

Report of	Meeting	Date
The Conservative Group	Council	25/02/20

ALTERNATIVE BUDGET 2020/21

PURPOSE OF REPORT

1. To propose an alternative budget for consideration by the council, as proposed by the Conservative Group.

RECOMMENDATION(S)

2. That the council adopt the alternative budget as set out in this report.

EXECUTIVE SUMMARY OF REPORT

3. This report sets out the Conservative Group's alternative budget. It follows on from the alternative corporate strategy which was presented to Policy Council on 19 November 2019 and sets out our plan putting the wellbeing of residents and businesses at the heart of everything it does, while providing high quality services at a cost the people of Chorley can afford.
4. Our budget invests up to £1.4m per year delivering more support for vulnerable and elderly residents, grant support for local businesses and sports clubs as well increased and more focussed support for its young residents. Our budget will improve our environment and reduce the annual charge to residents for their garden waste collection.
5. Several of our proposals involve partnering with local providers and businesses to reduce our overheads and to benefit from their specialist knowledge and expertise.
6. To fund this investment our budget delivers financial savings and increased income of £1.2m and £2.2m in 2021/22 and 2022/23 respectively. All this can be delivered without the need to increase Chorley Council's council tax charge.
7. Our proposals aim to invest to benefit young and older residents, creating jobs and improving skills for those across the borough. Our budget makes many small changes, rather than risky large-scale investments. It is these small changes that will result in a significant impact to each and every one of us.

Confidential report Please bold as appropriate	Yes	No
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CORPORATE PRIORITIES

8. This report relates to the following Strategic Objectives:

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

BACKGROUND

9. This paper puts forward an alternative budget, for consideration by members of the council, which continues to deliver high quality services to the very best of our ability and targeting investment in priority areas whilst generating significant savings and achieving a balanced budget.

ALTERNATIVE BUDGET PRIORITIES

10. Our vision for Chorley will deliver a borough that works for residents and their families. We believe that there is so much potential in the borough and that we can work better across our teams and with our partners to make many small changes that can have significant impacts across our five themes:

- THE ENVIRONMENT
- ECONOMY & EDUCATION
- COMMUNITY SAFETY
- HOUSING
- HEALTH

11. Our proposals include revenue investment totalling up £1.4m per year. The proposal includes savings and additional income of up to £2.2m per year to ensure the budget is balanced without the need to increase Chorley Council's council tax charge.

Table 1: The Alternative Budget

	20/21 £000	21/22 £000	22/23 £000
Budget Deficit / (Available Resources)	(140)	947	1,937

Efficiency Savings

Additional staff savings to be achieved	0	(250)	(1,000)
Saving on all supplies and services	0	(100)	(200)
Leisure Contract Savings	0	(454)	(454)
Total Efficiency Savings	0	(804)	(1,654)

Income Generation

Changes to Fees and Charges	(7)	(20)	(30)
Changes to Parking Charges	0	(200)	(200)
Investment Sites	0	(200)	(200)
Town Centre Living and Housing Development	0	0	(100)
Total Income Generation	(7)	(420)	(530)

Changes to Investment Items Currently in the Administration's Budget (see Table 2)	(238)	(238)	(238)
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Resources Available for Investment	(385)	(515)	(485)
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New Investment Items

Opposition Group Alternative Corporate Strategy	385	515	485
Programme of Investment 2018/19	385	515	485

Budget Gap	0	0	0
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RECURRENT INVESTMENTS INCLUDED IN THE BASE BUDGET

12. We have reviewed the administrations recurrent investment items and propose to make some changes by reducing the budget provision for some areas of work, such as the delivery of events that can be delivered at a lower cost through increased income and sponsorship. We will also remove budgets such as Neighbourhood Preferred Projects budget that can be delivered through previous year's unspent budgets and remove the budget to run the bus station. Some budgets will be delivered through the alternative investment items, this includes the £60k crime reduction and social disorder prevention fund and the support for the 16/17 drop in centre.
13. This frees up £238k which we propose to invest in a different way to support the delivery of our priority areas. Table 2 below summarises the changes to the administration's budget.

