

MINUTES OF COUNCIL

MEETING DATE Tuesday, 1 March 2016

MEMBERS PRESENT: Councillor Marion Lowe (Mayor), Councillor Doreen Dickinson (Deputy Mayor) and Councillors Aaron Beaver, Eric Bell, Julia Berry, Alistair Bradley, Charlie Bromilow, Terry Brown, Paul Clark, Jean Cronshaw, Alan Cullens, John Dalton, David Dickinson, Graham Dunn, Robert Finnamore, Christopher France, Gordon France, Margaret France, Anthony Gee, Danny Gee, Tom Gray, Keith Iddon, Mark Jarnell, Hasina Khan, Paul Leadbetter, Margaret Lees, Roy Lees, Adrian Lowe, Matthew Lynch, June Molyneaux, Greg Morgan, Alistair Morwood, Mick Muncaster, Steve Murfitt, Beverley Murray, Mark Perks, Debra Platt, Joyce Snape, Kim Snape, Ralph Snape, Richard Toon, John Walker, Paul Walmsley, Alan Whittaker and Peter Wilson

OFFICERS: Gary Hall (Chief Executive), Lesley-Ann Fenton (Director of Customer and Advice Services), Chris Moister (Head of Governance and Property Services) and Carol Russell (Democratic Services Manager)

APOLOGIES: Councillor Henry Counce

16.C.312 Minutes of meeting Tuesday, 19 January 2016 of Council

RESOLVED – That the minutes of the last meeting of the Council held on 19 January 2016 be approved as a correct record for signature by the Mayor.

16.C.313 Declarations of Any Interests

There were no declarations of interest received.

16.C.314 Mayoral Announcements

The Mayor gave an update on her fundraising activities, thanking all those who had attended her Charity Ball and Burns Night Supper and seeking support for her remaining two events, a Quiz Night on 5 March and a Murder Mystery Night on 31 March.

16.C.315 Public Questions

There were no public questions for consideration.

16.C.316 General Fund Revenue and Capital Budget and Council Tax 2016/17

Councillor Peter Wilson, Executive Member for Resources presented the Executive's General Fund Revenue and Capital Budget and Council Tax proposals for 2016/17.

Councillor Wilson thanked the finance team for their assistance in putting together the budget which would enable the delivery of the priorities contained in the Corporate Strategy. Significant budget efficiencies had been achieved and this would enable the delivery of a balanced budget in 2016/17; would enable Council tax to be frozen for a further year; and allow investment of £1.4m in projects to meet corporate priorities.

In summary, the report put forward by the Executive:

- Freezes Council Tax for a fourth year in 2016/17
- Addresses the previously forecasted budget deficit position for 2016/17 in advance of the year, delivering £1.167m worth of budget efficiencies.
- Does not contain cuts to front line services.
- Delivers Revenue and Capital New Investments totalling £3.167m.
- Brings the total committed to New Investments since 2013/14 to £12.330m.
- Is consistent with the Corporate Priorities and aims to bring income into the Council.
- Seeks to bridge the forecasted budget gap by generating additional income, in particular through expanding the business rates tax base and invest-to-earn projects.
- Is consistent with the Medium Term Financial Strategy.
- Minimises the revenue impact of the Council's borrowing commitment to fund the Capital Programme.
- Enhances the financial resilience of the Council's budget by increasing the level of working balances from £3.0m to £4.0m by the end of 2018/19.

The following appendices were included in the main report on the General Fund Revenue and Capital Budget and Council Tax for 2016/17, providing supporting information to the budget proposals:

Appendix A1	Explanation of Council Tax Resolution 2016/17
Appendix A2	Pay Policy 2016/17
Appendix A3	Fees and Charges Income 2016/17
Appendix B1	Capital Programme 2016/17 to 2018/19
Appendix B2	Capital Programme 2016/17 to 2018/19 Financing
Appendix B3	Developers' Contributions
Appendix C	Budget Investment Package 2016/17
Appendix C1	Budget Investment Project Mandates
Appendix D	Treasury Management Strategy 2016/17 to 2018/19
Appendix E	Statutory Financial Officer Report
Appendix F	Medium Term Financial Strategy 2016/17 to 2018/19
Appendix F1	Analysis of Budget Variations
Appendix G	Variance Analysis - Budget Movements 2015/16 to 2016/17
Appendix H	Special Expenses and Parish Precepts 2016/17
Appendix I	Budget Consultation 2016/17
Appendix J	Assessing the Impact of 2016/17 Budget Proposals

In presenting the report, Councillor Wilson referred to the major financial challenges facing local government, in particular the phasing out of Revenue Support Grant to local authorities from 2020 and changes to the New Homes Bonus. He referred to the need to be bold; the Council was investing heavily in front line services, and also in revenue sources which could increase income in order to help make the Council self-sufficient for the future. There was still a need to continue with efficiency savings but the outcomes from the budget consultation were very positive.

