

**MINUTES OF COUNCIL**

**MEETING DATE** Tuesday, 26 February 2019

**MEMBERS PRESENT:** Councillor Margaret Lees (Mayor), Councillor Greg Morgan (Deputy Mayor) and Councillors Aaron Beaver, Eric Bell, Martin Boardman, Alistair Bradley, Terry Brown, John Dalton, Doreen Dickinson, Graham Dunn, Christopher France, Gordon France, Margaret France, Anthony Gee, Danny Gee, Keith Iddon, Yvonne Hargreaves, Steve Holgate, Hasina Khan, Zara Khan, Roy Lees, Sheila Long, Adrian Lowe, Marion Lowe, Matthew Lynch, June Molyneaux, Alistair Morwood, Steve Murfitt, Beverley Murray, Debra Platt, Gillian Sharples, Joyce Snape, Kim Snape, Ralph Snape, John Walker, Paul Walmsley, Neville Whitham, Alan Whittaker and Peter Wilson

**OFFICERS:** Gary Hall (Chief Executive), Chris Sinnott (Director (Early Intervention and Support)), Asim Khan (Director (Customer and Digital)), Rebecca Huddleston (Director (Policy and Governance)), Chris Moister (Head of Legal, Democratic & HR Services) and Ruth Rimmington (Democratic and Member Services Team Leader)

**APOLOGIES:** Councillors Henry Counce, Paul Clark, Jean Cronshaw, Alan Cullens, Jane Fitzsimons, Tom Gray, Paul Leadbetter and Mark Perks

Five members of the public

**19.C.13 Minutes of meeting Tuesday, 22 January 2019 of Council**

**Decision: That the minutes of the Council meeting held on 22 January 2019 be approved as a correct record for signature by the Mayor.**

**19.C.14 Declarations of Any Interests**

Councillor Eric Bell declared a pecuniary interest in item 5: 2019/20 Draft Budget and Summary Budget position over the Medium Term.

**19.C.15 Mayoral Announcements**

The Mayor thanked all those who had supported her Charity Ball and advised that she will be undertaking her sponsored microlight flight the following day.

Councillor Danny Gee thanked all those who have supported his sponsored dry January and advised that Councillor Gillian Sharples has continued her sponsored dry months.

### **19.C.16 Public Questions**

There were no public questions for consideration.

### **19.C.17 2019/20 Draft Budget and Summary Budget position over the Medium Term**

The Mayor explained that this item and item 6. Fees and Charges Review 2019/20 will be considered at the same time.

Councillor Peter Wilson, Executive Member (Resources) presented the Executive's 2019/20 Draft Budget and Summary Budget position over the Medium Term and item 6. Fees and Charges Review 2019/20.

Councillor Wilson thanked the officers and the Labour Group for their hard work and input into the proposed budget. Chorley Council has experienced and may continue to experience in the coming three years, large reductions in its major funding sources, particularly the Revenue Support Grant, New Homes Bonus and from Lancashire County Council.

The uncertainty surrounding the future of local government finance, New Homes Bonus and Business Rate Retention are important considerations and reasonable assumptions must be made in planning for the future. Despite the budget savings there remain large forecast budget deficits of £1.196m in 2020/21 and £1.672m in 2021/22. To achieve a sufficient reduction in net expenditure the Council's strategy will be:

1. To make the Council more financially self-sufficient with specific emphasis on creating investment that generates income. This includes identifying future uncommitted resources to support income generating schemes.
2. To realise savings through the procurement of its contracts
3. To identify the efficiencies through investment in infrastructure, ICT and through exploring alternative delivery models that will enable the Council to balance the budget whilst seeking to minimise the impact on front line service users

Councillor Wilson referred to the achievements of the Council in recent years and noted that the Council has maintained effective budgetary planning and delivered efficiency savings of £1.484m for 2019/20. This figure also includes additional income the Council has raised through sources other than Council Tax.

In addition to a balanced budget, there are proposals for investment to support the Corporate Strategy, including the creation of employment opportunities, the development of a Housing Company and improvements to Astley Hall through the Capital Programme.