Table 2: Changes to the Current Investment Items Included in the Administration's Budget

Recurrent Investment Items	Proposed Budget	20/21	21/22	22/23
Crime Reduction & Social Disorder Prevention Fund	60			
Enhanced Street Cleansing	50	50	50	50
Chorley Council Events Programme	125	75	75	75
Neighbourhood Preferred Projects	50			
Digital Inclusion Officer	20	20	20	20
Chorley Works	39	39	39	39
Employee Health Scheme	20	20	20	20
Enhanced Enforcement Team	45	45	45	45
Enhanced Homelessness Service	50	50	50	50
Refresh of the Local Plan	100	100	100	100
Subsidise Local Bus Routes	70	70	70	70
Operate Chorley Bus Station	100			
Annual contribution to Chorley Youth Zone	113	150	150	150
Community development and volunteering (SPICE)	30	30	30	30
VCFS Network	15	15	15	15
Support to Food Provision Schemes	15	15	15	15
16/17 Young Person's Drop In Centre	15			
In Bloom	20	20	20	20
Supporting Communities to Access Grant Funding	5	5	5	5
Accommodation Finding Service	30	30	30	30
Core Funding Grants - re-commissioned in 2020/21	133	133	133	133
	1,104	866	866	866

INVESTING IN OUR PRIORITY AREAS

14. In November 2019 we presented our alternative strategy which set out five key themes and three core values that underpinned our vision for Chorley. Under each theme were several actions and projects which formed our plan. The section below provides a summary of our five priority themes and some of the projects which form part of our alternative budget proposals.

Environment

15. The high-quality environment of our borough plays a pivotal role in the wellbeing of our residents. Our focus remains on protecting the very special environment of the borough whilst supporting growth through careful planning, providing the right type of homes, for the right people in the areas where they wish to live and work.
16. In partnership with our Central Lancashire colleagues in Preston and South Ribble we will take the first steps to understand and to tackle the main causes of air pollution in our area, and in line with Governments ambitions we will commence work to generate our own Clean Air Strategy.
17. Our budget includes provision for a **Climate Change Officer** who will lead the transformation of the council's business practices and future investments to protect the borough's environment. This role will engage with residents and businesses to raise awareness and deliver changes that will improve air quality throughout the borough. In addition, to increase the uptake of the subscription to **Garden Waste** collection and create an immediate improvement to the council's carbon footprint, we will reduce the annual charge for collection from £30 to £25.

Economy and Education

18. The borough economy and education will always be hugely influenced by our proximity to our neighbouring towns and cities and the challenges our high streets and businesses face. As the economy changes, new jobs will be created and new skills required. We will review businesses across the borough and engage with SMEs to understand their needs in terms of the support we can provide. Our budget will invest up to £100k per year to deliver tailored **support for businesses** providing opportunities for growth in our towns and rural economies.
19. We have longed called for this council to take seriously the provision of skills and training to our school leavers, the skills they require to see them through the next phase of their education. We do not have any further or higher education establishments in the borough to support this.
20. Our budget will invest up to £20k per year to work with partners, including existing training providers, colleges, universities and local businesses, to establish a **Skills Hub** in Chorley. The Skills Hub will bring together a range of providers who offer young people living in the borough the training and careers advice they require without the need to travel to neighbouring boroughs.

Community Safety

21. Rural crime in Lancashire cost £1.6m last year, a rise of 6% from 2017 to 2018, and continues to rise as criminal gangs target the most vulnerable in our Borough. We promise to work closely with our rural policing teams in Lancashire to help prevent crime and the fear of crime and establish key officer roles to liaise regularly with rural policing teams to identify any hotspots.

22. Our budget will develop a scheme to **support vulnerable and elderly residents** across the borough. We will invest £80k per year to ensure that the council protects and safeguards the most elderly and vulnerable residents in the borough. Building on the model of social prescribing link workers, two new roles will be established to work proactively in target areas (such as areas with high elderly populations and sheltered housing schemes) to understand the needs of individuals and support them in finding the right services in the right time.
23. We will also work with our partners and communities to target youth crime with a full programme of diversionary activities developed in collaboration with our young residents. To support this, our budget will increase the contribution to the **Chorley Youth Zone** to £150k per year. In doing so we will fund an improved outreach programme involving satellite youth clubs and we will provide dedicated transport support to increase uptake in rural areas.

Housing

24. The availability of suitable and affordable housing is the single biggest issue facing the future of the borough. With the link between housing and health well known, the need to provide the right homes for the future of the Borough has never been greater. We cannot rely on large developers to deliver the housing we need.
25. We need higher density town centre living, utilising many of the vacant retail and business premises for a vibrant mix of independent living, student, young worker and young family accommodation to help boost our town centre economy.
26. Our budget has set aside £50k to undertake a **real time assessment of vacant retail, commercial, office and residential buildings** within our town centre, this will involve discussions with local universities and those further afield including Salford and Manchester. We will then invest up to £2m to procure buildings with a view to convert empty commercial space into residential living.
27. Our budget will explore options for new models of **housing development** including the potential for the council to build its own social housing and use of alternative build methods, such as offsite built, modular and low energy homes. The first phase of the project would undertake a feasibility assessment and options appraisal in all areas. The second phase will develop an action plan and implement activity to progress viable options including setting up the company if this is considered the most effective approach. Up to £50k per year and £4m capital resources has been included in our budget proposals to deliver our housing development model.

