

Report of	Meeting	Date
Leader of Conservatives	Council	7 th March 2006

CONSERVATIVE GROUP BUDGET PROPOSAL 2006/07

PURPOSE OF REPORT

- To propose an alternative budget for consideration by Council as an amendment to the proposal recommended to the Council by the Executive Cabinet.

CORPORATE PRIORITIES

- The proposals set out in this alternative budget feed directly into the Council's key objectives, targets and actions for 2006/07 beyond.

RISK ISSUES

- The issue raised and recommendations made in this report involve risk considerations in the following categories:

Strategy		Information	
Reputation		Regulatory/Legal	√
Financial	√	Operational	
People		Other	

- The budget is concerned with managing the financial risks now facing the Council and ensuring that the relevant regulations are complied with, the conclusions on the risks and robustness of the alternative budget proposals is set out in the attached S25 report of the Director of Finance.

BACKGROUND

- This budget proposal is concerned with setting an alternative level of spending, contingent on keeping Council Tax levels for the Borough Council services in line with that agreed by the Council at last years budget setting meeting.

PROPOSAL

- The basis of the Conservative Party's proposal is that there is no Council Tax increase for 2006/07. This will be achieved by amending the Executives proposed budget as follows. However there is a small distributional effect as a result of a minor amendment to the special expense total, but overall the Borough Council element of the bill will remain unchanged from 2005/06.

Table 1 – Proposed amendments

	£	£
2006/2007 Budgeted Net expenditure as per the Executive's Recommendation		13,751,100
Add back		
Removal of car parking yield increase		23,000
Less		
Removal of proposed growth items:		
Appointment of Neighbourhood Coordinator and local research	(35,000)	
Additional expenditure on communication	(59,000)	
Staffing support to the Local Strategic Partnership	(24,000)	
		(118,000)
Reduction in staffing levels		
Equalities & Diversity Officer	(37,000)	
Communications Team	(63,000)	
Further reduction of 2 vacant posts consequent upon the Senior Management restructure	(43,200)	
		(143,200)
Other Reductions		
Delete the Communications budget	(31,000)	
Remove subscription to North West Regional Assembly	(5,000)	
		(36,000)
Revised Net Expenditure		13,476,900

7. At this level of expenditure the average Band D Council Tax for the Borough Council's services would remain at the level set in 2005/06 of £163.63.

CONCLUSION

8. The Conservative Proposal would therefore allow for continued investment in areas we see as priority for the Council by addressing issues around the Streetscene, but we would divest in the non priority areas as shown in Table 1. At the same time our aim is to reduce in real terms the burden of taxation upon the residents of Chorley.

RECOMMENDATION(S)

- 9.
- a) Approve the budget spending proposals set out in Appendix 1
 - b) Approve the formal Council Tax resolutions consequent upon the budget set out in Appendix 2 and 3 to this report.

**COUNCILLOR GOLDSWORTHY
LEADER OF CONSERVATIVES**

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Gary Hall	5480	2 nd March 2006	ADMINREP/REPORT

**General Fund Revenue Budget 2006/07
Summary of Variations**

	£	£
2005/06 Base Budget		12,343,020
Additional Spending		
Inflationary Changes		
Pay	461,850	
Non-Pay	89,720	
Contractual	52,290	
Income	91,450	
Reduction in car parking income	23,000	718,310
Increments		118,370
Revenue Effects of the Capital Programme		(1,160)
Agreed Savings		
Lancs. Highways Partnership	(116,880)	
Duxbury Golf Course	(86,080)	
Property Services Outsourcing	(52,230)	
CuDOSS Efficiency Savings	(48,450)	
Recruitment Advertising	(40,000)	
Community Management Plan	(27,890)	
Cleaning Attendants Services	(18,500)	
Base Budget Review	(56,880)	
Further Savings	(111,310)	
Senior Management Review	(50,000)	
Conservative Group Savings		
Staffing reductions	(143,200)	
Communication and subscription budget reductions	(36,000)	(787,420)
Growth		
Cleaner More Attractive Streets & Neighbourhoods	50,000	
Safer Neighbourhoods	22,000	
Attracting & Retaining Jobs in Chorley	55,000	
Further Growth	141,250	268,250
Technical & Volume Changes		
Full Year Effect of Growth / Savings	(22,050)	
Technical / Volume Changes	520,720	498,670
Changes in Capital Financing Costs		202,360
Changes in Contingency		
Procurement Savings	40,000	40,000
Change in Use of Reserves & Collection Fund Surpluses		
Use of Reserves	(173,500)	
Use of General Balances	250,000	76,500
Cost of Maintaining Current Service Levels & Meeting New Statutory Requirements		13,476,900

