
All other parts of the Council's area	124.85	145.66	166.47	187.28	228.90	270.52	312.13	374.56

being the amounts given by multiplying the amounts at 2(g) and 2(h) 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.

3. That it be noted that for the year 2010/11 the Lancashire County Council, Lancashire Police Authority, and the Lancashire Combined Fire Authority have stated 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 shown below:

	<b>Valuation Bands</b>							
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
	£	£	£	£	£	£	£	£
<b>Precepting authority</b>								
Lancashire County Council *	738.87	862.01	985.16	<b>1,108.30</b>	1,354.59	1,600.88	1,847.17	2,216.60
Lancashire Combined Fire Authority *	42.43	49.51	56.58	<b>63.65</b>	77.79	91.94	106.08	127.30
Lancashire Police Authority*	97.51	113.77	130.02	<b>146.27</b>	178.77	211.28	243.78	292.54

4. That, having calculated the aggregate in each case of the amounts at 2(i) and 3 above, 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 2010/11 for each of the categories of dwellings shown below:

(i) **Part of the Council's Area**

	<b>Valuation Bands</b>							
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
<b>Parish of:</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Adlington	994.62	1,160.41	1,326.18	1,491.94	1,823.47	2,155.03	2,486.56	2,983.88
Anderton	992.82	1,158.31	1,323.78	1,489.24	1,820.17	2,151.13	2,482.06	2,978.48
Anglezarke	985.47	1,149.73	1,313.97	1,478.21	1,806.69	2,135.20	2,463.68	2,956.42
Astley Village	1,016.52	1,185.95	1,355.37	1,524.78	1,863.61	2,202.46	2,541.30	3,049.56
Bretherton	1,006.34	1,174.08	1,341.80	1,509.52	1,844.96	2,180.42	2,515.86	3,019.04
Brindle	998.24	1,164.63	1,331.00	1,497.37	1,830.11	2,162.87	2,495.61	2,994.74
Charnock Richard	1,012.66	1,181.45	1,350.23	1,519.00	1,856.55	2,194.12	2,531.66	3,038.00
Clayton le Woods	1,027.27	1,198.49	1,369.71	1,540.91	1,883.33	2,225.76	2,568.18	3,081.82
Coppull	1,013.45	1,182.37	1,351.28	1,520.18	1,857.99	2,195.82	2,533.63	3,040.36
Croston	1,005.73	1,173.36	1,340.99	1,508.60	1,843.84	2,179.09	2,514.33	3,017.20
Cuerden	1,010.44	1,178.86	1,347.27	1,515.67	1,852.48	2,189.31	2,526.11	3,031.34
Eccleston	1,007.18	1,175.05	1,342.92	1,510.77	1,846.49	2,182.23	2,517.95	3,021.54
Euxton	1,019.58	1,189.53	1,359.46	1,529.38	1,869.23	2,209.11	2,548.96	3,058.76
Heapey	1,013.28	1,182.17	1,351.05	1,519.92	1,857.67	2,195.44	2,533.20	3,039.84
Heath Charnock	1,004.14	1,171.50	1,338.86	1,506.21	1,840.92	2,175.64	2,510.35	3,012.42
Heskin	1,008.88	1,177.04	1,345.19	1,513.33	1,849.62	2,185.93	2,522.21	3,026.66
Hoghton	998.14	1,164.51	1,330.87	1,497.22	1,829.93	2,162.66	2,495.36	2,994.44
Mawdesley	1,007.71	1,175.67	1,343.63	1,511.57	1,847.47	2,183.38	2,519.28	3,023.14
Rivington	1,006.47	1,174.23	1,341.97	1,509.71	1,845.19	2,180.70	2,516.18	3,019.42
Ulnes Walton	999.36	1,165.93	1,332.49	1,499.04	1,832.15	2,165.28	2,498.40	2,998.08
Wheelton	1,004.74	1,172.21	1,339.67	1,507.12	1,842.03	2,176.96	2,511.86	3,014.24
Whittle le Woods	1,011.08	1,179.61	1,348.12	1,516.63	1,853.65	2,190.69	2,527.71	3,033.26
Withnell	1,006.88	1,174.70	1,342.52	1,510.32	1,845.94	2,181.58	2,517.20	3,020.64
All other parts of the Council's area	1,003.66	1,170.95	1,338.23	1,505.50	1,840.05	2,174.62	2,509.16	3,011.00

5. That the Statutory Finance Officer and his officers be authorised to take any action necessary to ensure collection and recovery of the Council Tax and Non-Domestic Rates.

## EXPLANATION OF COUNCIL TAX SETTING RESOLUTION

### RESOLUTION 1

(a) Before we can calculate the Council Tax to be charged, we first have to calculate the Council Tax base. The Council Tax base is the amount which a Band D Council Tax of £1.00 would raise. For 2010/11 we estimate that a £1.00 Council Tax at Band D would raise £35,204.50 in the Chorley area.

