

## EXPLANATION OF COUNCIL TAX SETTING RESOLUTION

### RESOLUTION 1

(a) Before we can calculate the Council Tax to be charged, we first have to calculate the Council Tax base. The Council Tax base is the amount which a Band D Council Tax of £1.00 would raise. For 2015/16 we estimate that a £1.00 Council Tax at Band D would raise £34,504.22 in the Chorley area.

(b) This shows the “base” figure for each Parish in the area. For example, a £1.00 Band D Council Tax in Adlington would raise £1,859.00.

### RESOLUTION 2

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

### RESOLUTION 3

(a) This is the grand total of money which the Council estimates it will spend on all services in 2015/16. It also includes £571,258 which Parish Councils need to run their services.

(b) This is the grand total of money which the Council estimates it will receive from various sources in the year. This includes Central Government and business rates, car park charges, investment income, government grants in respect of benefits, etc.

(c) This is the difference between 2(a) and 2(b) and is in effect the Council’s and Parishes net spending on services.

(d) The difference between 2(a) and 2(b) is £6,654,350 and this is the amount we need to charge Council Taxpayers. This is divided by the base (see 1(a) above) and the resulting figure of £192.86 is the average Band D Council Tax for all Borough and Parish services.

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

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

### RESOLUTION 4

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

## RESOLUTION 5

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

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

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

Band A	$\frac{6}{9}$ 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  $\text{£}1,512.09 \times 6 \div 9 = \text{£}1,008.06$ ; for Band B it is  $\text{£}1,512.09 \times 7 \div 9 = \text{£}1,176.07$ .

## RESOLUTION 6

Formally authorise the necessary staff to take legal action to collect arrears as and when this is necessary. ***For the vast majority of taxpayers, this is not needed***