

Report of	Meeting	Date
The Conservative Group	Council	3 March 2015

## ALTERNATIVE BUDGET 2015/16

### 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 options as set out in this report.

### EXECUTIVE SUMMARY OF REPORT

3. This report sets out alternative budget proposals to those being put forward by the administration.
4. Firstly the report presents eight new investment proposals totalling £311,000. Six of these proposals are aimed at supporting rural communities and businesses, an area which we feel the administration often neglects.
5. We also recommend the removal of £209,000 of revenue investment proposals which are being put forwards by the administration, as well as the removal of the £100,000 which is being set aside from the New Homes Bonus fund to meet the costs of a unitary status local poll.
6. Finally we propose to reduce the administration's capital investment proposals by £2.345m and instead use this money to reduce the cost of borrowing to the council by £94,000 per year.

<b>Confidential report</b> Please bold as appropriate	Yes	<b>No</b>
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### CORPORATE PRIORITIES

7. 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 communities	✓	An ambitious council that does more to meet the needs of residents and the local area	✓

## **BACKGROUND**

8. The administration is proposing to spend £4.422m on a range of revenue and capital investment projects. It must be acknowledged that the opportunity to do this is wholly as a result of the funding made available by central government. Despite claims that government grant has been cut the total resources available to the Council has increased and will, by 2017 / 2018, be £15.2million which represents an increase over and above that currently available for 2015 / 2016.
9. The administration acknowledges that, based on their analysis, there will, in the future, be a funding gap where projected expenditure will be £2.6million greater than income. This paper puts forward an alternative budget, for consideration by Members of the Council, which invests in the Borough whilst reducing debt to mitigate the impact of the administrations projected budget gap.

## **ALTERNATIVE BUDGET**

10. The alternative budget proposals are set out in Appendix A. The proposals set out eight new areas for investment totalling £311,000 as well as removing and making changes to some of the administration's proposed investment areas totalling £309,000.
11. The new investment areas were presented at Policy Council in November 2014, as part of our alternative Corporate Strategy they focus on providing more support to the Borough's rural businesses and communities, ensuring investment and opportunities are provided throughout the Borough.
12. Comments provided in the budget consultation, from residents, clearly show that people living in rural areas feel that the current administration focuses on some areas of the Borough at the expense of others. We, therefore, propose to invest £300,000 in new projects which will benefit the entire Borough.
13. A further £11,000 should be allocated to work which would support the council improving and becoming more efficient.
14. We agree with the administration's proposals to freeze Council tax in 2015 / 2016 and to increase general balances to £3m over the 3 year MTFS period.
15. During the Corporate Strategy Council meeting the administration suggested that some of our proposals, made as part of our alternative strategy, may be taken forward as part of the Council's organisational plan, either in their own right or incorporated into other projects, however we can see no evidence of this and we are therefore presenting them again for approval in our alternative budget proposal.
16. Our view is that there are a number of projects being proposed, by the administration, that are low priority or are being prematurely put forward, which should be removed.
17. In particular we propose to remove £2,345,000 of capital investment proposals. Our opinion is that these projects should either be funded and delivered through partnership working or are not, at this point, a priority. We feel that the Council would be better served to allocate £2.345m in reducing debt rather than funding unnecessary projects. The impact of this would be an annual MPR saving of £94,000.

## PROPOSALS FOR NEW INVESTMENT

18. Our proposals for investment are therefore as follows:

Proposed projects	Summary	Proposed budgets
Promote Specific Community Food Growing	Building on the work undertaken with the Lancashire Wildlife Trust, this project would work with parish councils, RSLs, Groundwork and local communities to develop a specified number of community food growing schemes. Food growing schemes could also be supported through time credits and a communications campaign. Benefits could potentially include: Promotion of healthier lifestyles (people are more active and aware of healthy food); Promotion of inter-generational activities; community cohesion; low cost fresh produce.	£35,000
Promote and Encourage Community Management of Facilities	Based on community asset transfer of community centres, and expand and develop to other assets (such as play areas and open spaces). Should bring greater feeling of ownership and pride in the local community, and offer a more cost-effective method for managing assets.	£30,000
Rural Business Support Package	Develop a service which provides tailored support and advice to businesses and individuals in rural communities. In addition, this would include establishing a rural team, similar to the 'town team' engaging rural businesses and parish councils. The third element involves supporting businesses and individuals to access funding through the Rural Development Programme for England (RDPE) and establishing a grants package to support business to access the RDPE funding (match funding).	£50,000
Develop Rural Service Centres	Support shops and businesses in rural service centres (links to the expansion of grants throughout the Borough and the development of a rural enterprise team).	£80,000
Expand Business and Shop Grants throughout the Borough	Supporting the expansion of local businesses and expanding the offer of grants (shop front improvement grants, shop floor refurbishment grants and business rate subsidy scheme) to businesses and shops throughout the Borough rather than being focussed on businesses specifically in the town centre and a limited number of service centres.	£100,000
Deliver a Shop Local Campaign	Complementing the national campaign, the campaign will encourage people to use the shops and businesses across the borough to support the local economy and local area.	£5,000
Establish a Consultancy Business for Front and Back Office Support and Improvement	Using existing resources, and improved productivity, market the services of back office functions to other organisations to recoup some of the cost of the back office.	£10,000