(b) This shows the “base” figure for each Parish in the area. For example, a £1.00 Band D Council Tax in Adlington would raise £1,951.60.

### RESOLUTION 2

(a) This is the grand total of money which the Council estimates it will spend on all services in 2010/11. It also includes £595,034 which Parish Councils need to run their services.

(b) This is the grand total of money which the Council estimates it will receive from various sources in the year. This includes, for example, car park charges, investment income, government grants in respect of benefits, etc.

(c) This is the difference between 2(a) and 2(b) and is in effect the Council’s and Parishes net spending on services.

(d) This is the amount that the Government will contribute towards the cost of our services. Also included is extra Council Tax resulting from new properties and expected collection rates in previous years.

(e) The difference between 2(c) and 2(d) is £6,917,050 and this is the amount we need to charge Council Taxpayers. This is divided by the base (see 1(a) above) and the resulting figure of £196.48 is the average Band D Council Tax for all Borough and Parish services.

(f) The total of all the amounts needed from Council Taxpayers by the Parish Councils in the area and for Chorley Borough Special Expenses.

(g) This is the Band D Council Tax for Chorley Borough Council’s own services, ie excluding Parish Council spending and Special Expenses

(h) This table shows the Band D Council Tax for all parishes including the cost of the Parish Councils and Chorley Borough Council. For example, Adlington’s Band D Council Tax is £159.99 for Chorley Borough services and £8.97 for Adlington Town Council services and £4.76 for Chorley Borough Special Expenses.

(i) The rate for each property Band is calculated by reference to the Band D charge. The following ratios apply:

Band A	$\frac{6}{9}$ ths of Band D
Band B	$\frac{7}{9}$ ths of Band D
Band C	$\frac{8}{9}$ ths of Band D
Band D	$\frac{9}{9}$ ths of Band D
Band E	$\frac{11}{9}$ ths of Band D
Band F	$\frac{13}{9}$ ths of Band D
Band G	$\frac{15}{9}$ ths of Band D
Band H	$\frac{18}{9}$ ths of Band D

For Adlington Band A, for example, the charge is  $\pounds 173.72 \times \frac{6}{9} = \pounds 115.81$ ; for Band B it is  $\pounds 173.72 \times \frac{7}{9} = \pounds 135.12$ .

**RESOLUTION 3**

Lancashire County Council, Lancashire Fire Authority and Lancashire Police Authority are separate bodies who have worked out their own estimates of spending and income for 2007/08 and have set taxes in a similar way to Chorley Borough Council. This resolution notes their final decision.

**RESOLUTION 4**

This pulls together the Council Taxes for Lancashire County Council, Lancashire Fire Authority, Lancashire Police Authority, Chorley Borough Council and the Parish Councils. For example, the Band D for Adlington is  $\pounds 1,491.94$  made up as follows:

	£
Lancashire County Council (as in 3 above)	1,108.30
Lancashire Fire Authority (as in 3 above)	63.65
Lancashire Police Authority (as in 3 above)	146.27
Chorley Borough Council (as in 2(g) above)	159.99
Adlington Town Council	8.97
Special Expenses	4.76

**RESOLUTION 5**

Formally authorise the necessary staff to take legal action to collect arrears as and when this is necessary. **For the vast majority of taxpayers, this is not needed**



