

Report of	Meeting	Date
Shadow Cabinet	Council	27 February 2007

## ALTERNATIVE BUDGET 2007/2008

### PURPOSE OF REPORT

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

### BACKGROUND

2. The current Administration have proposed a series of savings and investment options which develop further the building blocks put in place by the previous Administration.
3. However, there are areas where there are significant differences between the Shadow Cabinet and the current Administration. This paper examines those areas and puts forward an alternative approach for consideration by Members of the Council.

### SPEND V TAX DEBATE

4. The Administration have proposed no increase in the Chorley element of the Council Tax. We believe that this is a mistake, one which fundamentally undermines the capability to continue to deliver the quality of services the public now expects from this Council.
5. Such a strategy is unsustainable and is therefore a short-term political gimmick with long term implications for the Council. In total for the financial planning period a total of almost £1m in resources is lost to the Council. Resources that could have been spent on improving services to the public.
6. The average saving to a band D property being in the region of £0.09 per week, and for the majority of the Council tax payers who live in properties banded A – C, the savings would be less, at around £0.07 per week. (These figures exclude special expenses and all other precepts.)

### ALTERNATIVE BUDGET

7. As is clear from comments in the previous paragraphs we believe that the public is prepared to accept reasonable increases in Council tax for continued good service. Additionally the budget is premised on a number of assumptions, some of which we believe are pessimistic in nature and if changed create the opportunity for extra cash to be available to fund the Shadow Cabinet spending proposals. Set out in the table below is a summary of how the shadow cabinet would generate additional resources.



**Table 1 – Additional Funding**

	£
Increase Council tax by 3.2%	192,000
Amend the assumption regarding the cost of job evaluation from a 2% increase to 1%	128,000
Headroom identified in budget update	39,000
Total additional resources available	359,000

8. The table shows that the Alternative budget would be based on a less than inflationary Council tax increase. In addition the change in assumption of the anticipated cost of job evaluation would generate more budget headroom. The former Administration made it absolutely clear that the job evaluation process must be an affordable exercise. Whilst we accept there may have to be some additional costs it must be contained within the financial parameters set.
9. As a consequence of the proposed actions to generate additional budget headroom, opportunities will exist to revisit some of the policy decisions taken by the Administration in relation to the budget. Set out in the table below is a summary of the shadow cabinet's alternative spending proposals.

**Table 2 Spending Proposals - Recurrent Expenditure**

	£	£
Additional budget available		359,000
Spending proposals		
Reinstate 10 Neighbourhood Wardens	229,000	
Remove the charge for rodent control	10,000	
Additional street cleansing	70,000	
Additional Activities for Young People	50,000	359,000

10. The table shows that the Shadow Cabinet are fundamentally opposed to two of the Administration's budget proposals namely:

**Neighbourhood Wardens and Anti-Social behaviour**

11. The previous Administration recognised the value of having a responsive local service, supplementing the services offered by the Police in terms of dealing with what is termed low level crime (juvenile nuisance, anti-social behaviour and environmental vandalism) but which constantly blights the lives of ordinary people.
12. We believe the proposal to fund Police Community Support Officers rather than the Council's Neighbourhood Wardens Scheme is flawed and will result in a lesser service being offered to our residents. We also believe that the Police will not be able to respond in the same way that the Neighbourhood Wardens have nor will they build the same

bridges with, in the main, young people who are currently the cause of much of the reported activity.

13. The Shadow Cabinet's proposal to increase the resources available for young peoples' activities is complementary to reinstating the Neighbourhood Wardens scheme. Our strategy is to create diversionary activities for young people. The success of the Get Up and Go programme is evident, but this cash would be used specifically to target some of the harder to reach groups who traditionally do not take part in the mainstream activities currently on offer.

## THE ENVIRONMENT

14. One of the Council's key priorities is to improve the look and feel of Chorley particularly as a place to live. Much of the tax payers' dissatisfaction with the Council is in regard to street cleanliness where, even though our BVPI performance is good, people still believe that cleanliness could be improved.
15. Consequently the Shadow Cabinet propose to increase the amount spent on street cleansing. The Council's use of resource analysis and budget scrutiny identified that in comparison with others Chorley spends significantly less on street cleansing. We propose to spend an additional £70k to fund 3 extra street cleansing operatives to provide additional capacity but to focus on smaller shopping centres and other problem areas around the district.
16. With regard to charging for rodent control services, this is a service that has always been free to encourage residents to report infestation. These infestations, if not dealt with, could potentially result in an increased risk to public health. Using the Council as the first point of contact for this service allows it to gather information which can be used to monitor trends and issues for something that is becoming an increasing problem. For these reasons the Shadow Cabinet propose that this service continues to be offered totally free.
17. In addition to the additional spend on recurrent expenditure, the Shadow Cabinet also propose to incur some non recurrent expenditure to be financed from the Council's working balance.