Special Expenses

Parish	Taxbase		Grounds Maintenance Costs	Borough Special Expenses at Band D	Borough General Expenses	Borough Services Council Tax	Parish Precept		Parish Band D	Combined Borough and Parish	2005/06 Combined Borough and Parish	Percentage Increase
	No.	£					£	£				
Adlington	1,964.10	33,629	17.12	144.70	161.82	17,270	8.79	170.62	169.92	0.4%		
Anderton	475.20	908	1.91	144.70	146.61	3,800	8.00	154.61	152.58	1.3%		
Anglezarke	15.30	-	-	144.70	144.70	-	-	144.70	144.60	0.1%		
Astley Village	1,117.50	26,280	23.52	144.70	168.22	22,000	19.69	187.90	189.06	-0.6%		
Bretherton	282.70	-	-	144.70	144.70	7,951	28.13	172.83	175.88	-1.7%		
Brindle	455.80	1,939	4.25	144.70	148.95	5,250	11.52	160.47	162.11	-1.0%		
Charnock Richard	666.90	2,356	3.53	144.70	148.23	20,600	30.89	179.12	177.92	0.7%		
Clayton le Woods	4,747.60	159,631	33.62	144.70	178.32	118,690	25.00	203.32	188.20	8.0%		
Coppull	2,350.70	31,404	13.36	144.70	158.06	72,920	31.02	189.08	188.64	0.2%		
Croston	1,029.60	8,480	8.24	144.70	152.94	20,664	20.07	173.01	165.93	4.3%		
Cuerden	41.40	406	9.82	144.70	154.52	950	22.95	177.46	175.04	1.4%		
Eccleston	1,533.30	6,659	4.34	144.70	149.04	40,355	26.32	175.36	175.26	0.1%		
Euxton	3,215.80	54,675	17.00	144.70	161.70	93,200	28.98	190.69	181.58	5.0%		
Heapey	379.20	5,855	15.44	144.70	160.14	8,706	22.96	183.10	182.99	0.1%		
Heath Charnock	801.40	14,957	18.66	144.70	163.36	6,000	7.49	170.85	170.72	0.1%		
Heskin	348.80	1,291	3.70	144.70	148.40	6,104	17.50	165.90	165.80	0.1%		
Houghton	361.50	2,156	5.96	144.70	150.67	3,500	9.68	160.35	160.20	0.1%		
Mawdesley	755.80	728	0.96	144.70	145.66	23,040	30.48	176.15	174.89	0.7%		
Rivington	53.90	-	-	144.70	144.70	1,100	20.41	165.11	165.59	-0.3%		
Ulnes Walton	258.60	-	-	144.70	144.70	4,000	15.47	160.17	156.37	2.4%		
Wheilton	392.30	-	-	144.70	144.70	10,035	25.58	170.28	169.12	0.7%		
Whittle Woods	1,750.30	37,798	21.60	144.70	166.30	23,724	13.55	179.85	179.12	0.4%		
Withnell	1,252.20	9,523	7.61	144.70	152.31	25,540	20.40	172.70	169.18	2.1%		
All other parts of the Council's area	10,494.50	258,976	24.68	144.70	169.38	-	-	169.38	169.26	0.1%		
Total	34,744.40	657,650	18.93	144.70	163.63	535,399	15.41	179.04	175.59	2.0%		

Draft resolution on setting of 2006/07 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 34,744.40 as its Council Tax Base for the year 2006/07 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) 34,744.40 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) **Part of the Council's Area**

Parish of:	Adlington	1,964.10
	Anderton	475.20
	Anglezarke	15.30
	Astley Village	1,117.50
	Bretherton	282.70
	Brindle	455.80
	Charnock Richard	666.90
	Clayton le Woods	4,747.60
	Coppull	2,350.70
	Croston	1,029.60
	Cuerden	41.40
	Eccleston	1,533.30
	Euxton	3,215.80
	Heapey	379.20
	Heath Charnock	801.40
	Heskin	348.80
	Hoghton	361.50
	Mawdesley	755.80
	Rivington	53.90
	Ulnes Walton	258.60
	Wheelton	392.30
	Whittle Woods	1,750.30
	Withnell	1,252.20
	All other parts of the Council's area	10,494.50
	Total	34,744.40

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.