## Analysis of Budget Variations 2009/10 - 2012/13

	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000
<b>Cash Base Budget Requirement</b>	<b>14,817</b>	<b>15,016</b>	<b>14,287</b>	<b>14,925</b>
<b>Movements:</b>				
Inflation				
Pay	156	41	170	164
Pensions	162	68	195	204
Non-Pay	163	127	76	81
Contractual	70	25	82	250
Income	24	(43)	1	(28)
Increments	108	90	57	27
Revenue Effects of the Capital Programme				
Volume - Income	70	(174)	195	26
Volume - Expenditure	112	(6)	(26)	9
Investment				
Rebasing of Base Budget	163			
Savings Achieved for 2009/10	(254)			
Savings Proposals	(748)			
Directorate changes from Dec Draft	244			
<b>Contingency:</b>				
- Management of the Establishment	(70)	110	-	-
<b>Directorate &amp; Corporate Cash Budgets</b>	<b>15,016</b>	<b>15,254</b>	<b>15,038</b>	<b>15,656</b>
<b>Savings Achieved for 2010/11</b>				
Corporate Services Restructure		(220)		
Senior Management Restructure		(443)	(13)	
Contracts		(74)		
Other Savings		(10)		
Additional Budget Proposals		(220)	(100)	
<b>Directorate &amp; Corporate Cash Budgets</b>	<b>15,016</b>	<b>14,287</b>	<b>14,925</b>	<b>15,656</b>
<b>Net Financing Transactions:</b>				
- Net Interest/Premiums/Discounts	103	71	36	20
- MRP less Commutation Adjustment	358	464	446	469
<b>Total Expenditure</b>	<b>15,477</b>	<b>14,823</b>	<b>15,407</b>	<b>16,146</b>
<b>Financed by:</b>				
Council Tax - Borough	(6,305)	(6,322)	(6,354)	(6,385)
Parish Precepts	594	595	595	595
Council Tax Parishes	(594)	(595)	(595)	(595)
Aggregate External Finance	(8,358)	(8,487)	(8,487)	(8,487)
LAA Reward Grant	(150)	(150)	(150)	-
Area Based Grant	(23)	(29)	(29)	(29)
LABGI Grant	(150)	(75)	(75)	-
Collection Fund (Surplus)/Deficit	16	20	20	20
Use of General Balances	(273)	-	-	-
Use of General Balances (Concessionary Travel)	(234)			
<b>Total Financing</b>	<b>(15,477)</b>	<b>(15,043)</b>	<b>(15,074)</b>	<b>(14,881)</b>
<b>Net Expenditure</b>	<b>(0)</b>	<b>(220)</b>	<b>333</b>	<b>1,265</b>
Analysis of Net Expenditure (Surplus)				
<b>Net Expenditure in Year</b>	<b>(0)</b>	<b>(220)</b>	<b>553</b>	<b>932</b>

	2010/11	2011/12	2012/13
<b>Key Assumptions</b>	<b>%/£</b>	<b>%/£</b>	<b>%/£</b>
Pay Award	0.5%	1.5%	1.5%
Increase in Pension Contribution	1.0%	2.0%	2.0%
Increase in Grant Settlement	£129k	0	0
Increase in Council Tax	0%	0%	0%
Performance Reward Grant	£150k	£150k	0
Housing & Planning Delivery Grant	£127k	0	0

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Report of	Meeting	Date
The Labour Group	Council	2 March 2010

## ALTERNATIVE BUDGET 2010/11

### PURPOSE OF REPORT

1. The purpose of the report is to propose an alternative budget for consideration by the Council as suggested by the Labour Group.

### RECOMMENDATIONS

2. That the Council adopt the alternative budget option as set out in this report and approve the Alternative and Council Tax set out in the Resolutions at Appendix A and consisting of:
  - A reduction in the current levels of Council Tax of 1%.
  - Further savings from the Council's back office services at a senior management level and in the Communications and Policy units.
  - Savings from a number of sources none of which affect frontline services.
  - Savings from the lease car scheme and efficiency savings.
  - Investment to provide some free parking in the Town Centre.
  - Increase the provision for street cleansing.
  - Make provision for a gritting programme.
  - Extra investment in community safety in the form of revenue provision for alley gates and SPIDS.
  - Extra staff in neighbourhoods to respond to concerns about dumping and dog fouling.
  - Extra investment in activities for young people.
  - Increased provision to protect against nationally agreed pay increases.

### EXECUTIVE SUMMARY OF REPORT

3. The alternative budget sets out the Labour Group's suggestions for how the Council's resources could be better used to improve services to local residents at less cost. It differs from the Executive's draft budget proposal in a number of ways, but in particular it reduces the predicted budget gap for future years and it seeks to redirect spending to frontline services whilst reducing council tax bill for householders.
4. The Labour Group proposition is designed to protect individuals and business during the economic downturn by reducing the costs of running the Council.

**REASONS FOR RECOMMENDATIONS**  
**(If the recommendations are accepted)**

- 5. To ensure the Council’s budgetary targets are achieved.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

- 6. Maintaining or increasing current levels of Council Tax.

**CORPORATE PRIORITIES**

- 7. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region		Develop local solutions to climate change.	
Improving equality of opportunity and life chances		Develop the character and feel of Chorley as a good place to live	x
Involving people in their communities		Ensure Chorley Borough Council is a performing organisation	✓

**BACKGROUND**

- 8. The current administration has proposed maintaining the Council Tax at current levels but with no significant service improvements. In addition its budget papers shows accumulated net expenditure of over £1.5 million by 2012/13 and a in year budget gap of almost £900,000 in the same year.
- 9. This paper examines areas of difference and puts forward an alternative consideration by members of the Council. It also seeks to identify further savings that will help close that gap.

**DEBATE ON COUNCIL TAX LEVEL**

- 10. The administration’s proposals to retain Council Tax are noted by the Labour Group. However the Labour Group believe that given the extra funds made available by Central Government it is possible not only to reduce Council Tax but to improve the levels of service. After careful consideration we have rejected the advice of the executive member for resources that it would be irresponsible to reduce Council Tax. Provided sufficient costs can be removed without affecting front line services reduction is entirely practical. This strategy is designed to protect the most vulnerable in society and sends out a message to the public that Chorley Council recognises their difficulties and are listening to their concerns.