Set out in the table below is a summary of the proposals:

**Table 3 Spending Proposals – Non-Recurrent Expenditure**

	£'000
Implement free concessionary travel for one year.	160
Provide more alley gating schemes	40
	200

18. The table shows that the Shadow Cabinet propose to commit £200k of the £1m of working balance that will be available for 2007/08 and beyond.

19. With regard to concessionary travel, whilst a free scheme will be implemented from April 2008, the Shadow Cabinet believes that it would be appropriate to begin the scheme earlier than planned. Theoretically the scheme will be funded from 2008/2009 therefore the Council will be required to fund the scheme for one year. Many of the Borough's residents would benefit from the early implementation.
20. The scheme to pay for more alley gates is based upon the success of the schemes currently operation. Community Safety is a key element of improving neighbourhoods and we believe that a relatively small investment would contribute significantly to residents feeling safer in their own homes.

The working balances would be restored post stock transfer from a number of potential sources, which will become available. The details of the proposal and relevant resolutions are shown in the Appendices attached.

## **SUMMARY AND CONCLUSIONS**

21. This Alternative budget is designed to ensure the Council builds on its current performance, invests in the right areas and delivers no reduction in the levels of service our residents enjoy.
22. There are fundamental differences with regard to the level of Council tax to be raised in 2007/08 and we fundamentally oppose a number of the Administration's proposals, particularly with regard to the Neighbourhood Wardens, who we feel offer a valued and important service to our residents.
23. Our proposals to extend the concessionary travel scheme to free travel for our residents is prudent in the fact it is a one year cost only.
24. The Shadow Cabinet believes our budget represents a better offer for residents who will acknowledge that they are prepared to pay a reasonable increase in Council tax for services to be maintained.

## **STATUTORY 25 REPORT**

25. Under the Local Government Act 2003, the Chief Finance Officer is expected to comment on any budget proposals in terms of their deliverability in financial terms alone. The policy choices are for members alone to decide. Therefore with regard to the financial aspects of the Alternative budget I have the following comments.
26. The proposed Council tax increase of 3.2% is within the target set by the government and will be within the CAP of 5%.

With regard to the adjustment to the assumption on the cost of the single status review, at this stage the likely cost is unknown. Therefore having a lesser provision increases the risk of unbudgeted costs occurring. The level of working balances is a key mitigating factor as, if the Council can pay the costs, affordability can be dealt with over the longer term.

27. As working balances will be circa £800k after allowing for funding the one off items. This represents a position within the range I have identified as acceptable. As such the proposal is fundable.
28. With regard to the spending proposals, the costs are based upon realistic assumptions and will therefore be compatible with the cash totals allowed and as presented.