In summary, the report set out proposals that will:

- Mitigate the expected future reduction in Central Government funding by increasing Council Tax by 2.99% in 2019/20 and including a forecast 2.00% increase in 2020/21 and a forecast 2% increase in 2021/22 as part of the medium term budget strategy.

- Deliver budget efficiency savings and increased income of £1.484m in 2019/20 onwards
- Continue to deliver ongoing investment in strategic priorities of approximately £1m
- Seek to bridge the forecasted budget gap, in particular through investing in projects that generate net income streams as well as the procurement of its contracts and through investment in its services, assets and staff enabling the council to deliver services more efficiently.
- Set aside £300k to mitigate the impact that the UK leaving the EU could have on local businesses and Corporate Priorities.
- Is consistent with the Council's Corporate Strategy and Medium Term Financial Strategy.
- Minimise the revenue impact of the council's borrowing commitment to fund the capital programme.

The proposed budget builds on the success of previous years, ensures the resilience of the Council's financial position and continues the provision of quality services.

Councillor Wilson updated Members on an item referenced within Appendix H: Capital Strategy in relation to a plot of land, with planning permission for a replacement GP Practice in Whittle. The land owned by St John's Church has been for sale on the open market, to ensure compliance with Charity Commission Rules to ensure the Church receives best value. When the agenda was published the offer had not been accepted, but following the bid and a subsequent clarification meeting the following heads of terms have been reached:

	£520,000	Land value
	£35,000	Other costs/fees and disbursements
	£15,000	Stamp duty and land tax
Total	£570,000	

Councillor Wilson proposed the addition of the development of a GP Surgery at Whittle to the Capital Programme. The scheme is currently included in the CIL 123 list and the allocation of the funding is an executive function.

Councillor Alistair Bradley, Executive Leader, highlighted the positive work undertaken with public sector partners within Chorley and that the investment undertaken has resulted in safer and healthier residents. The delivery of key corporate strategy projects, including the Youth Zone and Market Walk extension were examples of what the Council has achieved, and the proposed budgets looks forward with ambition to do the best for Chorley residents.

Before moving to the vote, the Mayor asked the Conservative Group to present their Statement of Opposition.

### **19.C.18 Statement of Opposition**

Councillor Martin Boardman, Deputy Leader of the Opposition, presented the statement of opposition, which follows on from the alternative corporate strategy which was presented to Policy Council and sets out the plan of the Conservative Group to create a borough where people can start well, live well and age well. The statement is to be noted.

The purpose of the Opposition is to hold the Administration to account and the Opposition are not presenting a budget as the intention is to scrutinise the budget proposed by the Administration.

The budget statement proposes a 1.50% increase in Council Tax in 2019/20, in 2020/21 and in 2021/22. It is not felt that any higher increase in Council tax is necessary as year on year there is overspend which is carried over.

The budget statement proposes £1.460m efficiency savings and £249,000 additional income in 2019/20 and more year on year. The budget statement also proposes £1.65m in 2019/20 to invest in the Oppositions' priority areas and projects, which includes allocating £300,000 to investigate the feasibility of developing a high-quality sports village in the borough and town centre residential accommodation for students, young professionals and young families.

A further £300,000 is proposed to be invested in a borough wide, partnerships grant fund which the Opposition believe will support more organisations, charities and voluntary groups for the wider benefit our communities. £850,000 will be allocated to a rural investment fund, to provide a focus on improving infrastructure, communications, community links and supporting small businesses in rural communities.

As the building work to extend the Market Walk Shopping centre is well under way, the Opposition budget statement is to keep funding this development despite the uncertainties nationally within the retail sector. However, the income levels included in the proposal for 2019/20 and 2020/21 are much lower than the administrations' and are felt to be more realistic.

