

**MINUTES OF SPECIAL COUNCIL**

**MEETING DATE Tuesday, 3 March 2015**

**MEMBERS PRESENT:** Councillor Roy Lees (Mayor), Councillor Marion Lowe (Deputy Mayor) and Councillors Eric Bell, Julia Berry, Alistair Bradley, Charlie Bromilow, Terry Brown, Henry Caunce, Jean Cronshaw, Matthew Crow, John Dalton, David Dickinson, Doreen Dickinson, Graham Dunn, Robert Finnamore, Christopher France, Gordon France, Margaret France, Anthony Gee, Danny Gee, Peter Goldsworthy, Mike Handley, Steve Holgate, Keith Iddon, Mark Jarnell, Kevin Joyce, Hasina Khan, Paul Leadbetter, Adrian Lowe, Matthew Lynch, June Molyneaux, Greg Morgan, Alistair Morwood, Mick Muncaster, Steve Murfitt, Beverley Murray, Pauline Phipps, Dave Rogerson, Joyce Snape, Kim Snape, Ralph Snape, Richard Toon, John Walker, Paul Walmsley, Alan Whittaker and Peter Wilson

**OFFICERS:** Gary Hall (Chief Executive), Lesley-Ann Fenton (Director of Customer and Advice Services), Jamie Carson (Director of Public Protection, Streetscene and Community), Chris Moister (Head of Governance) and Carol Russell (Democratic Services Manager)

**APOLOGIES:** Councillors Mark Perks

The Mayor welcomed Councillor David Dickinson following his recent recovery from an operation. He also referred to Councillor Mark Perks recent illness and, on behalf of all Members, would send their best wishes for his speedy recovery.

**15.C.217 Minutes of meeting Tuesday, 13 January 2015 of Council**

**RESOLVED - that the minutes of the last meeting held on 13 January 2015 be approved as a correct record for signature by the Mayor.**

**15.C.218 Declarations of Any Interests**

There were no declarations of interest received.

### **15.C.219 Mayoral Announcements**

The Mayor thanked those who had supported his Charity Ball in February which had raised over £5,000 towards his chosen charities. He also updated Members on other forthcoming fundraising events.

The Mayor invited Members to join him on Monday 9 March at 10.00am at Union St Offices for the hoisting of the flag to mark Commonwealth Day.

### **15.C.220 Public Questions**

There were no public questions.

### **15.C.221 General Fund Revenue and Capital Budget and Council Tax for 2015/16**

Councillor Peter Wilson, Executive Member for Resources, presented the Executive's budget proposals for 2015/16.

The proposed budget would enable the successful delivery of the Corporate Strategy based on the following priorities:

- Involving residents in improving their local area and equality of access for all.
- Clean safe and healthy communities
- An ambitious council that does more to meet the needs of residents and the local area; and
- A strong local economy

In summary, the budget proposals put forward by the Executive would:

- Freeze Council Tax for a third year in 2015/16.
- Address the previously forecasted budget deficit position for 2015/16 in advance of the year, delivering £0.708m worth of budget savings.
- Contains headroom of £0.095m in the budget for 2014/15 to fund recurring new budget growth investment.
- Does not contain cuts to front line services.
- Delivers Revenue and Capital New Investments totalling £5.020m.
- Brings the total committed to New Investments since 2013/14 to £9.163m.
- Is consistent with the Corporate Priorities and aims to bring income into the Council.
- Seeks to bridge the budget gap by generating additional income.
- Is consistent with the Medium Term Financial Strategy.
- Minimises the Council's borrowing commitment to fund the Capital Programme.

The following appendices were appended to the main report on the General Fund Revenue and Capital Budget and Council Tax for 2015/16, providing supporting information to the budget proposals:

**Appendix A1** Formal Council Tax Resolution 2015/16

**Appendix A2** Council's Pay Policy 2015/16

**Appendix A3** Fees and Charges Income 2015/16

**Appendix A4** Proposed Revised Market Rents wef 01/04/15

**Appendix B1** Capital Programme 2015/16 to 2017/18

**Appendix B2** Capital Programme 2015/16 to 2017/18 Financing

**Appendix B3** Developers' Contributions 2015/16 to 2017/18

**Appendix C** Budget Investment Package 2015/16

**Appendix C1** Budget Investment – Project Mandates

**Appendix D** Treasury Management Strategy and Prudential Indicators 2015/16 to 2017/18

**Appendix E** Statutory Financial Officer Report

**Appendix F** Medium Term Financial Strategy 2015/16 to 2017/18

**Appendix G** Significant Budget Movements 2014/15 to 2015/16

**Appendix H** Special Expenses /Parish Precepts (a revised Appendix H was circulated at the meeting)

**Appendix I** Budget Consultation 2015/16

**Appendix J** Assessing the Impact of 2015/16 Budget Proposals

**Appendix K** - Staffing Changes Consequent to the Budget Proposals and Corporate Plan, a confidential report, not for disclosure.