	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000
Base Budget Requirement	15,330	16,231	16,833	17,855
Less				
Recharges	-	3	20	20
Capital Charges	(2,581)	(2,581)	(1,998)	(1,984)
<b>Cash Base Budget Requirement</b>	<b>12,750</b>	<b>13,654</b>	<b>14,855</b>	<b>15,891</b>
Inflation				
Pay	352	325	334	355
Pensions	110	112	83	-
Non-Pay	90	62	34	23
Contractual	52	126	42	16
Income	91	13	(32)	(33)
Increments	118	96	85	61
Revenue Effects of the Capital Programme	(1)	10	50	-
Volume - Income	-	168	189	-
Volume - Expenditure	521	405	(277)	(20)
Investment	141	795	54	-
Savings - Star Chamber	-	(1,265)	74	(4)
Savings - Other	(580)	(416)	-	-
Senior Management Review		(114)		
Growth Proposals	245	-	-	-
Recharges Adjustments	-	34	-	-
Effects of stock transfer - To HRA	-	766	-	-
Effects of stock transfer - From HRA	-	(50)	-	-
Effects of stock transfer - Non Recharge Income	-	84	-	-
Effects of stock transfer - Reduction in cost	-	(105)	-	-
Effects of stock transfer - Other	-	55	-	-
Effects of stock transfer - Service Level Agreements	-	(76)	160	-
Contingency:				
- Genuine	100	-	-	-
- Salary Related Savings	(278)	10	-	-
- Procurement Savings	(35)	-	-	-
- Gershon Savings	(25)	-	-	-
- Headroom for Capital Investment	-	40	-	-
- Job Evaluation	-	128	241	248
- Housing Stock Transfer	-	-	-	-
<b>Directorate &amp; Corporate Cash Budgets</b>	<b>13,651</b>	<b>14,855</b>	<b>15,892</b>	<b>16,538</b>
Base Recharges	-	(3)	(20)	(20)
In year transfer of recharges to cash budgets	-	(17)	-	-
Capital:	2,581	1,684	1,998	1,984
In year transfer of capital	-	314	(14)	-
<b>Total Recharges</b>	<b>2,581</b>	<b>1,978</b>	<b>1,964</b>	<b>1,964</b>
<b>Total Directorate &amp; Corporate Budgets</b>	<b>16,231</b>	<b>16,833</b>	<b>17,855</b>	<b>18,502</b>
Reversal of Capital Charges	(1,412)	(1,678)	(1,678)	(1,678)
Net Financing Transactions:				
- Net Interest/Premiums/Discounts	148	(234)	(234)	(234)
- Recharged Interest to HRA	(88)	-	-	-
- MRP less Commutation Adjustment	159	30	30	30
<b>Net Operating Expenditure</b>	<b>15,039</b>	<b>14,951</b>	<b>15,974</b>	<b>16,620</b>
Revenue Contribution to Capital	54	-	-	-
Use of Earmarked Reserves				
- e-Workforce Reserve	(34)	-	-	-
- Capital Financing Reserve re: Def Chge w/os	(1,168)	(320)	(320)	(320)
- Units Earmarked Reserves	(140)	(151)	(55)	(55)
Use of General Balances	-	(200)	-	-
<b>Total Expenditure</b>	<b>13,751</b>	<b>14,280</b>	<b>15,599</b>	<b>16,245</b>
Financed By				
Council Tax - Borough	(5,960)	(6,211)	(6,262)	(6,514)
Parish Precepts	550	550	550	550
Council Tax Parishes	(550)	(550)	(550)	(550)
Aggregate External Finance	(7,743)	(8,009)	(8,250)	(8,450)
Collection Fund Surplus	(49)	(60)	-	-
<b>Total Financing</b>	<b>(13,751)</b>	<b>(14,280)</b>	<b>(14,512)</b>	<b>(14,964)</b>
<b>Net Expenditure</b>	<b>(0)</b>	<b>0</b>	<b>1,087</b>	<b>1,281</b>
Analysis of Net Expenditure (Budget Gap)				
Net Expenditure Brought Forward	-	-	(0)	1,087
Net Expenditure in Year	-	0	1,087	194
<b>Net Expenditure Carried Forward</b>	<b>-</b>	<b>0</b>	<b>1,087</b>	<b>1,281</b>