Councillor Peter Wilson, Executive Member (Resources), expressed his view that it is the duty of the Opposition to present proposals and for these to be voted on. Due to the future uncertainties in local government finance it is expected that the Government will look at what Councils can raise themselves. This means a risk that Council's will be expected to raise Council Tax by 2.99% and the gap may not be funded by the Government. Chorley has one of the lowest Council Tax in Lancashire. Not all projects allocated a budget are realised, any underspend builds the capacity for the Council to reinvest.

In debating the proposals put forward by the opposition, Members raised issues around the Market Walk extension, the proposed staff savings, the proposed officer to tackle rural broadband and the proposed sixth form education provision.

**Decision: That the Statement of Opposition be noted.**

Members debated the 2019/20 draft budget and summary Budget position over the Medium Term and the Fees and Charges Review 2019/20.

In debating the proposals Councillor Martin Boardman, Deputy Leader of the Opposition raised issues around budget pressures and funding cuts, the response rate to the budget consultation and the figures for CIL and overage.

Councillor John Dalton queried the cost of planning appeals in the previous year. This figure will be provided following the meeting.

Members highlighted the need to protect vulnerable people impacted by the budget cuts of other organisations, frustrations around the time taken to resolve Brexit, the cost to run Community Centres, the plans for future borrowing and the Chorley Flower Show.

Councillor Eric Bell declared a pecuniary interest in this item and did not participate in the vote.

## **MOTION**

The motion, as indicated in Agenda Item 5 and 6, with the additional recommendation to add the development of a GP Surgery at Whittle to the Capital Programme with a sum of £570,000 to be included within the Capital Programme was proposed by Councillor Peter Wilson, Executive Member (Resources) and seconded by Councillor Alistair Bradley, Executive Leader was then put to the vote.

In line with the legal requirement for all budget decisions to be recorded, this proposal was put to the vote and recorded as follows:

**FOR** Councillors A Beaver, A Bradley, T Brown, G Dunn, C France, G France, M France, A Gee, D Gee, Y Hargreaves, S Holgate, H Khan, Z Khan, R Lees, A Lowe, M Lowe, M Lynch, J Molyneaux, A Morwood, S Murfitt, B Murray, G Sharples, J Snape, K Snape, R Snape, P Walmsley, N Whitham, A Whittaker, P Wilson and The Mayor, M Lees.

**ABSTAIN** Councillors M Boardman, J Dalton, D Dickinson, K Iddon, S Long, G Morgan, M Perks, D Platt and J Walker.

The vote was **CARRIED** and it was therefore a **DECISION** to

- 1 a) Approve the budget and proposals set out in this report including:  
Council Tax set out in the resolutions (at Appendix A)**
- b) Note Special Expenses and Parish Precepts (at Appendix B)**
- c) Approve the Council's Medium Term Financial Strategy (MTFS) (Appendix C)**
- d) Note the Council's cumulative budget deficit and budget strategy 2019-20 to 2021-22 (Appendix D)**
- e) Note significant budget movements from the 2018/19 Budget (at Appendix E)**
- f) Note the general fund forecast assumptions (at Appendix F)**
- g) Approve the capital programme for 2019/20 and note the indicative programme to 2021/22 (Appendices G1, G2 & G3)**
- h) Approve the Capital Strategy (Appendix H)**
- i) Approve the Treasury Management Strategy (Appendix I) and note the advice of the treasury management consultants (Appendix I1)**
- j) Approve the Council's Pay Policy (at Appendix J) and publication on the Council's website from April 2019**
- k) Note the advice of the Statutory Finance Officer in relation to the robustness of the budget and the risks contained within it as set out in the Statutory Report (Appendix K).**
- l) Note the Budget Consultation 2019/20 Report (at Appendix L)**
- m) Note the Assessing the Impact of Budget Proposals 2018/19 Report (at Appendix M)**

**2. To approve:**

**a. Amendments to the Council's current fees and charges to be implemented as at 1st April 2019**

**b. Increases in the Council's 2019/20 income budgets**

**3. To note the full list of fees and charges given in Appendix 1 of this report.**

**4. To add the development of a GP Surgery at Whittle to the Capital Programme with a sum of £570,000.**

1. It be noted that on 14 January 2019 the Chief Executive as Statutory Finance Officer calculated the Council Tax Base 2019/20

(a) for the whole Council area as 37,134.39 [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 2019/20 (excluding Parish precepts) is £7,127,735

3. That the following amounts be calculated for the year 2019/20 in accordance with Sections 31 to 36 of the Act:

(a) £59,342,300 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) £51,528,960 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

(c) £7,813,340 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) £210.40 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) £1,449,459 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) £171.37 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 2019/20 for each part of its area and for each of the categories of dwellings.