2. That the following amounts be now calculated by the Council for the year 2006/07 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:

(a) £40,793,389 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) £26,781,065 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;

Appendix 3

- (c) £14,012,324 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) £7,791,688 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) £179.04 being the amount at 2(c) above less the amount at 2(d) above, all divided by the amount at 2(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) £1,193,049 being the aggregated amount of all special items referred to in Section 34(1) of the Act;
- (g) £144.70 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;
- (h) **Part of the Council's Area**

	£
Parish of: Adlington	170.62
Anderton	154.61
Anglezarke	144.70
Astley Village	187.90
Bretherton	172.83
Brindle	160.47
Charnock Richard	179.12
Clayton le Woods	203.32
Coppull	189.08
Croston	173.01
Cuerden	177.46
Eccleston	175.36
Euxton	190.69
Heapey	183.10
Heath Charnock	170.85
Heskin	165.90
Hoghton	160.35
Mawdesley	176.15
Rivington	165.11
Ulnes Walton	160.17
Wheelton	170.28
Whittle le Woods	179.85
Withnell	172.70
All other parts of the Council's area	169.38

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**

	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Parish of:								
Adlington	113.74	132.70	151.66	170.62	208.53	246.45	284.36	341.23
Anderton	103.07	120.25	137.43	154.61	188.97	223.32	257.68	309.22
Anglezarke	96.47	112.55	128.62	144.70	176.86	209.01	241.17	289.40
Astley Village	125.27	146.15	167.03	187.90	229.66	271.42	313.17	375.81
Bretherton	115.22	134.42	153.62	172.83	211.23	249.64	288.04	345.65
Brindle	106.98	124.81	142.64	160.47	196.13	231.79	267.45	320.94
Charnock Richard	119.42	139.32	159.22	179.12	218.93	258.73	298.54	358.25
Clayton le Woods	135.55	158.14	180.73	203.32	248.51	293.69	338.87	406.65
Coppull	126.05	147.06	168.07	189.08	231.10	273.12	315.14	378.16
Croston	115.34	134.56	153.78	173.01	211.45	249.90	288.34	346.01
Cuerden	118.31	138.03	157.75	177.46	216.90	256.34	295.77	354.93
Eccleston	116.91	136.39	155.88	175.36	214.33	253.30	292.27	350.73
Euxton	127.12	148.31	169.50	190.69	233.06	275.43	317.81	381.37
Heapey	122.07	142.41	162.76	183.10	223.79	264.48	305.17	366.20
Heath Charnock	113.90	132.88	151.87	170.85	208.82	246.79	284.75	341.70
Heskin	110.60	129.04	147.47	165.90	202.77	239.64	276.51	331.81
Hoghton	106.90	124.71	142.53	160.35	195.98	231.61	267.25	320.69
Mawdesley	117.43	137.00	156.58	176.15	215.29	254.44	293.58	352.30
Rivington	110.07	128.42	146.76	165.11	201.80	238.49	275.18	330.22
Ulnes Walton	106.78	124.58	142.37	160.17	195.76	231.36	266.95	320.34
Wheilton	113.52	132.44	151.36	170.28	208.12	245.96	283.80	340.56
Whittle le Woods	119.90	139.88	159.87	179.85	219.82	259.78	299.75	359.70
Withnell	115.14	134.32	153.51	172.70	211.08	249.46	287.84	345.41
All other parts of the Council's area	112.92	131.74	150.56	169.38	207.02	244.66	282.30	338.76

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 2006/07 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:

Appendix 3

	<u>Valuation Bands</u>							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Precepting authority								
Lancashire County Council *	664.57	775.33	886.09	996.85	1,218.37	1,439.89	1,661.42	1,993.70
Lancashire Combined Fire Authority *	36.47	42.55	48.63	54.71	66.87	79.03	91.18	109.42
Lancashire Police Authority*	75.39	87.96	100.52	113.09	138.22	163.35	188.48	226.18

* These values are assessments and have to be confirmed by the precepting authority.