**ANALYSIS OF MAJOR VARIANCES BETWEEN 2006/07 AND 2007/08 ESTIMATES**

Appendix 1

	DRAFT BUDGET £	BUDGET CHANGES £	TOTAL VARIANCES £
<b><u>INFLATION NON-PAY</u></b>			
Car Leases/NNDR/Insurances/Utilities/Subscriptions/Other	62,570		62,570
	<b>62,570</b>	<b>0</b>	<b>62,570</b>
<b><u>CONTRACTUAL</u></b>			
CLS contract	(21,970)	24,620	2,650
Refuse Collection - Market Walk	11,530		11,530
Rental Income	(21,270)		(21,270)
Refuse Contract	118,600	14,000	132,600
	<b>86,890</b>	<b>38,620</b>	<b>125,510</b>
<b><u>REVENUE EFFECTS OF CAPITAL PROGRAMME</u></b>			
Astley Park Grounds Maintenance	10,000		10,000
	<b>10,000</b>	<b>0</b>	<b>10,000</b>
<b><u>VOLUME - INCOME</u></b>			
Housing Benefit Grants/Subsidy	100,670	23,040	123,710
Licensing Income	(22,360)	(13,990)	(36,350)
Planning Delivery Grant - reduction in anticipated grant for 2007/08	67,400		67,400
Private Lifeline Alarms	(24,530)		(24,530)
NNDR Collection Allowance	3,850		3,850
Housing Benefits Admin. Grant	15,190		15,190
Duxbury Golf Course	(10,860)		(10,860)
Parking fees 1% increase - car parks	(7,720)		(7,720)
DPE Penalty Charge Notice net loss of income	32,580		32,580
Members Allowances - Special Allowances		(14,800)	(14,800)
Cotswold House - Unsubsidised Housing Benefit		7,000	7,000
Other	3,000		3,000
Remove charge for rodent control		10,000	10,000
	<b>157,220</b>	<b>11,250</b>	<b>168,470</b>
<b><u>VOLUME - EXPENDITURE</u></b>			
Increase in LCC Search Fees	8,360		8,360
Contact Centre restructure	47,400		47,400
Elections	9,960		9,960
Legal - Publications	6,000	2,000	8,000
Director of CUDL salary	9,650		9,650
External Audit	14,680		14,680
Bank Charges	7,000		7,000
External Contractors (Payroll)	6,270		6,270
Bus Passes - Concessionary Travel	39,040		39,040
External Funding Officer - no funding contributions to salary	19,950		19,950
Computer Software Licences/Maintenance Agreements	7,280	11,100	18,380
Roses Marketplace Licence	5,300		5,300
Allpay Cards	5,000		5,000
Community Management - Tatton	34,260		34,260
Corporate Training - Member Development Programme	5,000		5,000
Support services Officer Sc3 post SNED restructure phase 1	15,450		15,450
Increase in hours for Funding Officer	8,880		8,880
Miscellaneous Employee costs - Eng. Mngt. And Support Services	16,640		16,640
NNDR assessments - various sites	15,840		15,840
Survey expenses residents parking permits TRO's	5,000		5,000
Crime & Disorder Partnership - transfer of Sc4 post 18.125hrs	11,100		11,100
Bringsites recycling charges	12,000		12,000
Urban Designer post		12,000	12,000
Additional cleaning costs - Town Hall		6,030	6,030
Adjustment to Development & Regen. recharges.		15,780	15,780
Community Management Assistant		9,650	9,650
Recycling vehicles		17,000	17,000

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	DRAFT BUDGET £	BUDGET CHANGES £	TOTAL VARIANCES £
Other	17,900	3,360	21,260
	<u>327,960</u>	<u>76,920</u>	<u>404,880</u>
<b>INVESTMENT</b>			
Reinstate 10 Neighbourhood Wardens		229,000	229,000
Additional street cleansing		70,000	70,000
Additional Activities for Young People		50,000	50,000
Free Concessionary Travel for one year		160,000	160,000
Provide more Alley Gating schemes		40,000	40,000
		<u>549,000</u>	<u>549,000</u>
Town Centre Management Post	40,000		40,000
LSP Consultancy	30,000		30,000
Contribution for 6 PCSO's per 2005/06	66,000		66,000
Market Walk Phase 2 Development	95,000		95,000
CCTV in Remote Areas	15,000		15,000
	<u>246,000</u>	<u>0</u>	<u>246,000</u>
<b>STAR CHAMBER SAVINGS</b>			
See Appendix 3 of the main report	<u>(1,265,010)</u>	<u>0</u>	<u>(1,265,010)</u>
<b>OTHER SAVINGS</b>			
Council Insurances Renewal	(72,000)		(72,000)
Job Evaluation Project (Non-recurrent expenditure)	(95,770)		(95,770)
Human Resources Staffing Savings	(67,940)		(67,940)
Corporate Training HR Approved per 2005/06 Savings	(10,000)		(10,000)
LHP, PSS, GM & SNED Phase 1 Restructure	(78,840)		(78,840)
Temp. Waste & Envir. Management post deleted	(30,390)		(30,390)
Removal of revenue effects of capitalised redundancy payments	(6,000)		(6,000)
Hospitality	(7,480)		(7,480)
Delete budget provision for Mayors Civic Dinner.		(4,000)	(4,000)
Savings identified from the car leasing scheme.		(12,000)	(12,000)
SLA with Chorley Community Housing for cleaning of Gill St		(4,920)	(4,920)
SLA with Chorley Community Housing for security of Gill St		(9,000)	(9,000)
SLA with Liberata for security of Gill St Annexe		(2,500)	(2,500)
Additional income from SLA with CCH.		(4,000)	(4,000)
Increase saving from £3,560 to £20,000		(16,440)	(16,440)
SLA with CCH reduced from £24,840 to £6,000		18,840	18,840
No SLA with Liberata. Delete saving in draft budget.		4,680	4,680
Savings on rentals/calls under new contract.		(20,000)	(20,000)
No saving from LSVT. Delete saving in draft budget.		11,380	11,380
Further misc. savings identified within Streetscene Directorate.		(10,000)	(10,000)
	<u>(368,420)</u>	<u>(47,960)</u>	<u>(416,380)</u>
<b>OTHER CHANGES</b>			
Net Financing		(130,000)	(130,000)
External Financing		22,170	22,170
	<u>0</u>	<u>(107,830)</u>	<u>(107,830)</u>
<b>ADDITIONAL RESOURCES IDENTIFIED</b>			
Increase in Council Tax by 3.2%		(192,000)	(192,000)
Amend assumption for Job Evaluation to 1%		(128,000)	(128,000)
	<u>0</u>	<u>(320,000)</u>	<u>(320,000)</u>
<b>LESS USE OF WORKING BALANCES</b>		(200,000)	
<b>NET TOTAL</b>		<u>NIL</u>	