In presenting the report, Councillor Wilson referred to the Council's reasonably resilient financial position, despite cuts in resources nationally. This was due to the Council decision to purchase Market Walk Shopping Centre in November 2013 which had brought in an additional £1m in income. The Medium Term Financial Strategy detailed how the Council was planning to make efficiencies and savings and increase income in the three year up until 2017/18. Two key investments for the Council were the new Youth Zone and also the Extra Care Dementia Unit.

Councillor Paul Leadbetter then presented the Conservative Group's Alternative Budget report which included:

- eight new investment proposals totalling £311,000
- the removal of £209,000 of the Labour Group's revenue proposals
- the removal of £100,000 being set aside from the New Homes Bonus to meet the cost of a unitary status poll
- a reduction in capital investment proposals by £2.345m and this be used to reduce the cost of borrowing to the Council by £94,000 per annum.

In debating the proposals put forward under both the administration and the opposition budget proposals, Members of the Conservative Group raised concerns about the long term maintenance and redevelopment costs of Market Walk and whether there was a plan to resource such work when it was required; also whether Councils may in the future be asked to account differently for income received through the New Homes Bonus which was being used to fund a number of projects.

Members of the Labour Group challenged the opposition budget proposals for their deferral or removal of key projects.

#### **AMENDMENT**

**The Alternative Budget report was moved as an amendment by Councillor Paul Leadbetter and seconded by Councillor Kevin Joyce.**

This was put to the vote, recorded as follows:

**FOR:** Councillors E. Bell; H Caunce; J Dalton; David Dickinson; Doreen Dickinson; P Goldsworthy; K Iddon; K Joyce; P Leadbetter; G Morgan; M Muncaster; and J Walker.

**AGAINST:** J Berry; A Bradley; C Bromilow; T Brown; J Cronshaw; M Crow; G Dunn; R Fynamore; C France; G France; M France; A Gee; D Gee; M Handley; S Holgate; M Jarnell; H Khan; A Lowe; M Lowe; M Lynch; J Molyneaux; A Morwood; S Murfitt; B Murray; P Phipps; D Rogerson; J Snape; K Snape; R Snape; R Toon; P Walmsley; A Whittaker; P Wilson and R Lees.

**The vote was LOST**

#### **SUBSTANTIVE MOTION**

**Councillor Peter Wilson, Executive Member for Resources then proposed and Councillor Alistair Bradley, Executive Leader seconded the recommendations contained in the report on the General Fund Revenue and Capital Budget and Council Tax for 2015/16 at agenda item 5, and in Appendix K, the confidential report on Staffing Changes.**

This was put to the vote, recorded as follows:

**FOR:** J Berry; A Bradley; C Bromilow; T Brown; J Cronshaw; M Crow; G Dunn; R Fynamore; C France; G France; M France; A Gee; D Gee; M Handley; S Holgate; M Jarnell; H Khan; A Lowe; M Lowe; M Lynch; J Molyneaux; A Morwood; S Murfitt; B Murray; P Phipps; D Rogerson; J Snape; K Snape; R Snape; R Toon; P Walmsley; A Whittaker; P Wilson and R Lees.

**AGAINST:** Councillors E. Bell; H Caunce; J Dalton; David Dickinson; Doreen Dickinson; P Goldsworthy; K Iddon; K Joyce; P Leadbetter; G Morgan; M Muncaster; and J Walker.

**The vote was CARRIED and it was RESOLVED -**

**That the budget and proposals set out in this report be approved as follows, including:**

- 1. The Council's Pay Policy (at Appendix A2) and publication on the Council's website from April.**
- 2. Maintain the fees and charges in Appendix A3 at current 2014/15 prices (other than those itemised in Appendix A4).**
- 3. Approve the proposed changes to Market Rents as in the report and in Appendix A4.**
- 4. Approve the four new growth budget items.**
- 5. Approve the Capital Programme to 2017/18 (Appendices B1, B2, and B3).**
- 6. Approve the Budget Investment Package Report (Appendices C and C1).**
- 7. Approve the Treasury Management Strategy and its core principles set out in Appendix D.**