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 2005/2006 for each of the categories of dwellings shown below:

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

Parish of:	<u>Valuation Bands</u>							
	A £	B £	C £	D £	E £	F £	G £	H £
Adlington	890.17	1,038.54	1,186.90	1,335.27	1,631.99	1,928.72	2,225.44	2,670.53
Anderton	879.50	1,026.09	1,172.67	1,319.26	1,612.43	1,905.59	2,198.76	2,638.52
Anglezarke	872.90	1,018.39	1,163.86	1,309.35	1,600.32	1,891.28	2,182.25	2,618.70
Astley Village	901.70	1,051.99	1,202.27	1,352.55	1,653.12	1,953.69	2,254.25	2,705.11
Bretherton	891.65	1,040.26	1,188.86	1,337.48	1,634.69	1,931.91	2,229.12	2,674.95
Brindle	883.41	1,030.65	1,177.88	1,325.12	1,619.59	1,914.06	2,208.53	2,650.24
Charnock Richard	895.85	1,045.16	1,194.46	1,343.77	1,642.39	1,941.00	2,239.62	2,687.55
Clayton le Woods	911.98	1,063.98	1,215.97	1,367.97	1,671.97	1,975.96	2,279.95	2,735.95
Coppull	902.48	1,052.90	1,203.31	1,353.73	1,654.56	1,955.39	2,256.22	2,707.46
Croston	891.77	1,040.40	1,189.02	1,337.66	1,634.91	1,932.17	2,229.42	2,675.31
Cuerden	894.74	1,043.87	1,192.99	1,342.11	1,640.36	1,938.61	2,236.85	2,684.23
Eccleston	893.34	1,042.23	1,191.12	1,340.01	1,637.79	1,935.57	2,233.35	2,680.03
Euxton	903.55	1,054.15	1,204.74	1,355.34	1,656.52	1,957.70	2,258.89	2,710.67
Heapey	898.50	1,048.25	1,198.00	1,347.75	1,647.25	1,946.75	2,246.25	2,695.50
Heath Charnock	890.33	1,038.72	1,187.11	1,335.50	1,632.28	1,929.06	2,225.83	2,671.00
Heskin	887.03	1,034.88	1,182.71	1,330.55	1,626.23	1,921.91	2,217.59	2,661.11
Hoghton	883.33	1,030.55	1,177.77	1,325.00	1,619.44	1,913.88	2,208.33	2,649.99
Mawdesley	893.86	1,042.84	1,191.82	1,340.80	1,638.75	1,936.71	2,234.66	2,681.60
Rivington	886.50	1,034.26	1,182.00	1,329.76	1,625.26	1,920.76	2,216.26	2,659.52
Ulnes Walton	883.21	1,030.42	1,177.61	1,324.82	1,619.22	1,913.63	2,208.03	2,649.64
Wheelton	889.95	1,038.28	1,186.60	1,334.93	1,631.58	1,928.23	2,224.88	2,669.86
Whittle le Woods	896.33	1,045.72	1,195.11	1,344.50	1,643.28	1,942.05	2,240.83	2,689.00
Withnell	891.57	1,040.16	1,188.75	1,337.35	1,634.54	1,931.73	2,228.92	2,674.71
All other parts of the Council's area	889.35	1,037.58	1,185.80	1,334.03	1,630.48	1,926.93	2,223.38	2,668.06

5. That the Director of Finance 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 2006/07 we estimate that a £1.00 Council Tax at Band D would raise £34,744.40 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 £1,964.10.

RESOLUTION 2

(a) This is the grand total of money which the Council estimates it will spend on all services in 2006/07. It also includes £535,399 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, housing rents, 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 £6,220,636 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 £179.04 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 £144.70 for Chorley Borough services and £8.79 for Adlington Town Council services and £17.12 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 $\pounds 170.62 \times 6 \div 9 = \pounds 113.74$; for Band B it is $\pounds 170.62 \times 7 \div 9 = \pounds 132.70$.

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 2006/07 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 $\pounds 1,335.27$ made up as follows:

	£
Lancashire County Council (as in 4 above)	996.85*
Lancashire Fire Authority (as in 4 above)	54.71*
Lancashire Police Authority (as in 4 above)	113.09*
Chorley Borough Council (as in 3(g) above)	144.70
Adlington Town Council	8.79
Special Expenses	17.12

* These values have to be confirmed by the precepting authority

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***