Special Expenses		Taxbase		Grounds Maintenance Costs		Borough Special Expenses at Band D		Borough General Expenses		Borough Services Council Tax		Parish Precept		2007/08 Band D Parish Precept		2007/08 Combined Borough and Parish		2006/07 Band D Parish Precept		2006/07 Combined Borough and Parish		Appendix 2	
Parish	No.	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	%	%
Adlington	1,959.40	35,560	18.52	156.54	175.06	175.06	156.54	17,655	9.01	184.07	8.79	178.43	178.43	8.79	184.07	178.43	178.43	8.79	178.43	178.43	2.5%	2.5%	3.2%
Anderton	474.00	980	2.07	156.54	156.61	156.61	156.54	3,800	8.02	166.63	8.00	161.69	161.69	8.00	166.63	161.69	161.69	8.00	161.69	161.69	0.2%	0.2%	3.1%
Anglezarke	16.50	-	-	156.54	156.54	156.54	156.54	-	-	156.54	-	151.69	151.69	-	156.54	151.69	151.69	-	151.69	151.69	0.0%	0.0%	3.2%
Astley Village	1,112.50	28,302	25.44	156.54	181.98	181.98	156.54	22,000	19.78	201.76	19.69	196.02	196.02	19.69	201.76	196.02	196.02	19.69	196.02	196.02	0.5%	0.5%	2.9%
Bretherton	284.20	-	-	156.54	156.54	156.54	156.54	8,443	29.71	186.25	28.13	179.81	179.81	28.13	186.25	179.81	179.81	28.13	179.81	179.81	5.6%	5.6%	3.6%
Brindle	453.30	2,086	4.60	156.54	161.14	161.14	156.54	6,000	13.24	174.38	11.52	167.66	167.66	11.52	174.38	167.66	167.66	11.52	167.66	167.66	14.9%	14.9%	4.0%
Charnock Richard	669.50	2,558	3.82	156.54	160.36	160.36	156.54	20,600	30.77	191.13	30.89	186.28	186.28	30.89	191.13	186.28	186.28	30.89	186.28	186.28	-0.4%	-0.4%	2.6%
Clayton le Woods	4,744.50	172,578	36.37	156.54	192.91	192.91	156.54	118,612	25.00	217.91	25.00	211.93	211.93	25.00	217.91	211.93	211.93	25.00	211.93	211.93	0.0%	0.0%	2.8%
Coppull	2,341.60	33,841	14.45	156.54	170.99	170.99	156.54	74,630	31.87	202.86	31.02	196.71	196.71	31.02	202.86	196.71	196.71	31.02	196.71	196.71	2.7%	2.7%	3.1%
Croston	1,036.30	9,233	8.91	156.54	165.45	165.45	156.54	20,800	20.07	185.52	20.07	180.39	180.39	20.07	185.52	180.39	180.39	20.07	180.39	180.39	0.0%	0.0%	2.8%
Cuerden	41.20	438	10.62	156.54	167.16	167.16	156.54	900	21.84	189.00	22.95	184.92	184.92	22.95	189.00	184.92	184.92	22.95	184.92	184.92	-4.8%	-4.8%	2.2%
Eccleston	1,551.80	7,291	4.70	156.54	161.24	161.24	156.54	40,840	26.32	187.56	26.32	182.56	182.56	26.32	187.56	182.56	182.56	26.32	182.56	182.56	0.0%	0.0%	2.7%