<b>VALUATION BANDS</b>
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**CHORLEY BOROUGH COUNCIL**

A	B	C	D	E	F	G	H
114.25	133.29	152.33	<b>171.37</b>	209.45	247.53	285.62	342.74

**LANCASHIRE COUNTY COUNCIL**

A	B	C	D	E	F	G	H
897.73	1,047.35	1,196.97	<b>1,346.59</b>	1,645.83	1,945.07	2,244.32	2,693.18

**POLICE & CRIME COMMISSIONER FOR LANCASHIRE**

A	B	C	D	E	F	G	H
134.30	156.68	179.07	<b>201.45</b>	246.22	290.98	335.75	402.90

**LANCASHIRE COMBINED FIRE AUTHORITY**

A	B	C	D	E	F	G	H
46.32	54.04	61.76	<b>69.48</b>	84.92	100.36	115.80	138.96

**AGGREGATE OF COUNCIL TAX REQUIREMENTS**

A	B	C	D	E	F	G	H
1,192.60	1,391.36	1,590.13	<b>1,788.89</b>	2,186.42	2,583.94	2,981.49	3,577.78

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 the Council's basic amount of Council Tax for 2019/20 has increased by 2.99% and is in line with the permitted increase for 2019/20, 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 2019/20 we estimate that a £1.00 Council Tax at Band D would raise £37,134.39 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 £2,021.54.

### RESOLUTION 2

This shows the Council's net spending for 2019/20 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 2019/20. It also includes £723,901 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 £7,813,340 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 £210.40 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 2019/20 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 £1,788.89 made up as follows:

	£
Chorley Borough Council	171.37
Lancashire County Council	1,346.59
Lancashire Police Authority	201.45
Lancashire Fire Authority	69.48

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

The aggregate charge for Band A, for example, the charge is  $\text{£}1,788.89 \times \frac{6}{9} = \text{£}1,192.60$ ; for Band B it is  $\text{£}1,788.89 \times \frac{7}{9} = \text{£}1,391.36$ .

## 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***

### 19.C.19 Council appointments

Councillor Alistair Bradley, the Executive Leader, proposed, Councillor Peter Wilson, the Deputy Leader, seconded the **Decision to appoint Councillor Margaret France to be the Council's representative on the Lancashire Air Quality Champions Network.**

### 19.C.20 Exclusion of the Public and Press

The Executive Leader, Councillor Alistair Bradley, proposed and the Deputy Leader, Councillor Peter Wilson, seconded the **Decision – that the press and public be excluded for the remaining item of business due to the disclosure of exempt information under Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act.**

## **19.C.21 Senior Management Restructure and consequential changes to staffing structures**

Gary Hall, Chief Executive, presented his report which sets out a review of the current management structures and proposals for approval changes needed to best serve the council's priorities and business model.

Members discussed the proposals and noted that one of the proposals is to separate the Head of Paid Service role and the Statutory Finance Officer role, the new structure will assist in the delivery of the Corporate Strategy. The slow progress on Shared Services was noted.

The proposals will have two weeks informal consultation, followed by four weeks formal consultation. Gary Hall invited all Members to contact him if there are any queries following the meeting.

Councillor Alistair Bradley, the Executive Leader, proposed, Councillor Peter Wilson, the Deputy Leader, seconded the **Decision:**

- 1. To approve the proposed structures and other changes for consultation.**
- 2. To delegate authority to the Executive Leader, in consultation with other Executive Members, to approve the final decision subject to there being no material changes.**

Mayor

Date