**ALTERNATIVE BUDGET**

- 11. Alternative budget details are set out in Appendix B. The Appendix shows that clear differences exist between the current administration budget and the Labour Group’s proposal. In our budget we are aiming to rectify the mistakes in the current budget proposal from the administration. Our budget is about responding to the concerns of residents and businesses in Chorley. In addition it proposes to spend more where it really matters, by providing the residents of Chorley a better and safer environment.

12. We believe that these changes are necessary and represent a better alternative by:
- A reduction in the current levels of Council Tax of 1%.
  - Investment to provide some free parking in the Town Centre.
  - Increase the provision for street cleansing.
  - Make provision for a gritting programme.
  - Extra investment in community safety in the form of revenue provision for alley gates and SPIDS.
  - Extra staff in neighbourhoods to respond to concerns about dumping and dog fouling.
  - Extra investment in activities for young people.
  - providing extra protection against a nationally agreed pay award.
13. In order to pay for this it is inevitable that further savings are required and we propose to do this by:
- Further savings from the Council's back office services at a senior management level and in the Communications and Policy units.
  - Savings from a number of sources none of which affect frontline services.
  - Savings from the lease car scheme and efficiency savings.
14. We believe that post the transfer of the Council's housing stock, the number of second tier posts should have been reduced from two to one not increased as the administration has done. Given too that the Council also no longer directly manages its leisure centres, its waste management function, its golf course and has minimal highway responsibility we cannot justify senior management costs above that typical for a District Council of our size. We would therefore retain one assistant chief executive officer on the same salary level as before the recent restructure and two group directors on lesser salaries instead of the three second tier officers at a saving of almost £63,000.
15. Whilst the Council has need of a communications department, the current costs are disproportionate. We would disestablish the posts of Head of Communications, events manager and branding manager and create a post of communications officer to work to the senior communications manager. This would save £111,019. In addition we would cease to publish and distribute the Smile magazine saving a further £21,000.
16. We believe that in order to further reduce costs our policy function should be smaller and work directly to and be managed by the Chief Executive. Accordingly we would remove the posts of Head of Policy and Performance and the Partnerships and Equality Manager saving £113,480. The Performance, Partnerships and Equality Manager provides support for the LSP. We would propose a LSP officer on a four year contract jointly funded by ourselves and our partners. Our contribution to this would be £20,000 per year and we would expect our partners between them to match fund. Our £20,000 would be sourced from LAA performance reward grant.
17. In addition in the current climate there can be no justification in spending resources on a refresh of the community strategy or the Idea peer review of the LSP. We would not do these and save £14,500.
18. The administration has not set any target for efficiency gains this year. We think this is a mistake. We believe further in year savings of at least £50,000 are entirely possible without impacting on services.
19. The authority spends £119,000 on travel and staff and members attending conferences. This is comprised of delegate fees, accommodation, subsistence costs and transport. Whilst these can provide valuable training and information we think it is entirely appropriate in the current climate to remove £20,000 from this budget head.

20. **Lease care allowances.** These were introduced as a recruitment and retention device. They enabled the Council to compete with salary levels elsewhere without the additional costs of pension and national insurance contributions. Now our salary levels are competitive. In fact the salaries at senior management level are more than competitive. There are now more than 80 staff in receipt of a lease car allowance at an annual cost of £325,000. The scheme must be reviewed and negotiation entered into with the trade unions. A saving of £120,000 next year is entirely possible with the potential for future savings of up to £200,000.
21. **Pay negotiations.** The employer's side have said they will freeze all pay this year. The trade union side have asked for 2.5% or £500 whichever is the greater. Given that other public sector workers have three year pay deals we think a freeze this year is unlikely. The administration has made a provision of £41,000 in its budget we think we should increase this to £65,000. Whilst we are not the negotiating body we think the Council should advise the employers side that any increase should be a flat rate payment to salary levels up to £20,000 tapering to zero at £30,000 and above.
22. **Concessionary Travel.** The administration has for the last two years calculated a deficit on concessionary travel. This is a national deficit calculated by assuming that prior to 2008 the extra government grant was balanced by the cost of the concessionary scheme when in fact the grant greatly exceeded costs. Over the past four years the Council has made a considerable surplus. We believe this is a deliberate attempt to discredit the scheme. If the administration seeks to deny this it must explain why in 2006 the annual uplift in grant to the Council was £1.1 million rather than the normal £100,000 to £250,000.  
  