Implement a Staff Suggestion Scheme	A scheme would be developed to encourage staff to make suggestions about how the council can be improved, to improve service delivery or to work more efficiently.	£1,000
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## PROPOSED CHANGES TO THE ADMINISTRATION'S BUDGET PROPOSALS

19. The table below identifies the revenue budget proposals which are supported but recommended to be placed on hold.

Investment Area (Revenue)	Proposed Budget	Reason for removal
Chorley Flower Show	£50,000	We support this in principle however propose to remove this as an investment area for 2015 / 2016 as improving the car parking at Astley Park should be delivered before new, large-scale, events are organised.
Town and Country Festival	£10,000	A festival of this scale could and should be community-led and financed.
Investigate Opportunities to expand Chorley Markets	£30,000	As Chorley is a Market Town this is supported but should be placed on hold until the impact of ASDA and further work is investigated.
Additional Events at Astley Hall	£14,000	Car parking, for events at Astley Hall and Park, needs improving before any further increases to events at Astley.
Support the Expansion of Local Businesses	£40,000	This is not being removed as it is included in our £100,000 proposal to expand business and shop grants throughout the Borough.

20. The table below identifies some changes to the scope of administration's revenue budget proposals, and also reduces the budgets for two of the proposed schemes around digital access and the delivery of events.

Investment Area (Revenue)	Proposed Budget	Proposed change
Dedicated Dog Fouling Team	£45,000	We support this investment and we also suggest that the Streetklean and PooPrints DNA programme, combined with Public Space Protection Orders, be investigated for implementation.
Digital Access and Inclusion	£30,000 (reduced by £20,000)	This project would also incorporate information about where support can be accessed.
Development and Delivery of Community Action Plans	£200,000	We support this work and propose that the work should be targeted in our most deprived wards and that the plans should have clear links to the work of the Public Service Reform board.
North West in Bloom	£45,000	We support this scheme and seek to include Parish Councils together with other interested bodies and community groups who could also bring in additional funding.
Delivery of Neighbourhood	£50,000	The scope of this project would

Priorities		incorporate a number of the administration's proposals including mediation services for ASB.
Provide Support to Food Provision Schemes	£15,000	We would like to ensure that this project has clear links to CAB and other providers.
Young Persons' Drop In	£19,000	We support this project and propose to increase the age range of those who can access this service from 16-17 to 16-19.
Free Swimming	£8,000	We support this project, propose to fund it from slippage and include older people in addition to children.
Employment Support Fund with Runshaw College	£20,000	We support this project, and recommend that it provides support to all Chorley students attending neighbouring colleges in such as Preston and Bolton colleges.
Campaigns and Events	£20,000 (reduced by £45,000)	It is proposed to reduce the budget and focus the scope of this work to maintain the current level of events, rather than to deliver even more events as set out in the administration's proposals. We would also work to ensure that, where possible, events are delivered on a cost neutral basis.

21. We also propose to remove the £100,000 budget which the administration proposes to set aside to meet the cost of a Unitary Status Local Poll. We believe that this provision is premature as no decision has yet been made by the Council on whether to conduct such a poll or not.

22. The table below recommends changes to the proposed capital investment areas:

<b>Investment Area (Capital)</b>	<b>Proposed Budget</b>	<b>Reason for removal / change</b>
Recycling Lives – Depot Split	Remove full £120,00 budget	Further information required regarding the current lease and operations
Yarrow Valley Car Park	Remove full £225,000 budget	Further information is required and it is not considered a priority at this time.
Youth Zone	Remove full £1,000,000 budget	While we support the principle of the scheme our view is that LCC should deliver their Youth Zone model as it includes children's services, YOT and YPS, with no revenue running costs to Chorley and it delivers to the most vulnerable.
Deliver Improvements to Market Street	Remove the full £1,000,000 budget	The current works to Market Street need time to become established also time should be given to assess the impact of ASDA.
Buckshaw Community Centre	£600,000 – No change to the budget	The need for a Community Centre is agreed the location, however, should be on the Group 1 Land and consideration be given to possible use with the new Primary School in terms of land, accessibility and sustainability.

23. 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**

24. The alternative budget proposals are delivered within the same resource limits as the administration’s budget. Details are set out in the Appendices attached and show that the expenditure plans, as set out, result in a reduced deficit at the end of the period when compared with the administration’s proposals. This is achieved by setting aside to repay debt a sum of £2.345m taken from the removal of the capital investment of the same sum as detailed in paragraph 23. The saving comes from a reduction in net financing charges of £94k per annum.
25. In terms of my statutory officer report, as there are no changes to the assumptions made on constructing the budget my comments contained in that report apply equally to the alternative budget. On that basis I am content that the proposals set out are deliverable within the resource constraints discussed.

**COMMENTS OF THE MONITORING OFFICER**

26. None.

COUNCILLOR P LEADBETTER  
DEPUTY LEADER OF THE CONSERVATIVE GROUP