Euxton	3,283.20	60,387	18.39	156.54	174.93	174.93	156.54	97,050	29.56	204.49	28.98	198.49	198.49	28.98	204.49	198.49	198.49	28.98	198.49	198.49	2.0%	2.0%	3.0%
Heapey	378.60	6,324	16.70	156.54	173.24	173.24	156.54	8,920	23.56	196.80	22.96	190.83	190.83	22.96	196.80	190.83	190.83	22.96	190.83	190.83	2.6%	2.6%	3.1%
Heath Charnock	796.70	16,085	20.19	156.54	176.73	176.73	156.54	5,000	6.28	183.01	7.49	178.74	178.74	7.49	183.01	178.74	178.74	7.49	178.74	178.74	-16.2%	-16.2%	2.4%
Heskin	347.00	1,390	4.01	156.54	160.54	160.54	156.54	7,634	22.00	182.54	17.50	173.07	173.07	17.50	182.54	173.07	173.07	17.50	173.07	173.07	25.7%	25.7%	5.5%
Hoghton	364.70	2,353	6.45	156.54	162.99	162.99	156.54	4,000	10.97	173.96	9.68	167.62	167.62	9.68	173.96	167.62	167.62	9.68	167.62	167.62	13.3%	13.3%	3.8%
Mawdesley	746.60	976	1.31	156.54	157.85	157.85	156.54	23,000	30.81	188.66	30.48	183.44	183.44	30.48	188.66	183.44	183.44	30.48	183.44	183.44	1.1%	1.1%	2.8%
Rivington	50.30	-	-	156.54	156.54	156.54	156.54	1,100	21.87	178.41	20.41	172.09	172.09	20.41	178.41	172.09	172.09	20.41	172.09	172.09	7.2%	7.2%	3.7%
Ulmes Walton	261.10	-	-	156.54	156.54	156.54	156.54	4,500	17.23	173.77	15.47	167.15	167.15	15.47	173.77	167.15	167.15	15.47	167.15	167.15	11.4%	11.4%	4.0%
Wheelfton	396.70	-	-	156.54	156.54	156.54	156.54	10,480	26.42	182.96	25.58	177.27	177.27	25.58	182.96	177.27	177.27	25.58	177.27	177.27	3.3%	3.3%	3.2%
Whittle Woods	1,838.40	42,948	23.36	156.54	179.90	179.90	156.54	27,571	15.00	194.90	13.55	187.88	187.88	13.55	194.90	187.88	187.88	13.55	187.88	187.88	10.7%	10.7%	3.7%
Withnell	1,245.50	10,247	8.23	156.54	164.77	164.77	156.54	26,300	21.12	185.89	20.40	180.05	180.05	20.40	185.89	180.05	180.05	20.40	180.05	180.05	3.5%	3.5%	3.2%
All other parts of the Council's area	10,571.40	282,215	26.70	156.54	183.24	183.24	156.54	-	-	183.24	-	177.55	177.55	-	183.24	177.55	177.55	-	177.55	177.55	0.0%	0.0%	3.2%
<b>Total</b>	<b>34,965.00</b>	<b>715,794</b>	<b>20.48</b>	<b>156.54</b>	<b>177.02</b>	<b>177.02</b>	<b>156.54</b>	<b>549,835</b>	<b>15.73</b>	<b>192.75</b>	<b>15.41</b>	<b>186.94</b>	<b>186.94</b>	<b>15.41</b>	<b>192.75</b>	<b>186.94</b>	<b>186.94</b>	<b>15.41</b>	<b>186.94</b>	<b>186.94</b>	<b>2.0%</b>	<b>2.0%</b>	<b>3.1%</b>