In response to local government lobbying the government has provided an extra £426,000 to Chorley Borough Council for concessionary travel. That brings the total funding to almost £1.6 million against current running costs of £1.2 million. Paradoxically that puts the Council in a difficult position. When the running of the scheme is transferred to Lancashire County Council, the funds that have been provided will also be transferred. We can be confident that LCC will demand that. Chorley will lose funding of £1.6 million and costs of £1.2 million leaving a substantial budget gap. This is acknowledged in paragraph 24 on agenda page 73. Clearly there is a need to drive out further costs.
23. **Community Safety.** The council has supported the installation of alley gates for a number of years. The administration has provided £30,000 for this purpose in its capital programme but demand far exceeds what can be supplied on this funding. There are also issues of maintenance so we are suggesting additional funding of £40,000 in the revenue budget.
24. **SPIDS.** Speed indicating devices are proving excellent traffic calmers and are much in demand. £10,000 would provide 5 per year. There is also an issue about the deployment of these devices. Rather than rely completely on volunteers we believe there is a role for neighbourhood officers in this respect (see below).
25. **Neighbourhood working.** To improve the ability of the neighbourhood teams to respond to complaints about fly-tipping, dog fouling etc and also to assist with deployment of SPIDS.

**IMPLICATIONS OF REPORT**

26. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal		No significant implications in this area	

27. The comments are made purely as a matter of fact regarding the delivery of the financial aspects of the proposal and do not form a view about the policy objectives.
28. The alternative budget will save £238,000 over the financial planning period based upon applying the same assumptions.
29. The financial implications are summarised in the body of the report with the details attached at Appendix C.

**SECTION 25 REPORT**

30. The proposals allow for a further reduction in staffing costs of £287,259 and other recurrent savings of £225,500. In respect of the staffing saving these could be achieved through further restructurings and would likely incur some one off none recurrent cost in the shape of redundancies. However, these are immaterial in respect of the Council's budget and would likely be funded from working balances.
31. In respect of the other savings, £190,000 of the proposal represents a target which is wholly appropriate in terms of financial planning. That said the proposal to phase out be car leasing allowance would prove challenging in achieving the amount set out in the proposal for 2010/11. The reasons for this being that it represents a change to staffs terms and conditions which would take some time to change.
32. Given that £225,500 could be taken immediately and the budget is already balanced, the fact that £190k is a target for 2010/11 does not jeopardise the delivery of that balance budget. In addition the further savings outlined in the proposal reduce future years budget deficits.
33. For these reasons I am content that the proposals are reasonable and can be delivered in full or in part during 2010/11.

CLLR D EDGERLEY

LEADER OF THE OPPOSITION

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Cllr Edgerley		02/03/10	Alternative Budget 2010/11

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**FORMAL COUNCIL RESOLUTION*****Draft resolution on setting of 2010/11 Council Tax for the Borough to be passed in approving the Executive Cabinet's recommendations for the Council's Budget.***

1. That it be noted that acting under delegated powers the Director of Finance calculated the amount of 35,204.50 as its Council Tax Base for the year 2010/11 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33(5) of the Local Government Finance Act 1992.
- (a) 35,204.50 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) being the amounts calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate.

	<b><u>(b)Part of the Council's area</u></b>	<b>2010/11</b>
		<b>£</b>
<b>Parish of:</b>	Adlington	1,951.60
	Anderton	498.90
	Anglezarke	17.00
	Astley Village	1,092.00
	Bretherton	291.40
	Brindle	456.10
	Charnock Richard	677.20
	Clayton le Woods	4,692.30
	Coppull	2,343.30
	Croston	1,026.90
	Cuerden	39.50
	Eccleston	1,557.60
	Euxton	3,409.80
	Heapey	379.80
	Heath Charnock	794.20
	Heskin	345.90
	Hoghton	358.20
	Mawdesley	749.40
	Rivington	50.80
	Ulnes Walton	257.50
	Wheelton	393.60
	Whittle Woods	1,982.70
	Withnell	1,239.10
	All other parts of the Council's area	10,599.70
	<b>Total</b>	<b>35,204.50</b>

2. That the following amounts be now calculated by the Council for the year 2010/11 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:
- (a) £48,960,300 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) £33,612,820 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) £15,347,480 being the amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year;
- (d) £8,486,750 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, increased by the amount of the sums which the Council estimates will be transferred in the year from its collection fund to its general fund in accordance with Section 97(3) of the Local Government Finance Act 1988;
- (e) £194.88 being the amount at 2(c) above less the amount at 2(d) above, all divided by the amount at 1(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) £1,284,713 being the aggregated amount of all special items referred to in Section 34(1) of the Act;
- (g) £158.39 being the amount at 2(e) above less the result given by dividing the amount at 2(f) above by the amount at 1(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 items relates;