- 8. Note the advice of the Statutory Finance Officer in relation to the robustness of the budget and the risks contained in the budget set out in the Statutory Report at Appendix E.**
- 9. Approve the Council's Medium Term Financial Strategy (at Appendices F and F1).**
- 10. Note the Significant Budget Movements from the 2014/15 Budget (at Appendices G and G1).**
- 11. Note Special Expenses and Parish Precepts (at Appendix H).**
- 12. Note the Budget Consultation 2015/16 report (at Appendix I).**
- 13. Note the Assessing the Impact of Budget Proposals 2015/16 report (at Appendix J).**
- 14. Approve the restructure and proposed staffing changes set out in the confidential report (at Appendix K) for consultation, and that following consultation the final decision on the staffing changes be delegated to the Executive Member for Resources, subject to there being no fundamental changes to the proposition.**
- 15. The Council Tax set out in Appendix A1 be approved as follows.**

1. It be noted that on 13 January 2015 the Chief Executive as Statutory Finance Officer calculated the Council Tax Base 2015/16:

- (a) for the whole Council area as 34,504.22 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; and
- (b) for dwellings in those parts of its area to which a Parish precept relates (as in the attached Table 2).

2. Calculate that the Council Tax requirement for the Council's own purposes for 2015/16 (excluding Parish precepts) is £6,121,390.

3. That the following amounts be calculated for the year 2015/16 in accordance with Sections 31 to 36 of the Act:

- (a) £61,196,190 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
- (b) £54,541,840 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £6,654,350 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
- (d) £192.86 being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £1,189,230 being the aggregate amount of all special items (Special Expenses and Parish precepts) referred to in Section 34(1) of the Act (as in the attached Table 1).

- (f) £158.39 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (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 Parish precept relates.
4. To note that the County Council, the Police Authority and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2015/16 for each part of its area and for each of the categories of dwellings.

### VALUATION BANDS

#### CHORLEY BOROUGH COUNCIL

A	B	C	D	E	F	G	H
105.59	123.19	140.79	<b>158.39</b>	193.59	228.79	263.99	316.78

#### LANCASHIRE COUNTY COUNCIL

A	B	C	D	E	F	G	H
753.19	878.72	1,004.25	<b>1,129.78</b>	1,380.84	1,631.90	1,882.97	2,259.56

#### POLICE & CRIME COMMISSIONER FOR LANCASHIRE

A	B	C	D	E	F	G	H
106.04	123.71	141.39	<b>159.06</b>	194.41	229.75	265.10	318.12

#### LANCASHIRE COMBINED FIRE AUTHORITY

A	B	C	D	E	F	G	H
43.24	50.45	57.65	<b>64.86</b>	79.27	93.69	108.10	129.72

#### AGGREGATE OF COUNCIL TAX REQUIREMENTS

A	B	C	D	E	F	G	H
1,008.06	1,176.07	1,344.08	<b>1,512.09</b>	1,848.11	2,184.13	2,520.16	3,024.18

6. 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.
7. As there is no increase in the Council's basic amount of Council Tax for 2015/16 and is therefore below the allowable increase of 2.0%, it is considered not

excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

## 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 2015/16 we estimate that a £1.00 Council Tax at Band D would raise £34,504.22 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 £1,859.00.

### RESOLUTION 2

This shows the Council's net spending for 2015/16 excluding the cost of Parish precepts.

### RESOLUTION 3

(a) This is the grand total of money which the Council estimates it will spend on all services in 2015/16. It also includes £571,258 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 Central Government and business rates, 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) The difference between 2(a) and 2(b) is £6,654,350 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 £192.86 is the average Band D Council Tax for all Borough and Parish services.

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

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

### RESOLUTION 4

Lancashire County Council, Lancashire Fire Authority and the Police & Crime Commissioner for Lancashire are separate bodies who have worked out their own estimates of spending and income for 2015/16 and have set taxes in a similar way to Chorley Borough Council. This resolution notes their final decision.

## RESOLUTION 5

This pulls together the Council Taxes for Chorley Borough Council, Lancashire County Council, the Police & Crime Commissioner for Lancashire and Lancashire Fire Authority. For example, the aggregate amount for Band D is £1,512.09 made up as follows:

	£
Chorley Borough Council	158.39
Lancashire County Council	1,129.78
Lancashire Police Authority	159.06
Lancashire Fire Authority	64.86

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

Band A	6/9 ths of Band D
Band B	7/9 ths of Band D
Band C	8/9 ths of Band D
Band D	9/9 ths of Band D
Band E	11/9 ths of Band D
Band F	13/9 ths of Band D
Band G	15/9 ths of Band D
Band H	18/9 ths of Band D

The aggregate charge for Band A, for example, the charge is  $£1,512.09 \times 6 \div 9 = £1,008.06$ ; for Band B it is  $£1,512.09 \times 7 \div 9 = £1,176.07$ .

## RESOLUTION 6

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**

Mayor

Date