**Draft resolution on setting of 2007/08 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 34,965.00 as its Council Tax Base for the year 2007/08 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) 34,965.00 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**

	<b>(b)Part of the Council's area</b>	<b>2007/08</b>
		<b>£</b>
<b>Parish of:</b>	Adlington	1,959.40
	Anderton	474.00
	Anglezarke	16.50
	Astley Village	1,112.50
	Bretherton	284.20
	Brindle	453.30
	Charnock Richard	669.50
	Clayton le Woods	4,744.50
	Coppull	2,341.60
	Croston	1,036.30
	Cuerden	41.20
	Eccleston	1,551.80
	Euxton	3,283.20
	Heapey	378.60
	Heath Charnock	796.70
	Heskin	347.00
	Hoghton	364.70
	Mawdesley	746.60
	Rivington	50.30
	Ulnes Walton	261.10
	Wheelton	396.70
	Whittle Woods	1,838.40
	Withnell	1,245.50
	All other parts of the Council's area	10,571.40
	<b>Total</b>	<b>34,965.00</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.

2. That the following amounts be now calculated by the Council for the year 2007/08 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:
- (a) £40,420,136 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) £25,672,360 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) £14,747,776 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) £8,008,230 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) £192.75 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) £1,265,629 being the aggregated amount of all special items referred to in Section 34(1) of the Act;
- (g) £156.54 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**

		£
<b>Parish of:</b>	Adlington	178.64
	Anderton	161.71
	Anglezarke	151.69
	Astley Village	196.12
	Bretherton	181.40
	Brindle	169.38
	Charnock Richard	186.16
	Clayton le Woods	211.93
	Coppull	197.56
	Croston	180.39
	Cuerden	183.82
	Eccleston	182.56
	Euxton	199.07
	Heapey	191.43
	Heath Charnock	177.53
	Heskin	177.57
	Hoghton	168.91
	Mawdesley	183.76
	Rivington	173.56
	Ulmes Walton	168.92
	Wheelton	178.11
	Whittle le Woods	189.32
	Withnell	180.78
	All other parts of the Council's area	177.55

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>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Parish of:</b>								
Adlington	119.09	138.94	158.79	178.64	218.34	258.04	297.73	357.28
Anderton	107.81	125.77	143.74	161.71	197.65	233.58	269.52	323.42
Anglezarke	101.12	117.98	134.83	151.69	185.39	219.10	252.81	303.37
Astley Village	130.75	152.54	174.33	196.12	239.70	283.28	326.87	392.24
Bretherton	120.93	141.09	161.24	181.40	221.71	262.02	302.33	362.80
Brindle	112.92	131.74	150.56	169.38	207.02	244.66	282.30	338.76
Charnock Richard	124.11	144.79	165.48	186.16	227.53	268.90	310.27	372.32
Clayton le Woods	141.29	164.83	188.38	211.93	259.03	306.12	353.22	423.86
Coppull	131.71	153.66	175.61	197.56	241.46	285.36	329.27	395.12
Croston	120.26	140.30	160.35	180.39	220.48	260.56	300.65	360.78
Cuerden	122.55	142.97	163.40	183.82	224.67	265.52	306.37	367.64
Eccleston	121.71	141.99	162.28	182.56	223.13	263.70	304.27	365.12
Euxton	132.71	154.83	176.95	199.07	243.31	287.55	331.78	398.14
Heapey	127.62	148.89	170.16	191.43	233.97	276.51	319.05	382.86
Heath Charnock	118.35	138.08	157.80	177.53	216.98	256.43	295.88	355.06
Heskin	118.38	138.11	157.84	177.57	217.03	256.49	295.95	355.14
Hoghton	112.61	131.37	150.14	168.91	206.45	243.98	281.52	337.82
Mawdesley	122.51	142.92	163.34	183.76	224.60	265.43	306.27	367.52
Rivington	115.71	134.99	154.28	173.56	212.13	250.70	289.27	347.12
Ulnes Walton	112.61	131.38	150.15	168.92	206.46	244.00	281.53	337.84
Wheelton	118.74	138.53	158.32	178.11	217.69	257.27	296.85	356.22
Whittle le Woods	126.21	147.25	168.28	189.32	231.39	273.46	315.53	378.64
Withnell	120.52	140.61	160.69	180.78	220.95	261.13	301.30	361.56
All other parts of the Council's area	118.37	138.09	157.82	177.55	217.01	256.46	295.92	355.10