<b>(h)Part of the Council's area</b>		
		<b>£</b>
<b>Parish of:</b>	Adlington	172.12
	Anderton	169.42
	Anglezarke	158.39
	Astley Village	204.96
	Bretherton	189.70
	Brindle	177.55
	Charnock Richard	199.18
	Clayton le Woods	221.09
	Coppull	200.36
	Croston	188.78
	Cuerden	195.85
	Eccleston	190.95
	Euxton	209.56
	Heapey	200.10
	Heath Charnock	186.39
	Heskin	193.51
	Hoghton	177.40
	Mawdesley	191.75
	Rivington	189.89
	Ulnes Walton	179.22
	Wheelton	187.30
	Whittle le Woods	196.81
	Withnell	190.50
	All other parts of the Council's area	185.68

being the amounts given by adding to the amount at 2(g) above to the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(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 those parts of its area to which one or more special items relate;

(i) **Part of the Council's Area**

	<b>Valuation Bands</b>							
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
	£	£	£	£	£	£	£	£
<b>Parish of:</b>								
Adlington	114.75	133.87	153.00	172.12	210.37	248.62	286.87	344.24
Anderton	112.95	131.77	150.60	169.42	207.07	244.72	282.37	338.84
Anglezarke	105.59	123.19	140.79	158.39	193.59	228.79	263.98	316.78
Astley Village	136.64	159.41	182.19	204.96	250.51	296.05	341.60	409.92
Bretherton	126.47	147.54	168.62	189.70	231.86	274.01	316.17	379.40
Brindle	118.37	138.09	157.82	177.55	217.01	256.46	295.92	355.10
Charnock Richard	132.79	154.92	177.05	199.18	243.44	287.70	331.97	398.36
Clayton le Woods	147.39	171.96	196.52	221.09	270.22	319.35	368.48	442.18
Coppull	133.57	155.84	178.10	200.36	244.88	289.41	333.93	400.72
Croston	125.85	146.83	167.80	188.78	230.73	272.68	314.63	377.56
Cuerden	130.57	152.33	174.09	195.85	239.37	282.89	326.42	391.70
Eccleston	127.30	148.52	169.73	190.95	233.38	275.82	318.25	381.90
Euxton	139.71	162.99	186.28	209.56	256.13	302.70	349.27	419.12
Heapey	133.40	155.63	177.87	200.10	244.57	289.03	333.50	400.20
Heath Charnock	124.26	144.97	165.68	186.39	227.81	269.23	310.65	372.78
Heskin	129.01	150.51	172.01	193.51	236.51	279.51	322.52	387.02
Hoghton	118.27	137.98	157.69	177.40	216.82	256.24	295.67	354.80
Mawdesley	127.83	149.14	170.44	191.75	234.36	276.97	319.58	383.50
Rivington	126.59	147.69	168.79	189.89	232.09	274.29	316.48	379.78
Ulnes Walton	119.48	139.39	159.31	179.22	219.05	258.87	298.70	358.44
Wheelton	124.87	145.68	166.49	187.30	228.92	270.54	312.17	374.60
Whittle le Woods	131.21	153.07	174.94	196.81	240.55	284.28	328.02	393.62
Withnell	127.00	148.17	169.33	190.50	232.83	275.17	317.50	381.00
All other parts of the Council's area	123.79	144.42	165.05	185.68	226.94	268.20	309.47	371.36

being the amounts given by multiplying the amounts at 2(g) and 2(h) 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.

3. That it be noted that for the year 2010/11 the Lancashire County Council, Lancashire Police Authority, and the Lancashire Combined Fire Authority have stated 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 shown below:

	<b>Valuation Bands</b>							
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
	£	£	£	£	£	£	£	£
<b>Precepting authority</b>								
Lancashire County Council *	738.87	862.01	985.16	<b>1,108.30</b>	1,354.59	1,600.88	1,847.17	2,216.60
Lancashire Combined Fire Authority *	42.43	49.51	56.58	<b>63.65</b>	77.79	91.94	106.08	127.30
Lancashire Police Authority*	97.51	113.77	130.02	<b>146.27</b>	178.77	211.28	243.78	292.54

4. That, having calculated the aggregate in each case of the amounts at 2(i) and 3 above, 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 2010/11 for each of the categories of dwellings shown below:

(i) **Part of the Council's Area**

	<b>Valuation Bands</b>							
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
<b>Parish of:</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Adlington	993.56	1,159.16	1,324.76	1,490.34	1,821.52	2,152.72	2,483.90	2,980.68
Anderton	991.76	1,157.06	1,322.36	1,487.64	1,818.22	2,148.82	2,479.40	2,975.28
Anglezarke	984.40	1,148.48	1,312.55	1,476.61	1,804.74	2,132.89	2,461.01	2,953.22
Astley Village	1,015.45	1,184.70	1,353.95	1,523.18	1,861.66	2,200.15	2,538.63	3,046.36
Bretherton	1,005.28	1,172.83	1,340.38	1,507.92	1,843.01	2,178.11	2,513.20	3,015.84
Brindle	997.18	1,163.38	1,329.58	1,495.77	1,828.16	2,160.56	2,492.95	2,991.54
Charnock Richard	1,011.60	1,180.21	1,348.81	1,517.40	1,854.59	2,191.80	2,529.00	3,034.80
Clayton le Woods	1,026.20	1,197.25	1,368.28	1,539.31	1,881.37	2,223.45	2,565.51	3,078.62
Coppull	1,012.38	1,181.13	1,349.86	1,518.58	1,856.03	2,193.51	2,530.96	3,037.16
Croston	1,004.66	1,172.12	1,339.56	1,507.00	1,841.88	2,176.78	2,511.66	3,014.00
Cuerden	1,009.38	1,177.62	1,345.85	1,514.07	1,850.52	2,186.99	2,523.45	3,028.14
Eccleston	1,006.11	1,173.81	1,341.49	1,509.17	1,844.53	2,179.92	2,515.28	3,018.34
Euxton	1,018.52	1,188.28	1,358.04	1,527.78	1,867.28	2,206.80	2,546.30	3,055.56
Heapey	1,012.21	1,180.92	1,349.63	1,518.32	1,855.72	2,193.13	2,530.53	3,036.64
Heath Charnock	1,003.07	1,170.26	1,337.44	1,504.61	1,838.96	2,173.33	2,507.68	3,009.22
Heskin	1,007.82	1,175.80	1,343.77	1,511.73	1,847.66	2,183.61	2,519.55	3,023.46
Hoghton	997.08	1,163.27	1,329.45	1,495.62	1,827.97	2,160.34	2,492.70	2,991.24
Mawdesley	1,006.64	1,174.43	1,342.20	1,509.97	1,845.51	2,181.07	2,516.61	3,019.94
Rivington	1,005.40	1,172.98	1,340.55	1,508.11	1,843.24	2,178.39	2,513.51	3,016.22
Ulnes Walton	998.29	1,164.68	1,331.07	1,497.44	1,830.20	2,162.97	2,495.73	2,994.88
Wheelton	1,003.68	1,170.97	1,338.25	1,505.52	1,840.07	2,174.64	2,509.20	3,011.04
Whittle le Woods	1,010.02	1,178.36	1,346.70	1,515.03	1,851.70	2,188.38	2,525.05	3,030.06
Withnell	1,005.81	1,173.46	1,341.09	1,508.72	1,843.98	2,179.27	2,514.53	3,017.44
All other parts of the Council's area	1,002.60	1,169.71	1,336.81	1,503.90	1,838.09	2,172.30	2,506.50	3,007.80

5. That the Statutory Finance Officer and his officers be authorised to take any action necessary to ensure collection and recovery of the Council Tax and Non-Domestic Rates.

## EXPLANATION OF COUNCIL TAX SETTING RESOLUTION

### RESOLUTION 1

(a) Before we can calculate the Council Tax to be charged, we first have to calculate the Council Tax base. The Council Tax base is the amount which a Band D Council Tax of £1.00 would raise. For 2010/11 we estimate that a £1.00 Council Tax at Band D would raise £35,204.50 in the Chorley area.

(b) This shows the “base” figure for each Parish in the area. For example, a £1.00 Band D Council Tax in Adlington would raise £1,951.60.

### RESOLUTION 2

(a) This is the grand total of money which the Council estimates it will spend on all services in 2010/11. It also includes £595,034 which Parish Councils need to run their services.

(b) This is the grand total of money which the Council estimates it will receive from various sources in the year. This includes, for example, car park charges, investment income, government grants in respect of benefits, etc.

(c) This is the difference between 2(a) and 2(b) and is in effect the Council’s and Parishes net spending on services.

(d) This is the amount that the Government will contribute towards the cost of our services. Also included is extra Council Tax resulting from new properties and expected collection rates in previous years.

(e) The difference between 2(c) and 2(d) is £6,860,730 and this is the amount we need to charge Council Taxpayers. This is divided by the base (see 1(a) above) and the resulting figure of £194.88 is the average Band D Council Tax for all Borough and Parish services.

(f) The total of all the amounts needed from Council Taxpayers by the Parish Councils in the area and for Chorley Borough Special Expenses.

(g) This is the Band D Council Tax for Chorley Borough Council’s own services, ie excluding Parish Council spending and Special Expenses

(h) This table shows the Band D Council Tax for all parishes including the cost of the Parish Councils and Chorley Borough Council. For example, Adlington’s Band D Council Tax is £158.39 for Chorley Borough services and £8.97 for Adlington Town Council services and £4.76 for Chorley Borough Special Expenses.