Health

28. We will deliver first class health care and prevention in our borough. This means residents will have access to the most appropriate support, when they need it, within their local area. We will distribute community infrastructure funding fairly and equally to improve health services and facilities across all areas of the borough. Managed within existing budgets, we will undertake a boroughwide assessment of GPs, Community Health Care & Dental Practices and work with our partners in the NHS to retain a first-class hospital facility within our borough and lobby our new MP's to support a reestablishment of a 24hr A&E department in Chorley.
29. We believe wellbeing is achieved by linking and improving our borough wide leisure facilities, housing, open spaces, planning and environmental health work together. This is a challenge, but one we must tackle head on for the benefit of our residents. Prevention will be our focus, and we will undertake a full review of our play and open space strategy across the entire borough with an aim to invest over £100k per year for both **outside exercise equipment** for the elderly and **multi-use games areas** (MUGA) for the young in all rural areas that don't currently have access to these important facilities.

30. We will establish a new **Sports Club Development Grants Programme**, to support growth in our existing and in new sports clubs throughout the wider borough. To do this our budget invests £25k per annum to help local sports clubs bid for assistance with small scale investment.

Table 3: Alternative Budget Investments

	REVENUE			CAPITAL		
	20/21	21/22	22/23	20/21	21/22	22/23
	£000s	£000s	£000s	£000s	£000s	£000s
ENVIRONMENT						
Appoint a Climate Change Officer	40	40	40			
Reduce Green Bin Charges by £5 per annum per bin per household	120	120	120			
ECONOMY & EDUCATION						
Set up a skills hub in Chorley	10	20	20			
Provide tailored support for businesses across the borough	20	100	100			
COMMUNITY SAFETY						
Work with young people to design diversionary projects and initiatives across the borough, with a focus in rural areas	50	50	50			
Develop a scheme to support vulnerable and elderly residents across the borough	80	80	80			
HOUSING						
Establish a project to establish and promote Town Centre living to the young professional and student market	20	30	0	0	1,000	1,000
Establish a house building company and use existing assets to meet local housing need	20	50	50		2,000	2,000
HEALTH						
Establish a new Sports Club Development Grant Programme	25	25	25			
Improve outdoor exercise facilities for all ages				30	100	100
	385	515	485	30	3,100	3,100

SAVINGS AND INCOME GENERATION PROPOSALS

31. As shown earlier in the report in Table 1 our proposals forecast to achieve £1.6m efficiency savings and £530k additional income by 2022/23. The section below provides details of how we propose to achieve these targets.

Council Tax

32. Our proposal does not include any increase in council tax over the medium-term period. This is achieved through a thorough review of staffing and non-staffing budgets, as well as achieving additional income through reviewing our fees and charges and by small-scale investments within the borough.

Staffing Efficiencies

33. We propose to save £250k in staffing costs in 2021/22 with a further £750k in 2022/23. These savings will be achieved through a reduction in the time spent by senior managers and officers developing future commercial services as well as the continued extension of shared services between Chorley and South Ribble Councils. A total saving of £1m represents 10% of the total staffing budget.

Supplies and Services

34. We believe that the council could make savings on its supplies and services. Each year the council spends approximately £2m on supplies and services and that 5% savings targets for both 2021/22 and 2022/23 is both reasonable and achievable. Achieving £200k cumulative savings will be achieved through an audit of the council's procurement processes and a complete review of all contracts and existing suppliers.

Fees and Charges

35. We are also proposing 2% year on year increases to the council's discretionary fees and charges. We feel that increases that are broadly in line with the rate of inflation are reasonable. This target only includes changes to fees and charges for services which are set locally and do not exceed the cost of service delivery.
36. Our proposal will restore car parking tariffs back to a similar level before the town centre development started. This will achieve an additional £200k income from 2021/22 onwards.

Income Generation and Delivering Council owned housing stock

37. We will invest in exploring options for delivering our own housing stock such as developing modular, low energy homes on council owned land. We will also invest in developing council owned urban living and forecast a net revenue income to the council of £100k by 2022/23.

IMPLICATIONS OF REPORT

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

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal		Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

39. The opposition's budget proposals have been developed based on same budget deficit context as the administration's budget. Details are set out in the report as to how the budget deficit will be bridged in 2018/19 to 2020/21.
40. The chief finance officer report is provided in appendix 1 to this item.

COMMENTS OF THE MONITORING OFFICER

41. None.

COUNCILLOR MARTIN BOARDMAN
LEADER OF THE CONSERVATIVES