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 2007/08 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>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Precepting authority</b>								
Lancashire County Council *	697.47	813.71	929.96	1,046.20	1,278.69	1,511.18	1,743.67	2,092.40
Lancashire Combined Fire Authority *	38.29	44.68	51.06	57.44	70.20	82.97	95.73	114.88
Lancashire Police Authority*	83.97	97.96	111.96	125.95	153.94	181.93	209.92	251.90

\* 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 2007/08 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	938.82	1,095.29	1,251.77	1,408.23	1,721.17	2,034.12	2,347.05	2,816.46
Anderton	927.54	1,082.12	1,236.72	1,391.30	1,700.48	2,009.66	2,318.84	2,782.60
Anglezarke	920.85	1,074.33	1,227.81	1,381.28	1,688.22	1,995.18	2,302.13	2,762.55
Astley Village	950.48	1,108.89	1,267.31	1,425.71	1,742.53	2,059.36	2,376.19	2,851.42
Bretherton	940.66	1,097.44	1,254.22	1,410.99	1,724.54	2,038.10	2,351.65	2,821.98
Brindle	932.65	1,088.09	1,243.54	1,398.97	1,709.85	2,020.74	2,331.62	2,797.94
Charnock Richard	943.84	1,101.14	1,258.46	1,415.75	1,730.36	2,044.98	2,359.59	2,831.50
Clayton le Woods	961.02	1,121.18	1,281.36	1,441.52	1,761.86	2,082.20	2,402.54	2,883.04
Coppull	951.44	1,110.01	1,268.59	1,427.15	1,744.29	2,061.44	2,378.59	2,854.30
Croston	939.99	1,096.65	1,253.33	1,409.98	1,723.31	2,036.64	2,349.97	2,819.96
Cuerden	942.28	1,099.32	1,256.38	1,413.41	1,727.50	2,041.60	2,355.69	2,826.82
Eccleston	941.44	1,098.34	1,255.26	1,412.15	1,725.96	2,039.78	2,353.59	2,824.30
Euxton	952.44	1,111.18	1,269.93	1,428.66	1,746.14	2,063.63	2,381.10	2,857.32
Heapey	947.35	1,105.24	1,263.14	1,421.02	1,736.80	2,052.59	2,368.37	2,842.04
Heath Charnock	938.08	1,094.43	1,250.78	1,407.12	1,719.81	2,032.51	2,345.20	2,814.24
Heskin	938.11	1,094.46	1,250.82	1,407.16	1,719.86	2,032.57	2,345.27	2,814.32
Hoghton	932.34	1,087.72	1,243.12	1,398.50	1,709.28	2,020.06	2,330.84	2,797.00
Mawdesley	942.24	1,099.27	1,256.32	1,413.35	1,727.43	2,041.51	2,355.59	2,826.70
Rivington	935.44	1,091.34	1,247.26	1,403.15	1,714.96	2,026.78	2,338.59	2,806.30
Ulnes Walton	932.34	1,087.73	1,243.13	1,398.51	1,709.29	2,020.08	2,330.85	2,797.02
Wheelton	938.47	1,094.88	1,251.30	1,407.70	1,720.52	2,033.35	2,346.17	2,815.40
Whittle le Woods	945.94	1,103.60	1,261.26	1,418.91	1,734.22	2,049.54	2,364.85	2,837.82
Withnell	940.25	1,096.96	1,253.67	1,410.37	1,723.78	2,037.21	2,350.62	2,820.74
All other parts of the Council's area	938.10	1,094.44	1,250.80	1,407.14	1,719.84	2,032.54	2,345.24	2,814.28

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 2007/08 we estimate that a £1.00 Council Tax at Band D would raise £34,965.00 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 £1,959.40.

### RESOLUTION 2

- (a) This is the grand total of money which the Council estimates it will spend on all services in 2007/08. It also includes £549,835 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 £6,739,546 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 £192.75 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 £156.54 for Chorley Borough services and £9.01 for Adlington Town Council services and £18.52 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  $\text{£}184.07 \times \frac{6}{9} = \text{£}122.71$ ; for Band B it is  $\text{£}184.07 \times \frac{7}{9} = \text{£}143.17$ .

### 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  $\text{£}1,413.66$  made up as follows:

	£
Lancashire County Council (as in 4 above)	1,046.20
Lancashire Fire Authority (as in 4 above)	57.44
Lancashire Police Authority (as in 4 above)	125.95
Chorley Borough Council (as in 3(g) above)	156.54
Adlington Town Council	9.01
Special Expenses	18.52

### 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***