(i) The rate for each property Band is calculated by reference to the Band D charge. The following ratios apply:

Band A	$\frac{6}{9}$ ths of Band D
Band B	$\frac{7}{9}$ ths of Band D
Band C	$\frac{8}{9}$ ths of Band D
Band D	$\frac{9}{9}$ ths of Band D
Band E	$\frac{11}{9}$ ths of Band D
Band F	$\frac{13}{9}$ ths of Band D
Band G	$\frac{15}{9}$ ths of Band D
Band H	$\frac{18}{9}$ ths of Band D

For Adlington Band A, for example, the charge is  $\pounds 172.12 \times \frac{6}{9} = \pounds 114.75$ ; for Band B it is  $\pounds 172.12 \times \frac{7}{9} = \pounds 133.87$ .

**RESOLUTION 3**

Lancashire County Council, Lancashire Fire Authority and Lancashire Police Authority are separate bodies who have worked out their own estimates of spending and income for 2010/11 and have set taxes in a similar way to Chorley Borough Council. This resolution notes their final decision.

**RESOLUTION 4**

This pulls together the Council Taxes for Lancashire County Council, Lancashire Fire Authority, Lancashire Police Authority, Chorley Borough Council and the Parish Councils. For example, the Band D for Adlington is  $\pounds 1,490.34$  made up as follows:

	£
Lancashire County Council (as in 3 above)	1,108.30
Lancashire Fire Authority (as in 3 above)	63.65
Lancashire Police Authority (as in 3 above)	146.27
Chorley Borough Council (as in 2(g) above)	158.39
Adlington Town Council	8.97
Special Expenses	4.76

**RESOLUTION 5**

Formally authorise the necessary staff to take legal action to collect arrears as and when this is necessary. **For the vast majority of taxpayers, this is not needed**







## Analysis of Budget Variations 2009/10 - 2012/13

	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000
<b>Cash Base Budget Requirement</b>	<b>14,817</b>	<b>15,016</b>	<b>14,398</b>	<b>15,085</b>
<b>Movements:</b>				
Inflation				
Pay	156	41	170	164
Pensions	162	68	195	204
Non-Pay	163	127	76	81
Contractual	70	25	82	250
Income	24	(43)	1	(28)
Increments	108	90	57	27
Revenue Effects of the Capital Programme				
Volume - Income	70	(174)	195	26
Volume - Expenditure	112	(6)	(26)	9
Investment				
Rebasing of Base Budget	163			
Base Budget Savings Achieved	(254)	(747)	(13)	-
Savings - Other				
Review of Fees & Charges				
Savings Proposals	(748)	-		
Directorate changes from Dec Draft	244			
Opposition Budget Savings		(513)		
Opposition Budget Spending		334		
Non-Recurrent Expenditure		70	(50)	
<b>Contingency:</b>				
- Management of the Establishment	(70)	110	-	-
<b>Directorate &amp; Corporate Cash Budgets</b>	<b>15,016</b>	<b>14,398</b>	<b>15,085</b>	<b>15,817</b>
<b>Net Financing Transactions:</b>				
- Net Interest/Premiums/Discounts	103	71	36	20
- MRP less Commutation Adjustment	358	464	446	469
<b>Total Expenditure</b>	<b>15,477</b>	<b>14,934</b>	<b>15,568</b>	<b>16,307</b>
<b>Financed by:</b>				
Council Tax - Borough	(6,305)	(6,266)	(6,297)	(6,329)
Parish Precepts	594	595	595	595
Council Tax Parishes	(594)	(595)	(595)	(595)
Aggregate External Finance	(8,358)	(8,487)	(8,487)	(8,487)
LAA Reward Grant	(150)	(150)	(110)	(20)
Area Based Grant	(23)	(29)	(29)	(29)
LABGI Grant	(150)	(145)	(5)	-
Collection Fund (Surplus)/Deficit	16	20	20	20
<b>(Use of)/Contribution to General Balances</b>	<b>(273)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Use of General Balances (Concessionary Travel)	(234)			
<b>Total Financing</b>	<b>(15,477)</b>	<b>(15,056)</b>	<b>(14,908)</b>	<b>(14,845)</b>
<b>Net Expenditure</b>	<b>(0)</b>	<b>(122)</b>	<b>660</b>	<b>1,462</b>
Analysis of Net Expenditure (Surplus)/Budget Gap				
Net Expenditure Brought Forward	-	(0)	(122)	660
Net Expenditure in Year	(0)	(122)	783	802
<b>Net Expenditure Carried Forward</b>	<b>(0)</b>	<b>(122)</b>	<b>660</b>	<b>1,462</b>

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