Executive Leader Councillor Alistair Bradley seconded the proposals, stating that despite the cuts, the Council would still be striving to get the best for its residents. Chorley was bucking the trend in Lancashire with the highest employment figures and was seeking to be at the forefront of the Northern Powerhouse. Money was being set aside to help deal with some of the cuts imposed by Lancashire County Council.

Before moving to the vote, the Mayor asked the Conservative Group to present their Alternative Budget.

16.C.317 Alternative Budget 2016/17

Councillor Greg Morgan, Shadow Executive Member for Resources presented the Conservative Group's Alternative Budget. The focus of the proposals was:

- Agreement that Council tax should be retained at its current level;
- 16 new investment proposals were put forward, totalling £580,000;

- Proposals to deliver significant efficiency savings and income generation over the next three years which could lead to savings of £1.65m;
- Proposals to address the financial risk and uncertainty for the future by setting aside over £5.3 million over the next three years into general balances.

In presenting the report, Councillor Morgan referred to his Group's proposal to set aside funding for PCSOs for the next 3 years.

In debating the proposals put forward by the opposition, Members raised issues around the longer term funding of PCSOs; challenged the ability to increase productivity to save £1.5m; and the viability of a consultancy and further shared services.

AMENDMENT

The adoption of the Alternative Budget as set out in the report, was moved as an amendment by Councillor Greg Morgan, Shadow Executive Member for Resources and seconded by Councillor Paul Leadbetter, Leader of the Conservative Group.

This was put to the vote, recorded as follows:

FOR: E Bell, A Cullens, J Dalton, David Dickinson, Doreen Dickinson, K Iddon, P Leadbetter, G Morgan, M Muncaster, M Perks, D Platt, J Walker.

AGAINST: A Beaver, J Berry, A Bradley, C Bromilow, T Brown, P Clark, J Cronshaw, G Dunn, R Finnamore, C France, G France, M France, A Gee, D Gee, T Gray, M Jarnell, H Khan, M Lees, R Lees, A Lowe, M Lowe, M Lynch, J Molyneaux, A Morwood, S Murfitt, B Murray, J Snape, K Snape, R Snape, R Toon, P Walmsley, A Whittaker, P Wilson.

The vote was LOST

SUBSTANTIVE MOTION (the Executive's budget proposals) moved by Councillor Peter Wilson, seconded by Councillor Alistair Bradley.

FOR: A Beaver, J Berry, A Bradley, C Bromilow, T Brown, P Clark, J Cronshaw, G Dunn, R Finnamore, C France, G France, M France, A Gee, D Gee, T Gray, M Jarnell, H Khan, M Lees, R Lees, A Lowe, M Lowe, M Lynch, J Molyneaux, A Morwood, S Murfitt, B Murray, J Snape, K Snape, R Snape, R Toon, P Walmsley, A Whittaker, P Wilson.

AGAINST: E Bell, A Cullens, J Dalton, David Dickinson, Doreen Dickinson, K Iddon, P Leadbetter, G Morgan, M Muncaster, M Perks, D Platt, J Walker.

The vote was CARRIED and it was RESOLVED -

1. **The budget and proposals set out in this report be approved, including:**
 - **Council Tax set out in the resolution (at Appendix A1) and below.**

- **The Council's Pay Policy (at Appendix A2) and publication on the Council's website from April 2016.**
 - **Maintain the fees and charges (at Appendix A3) at current 2015/16 prices.**
2. **The Capital Programme to 2018/19 be approved (Appendices B1, B2, & B3).**
 3. **The Budget Investment Package Report be approved (Appendices C & C1).**
 4. **The Treasury Management Strategy and its core principles be approved (Appendices D, D(1) & D(2)).**
 5. **The advice of the Statutory Finance Officer in relation to the robustness of the budget and the risks contained within it as set out in the Statutory Report be noted (Appendix E).**
 6. **The Council's Medium Term Financial Strategy be approved (Appendices F & F1).**
 7. **Significant Budget Movements from the 2015/16 Budget be noted (Appendix G).**
 8. **The Special Expenses and Parish Precepts be noted (Appendix H).**
 9. **The Budget Consultation 2016/17 Report be noted (Appendix I).**
 10. **The report Assessing the Impact of Budget Proposals 2016/17 be noted (at Appendix J).**
 11. **The Council Tax set out in Appendix A1 be approved as follows:**

It be noted that on 13 January 2016 the Chief Executive as Statutory Finance Officer calculated the Council Tax Base 2016/17:

 - (a) for the whole Council area as 35,181.72 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; and
 - (b) for dwellings in those parts of its area to which a Parish precept relates (as in the attached Table 2).
 2. Calculate that the Council Tax requirement for the Council's own purposes for 2016/17 (excluding Parish precepts) is £6,241,590.
 3. That the following amounts be calculated for the year 2016/17 in accordance with Sections 31 to 36 of the Act:

- (a) £62,102,070 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
 - (b) £55,327,320 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £6,774,750 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
 - (d) £192.56 being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
 - (e) £1,202,316 being the aggregate amount of all special items (Special Expenses and Parish precepts) referred to in Section 34(1) of the Act (as in the attached Table 1).
 - (f) £158.39 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (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 Parish precept relates.
4. To note that the County Council, the Police Authority and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
 5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2016/17 for each part of its area and for each of the categories of dwellings.

VALUATION BANDS

CHORLEY BOROUGH COUNCIL

A	B	C	D	E	F	G	H
105.59	123.19	140.79	158.39	193.59	228.79	263.99	316.78

LANCASHIRE COUNTY COUNCIL

A	B	C	D	E	F	G	H
783.24	913.78	1,044.32	1,174.86	1,435.94	1,697.02	1,958.10	2,349.72

POLICE & CRIME COMMISSIONER FOR LANCASHIRE

A	B	C	D	E	F	G	H
108.15	126.17	144.20	162.22	198.27	234.32	270.37	324.44

LANCASHIRE COMBINED FIRE AUTHORITY

A	B	C	D	E	F	G	H
43.67	50.94	58.22	65.50	80.06	94.61	109.17	131.00

AGGREGATE OF COUNCIL TAX REQUIREMENTS

A	B	C	D	E	F	G	H
1,040.65	1,214.08	1,387.53	1,560.97	1,907.86	2,254.74	2,601.63	3,121.94

6. That the Statutory Finance Officer and his officers be authorised to take any action necessary to ensure collection and recovery of the Council Tax and Non-Domestic Rates.

7. As there is no increase in the Council's basic amount of Council Tax for 2016/17 and is therefore below the allowable increase of 2.0%, it is considered not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

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 2016/17 we estimate that a £1.00 Council Tax at Band D would raise £35,181.72 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 £1,881.28.

RESOLUTION 2

This shows the Council's net spending for 2016/17 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 2016/17. It also includes £571,456 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 £6,774,750 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 £192.56 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 2016/17 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 £1,560.97 made up as follows:

	£
Chorley Borough Council	158.39
Lancashire County Council	1,174.86
Lancashire Police Authority	162.22
Lancashire Fire Authority	65.50

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 $\text{£}1,560.97 \times 6 \div 9 = \text{£}1,040.65$; for Band B it is $\text{£}1,560.97 \times 7 \div 9 = \text{£}1,214.08$.

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***

16.C.318 Notice of Motion submitted under Procedure Rule 10

Councillor Alistair Bradley submitted the following motion on School Surface Water and Highways Drainage Charges, for debate under Council Procedure Rule 10 (supported with data contained within the agenda papers).

“Chorley Council notes:

- 1. That United Utilities is the body responsible for charging for drainage and surface water in Chorley and across the North West region from Cheshire to Cumbria.*
- 2. United Utilities charging system for E15 Surface Water and Highways Drainage uses an area based calculation for School Water and Sewage charges.*

3. *The E15 water and sewage charges made to schools cover all water and sewerage from schools but excludes repairs or maintenance costs.*
4. *Sefton Metropolitan Council produced a breakdown of charges comparing Regions and Local Education Authorities (LEAs) using Department of Education (DfE) information. The same data source also contains figures for Lancashire and Chorley. The combined results are in the tables attached.*
5. *The North West is one of 10 Regions in England but pays over 29% of Schools Water and Sewage charges.*
6. *The South East region is the most similar to the North West both in terms of number of schools and number of pupils. The North West pays 2.4 times as much as the South East.*
7. *The LEAs most similar to Lancashire in numbers of schools are Kent, Hampshire and Essex. Lancashire pays between 1.7 and 2.8 times as much per school as the others.*
8. *The most similar LEAs to Lancashire in numbers of pupils are Kent, Birmingham and Hampshire. The Lancashire E15 Schools Water and Sewage charges per pupil is £34.63. This is twice the figure for Kent and 2.9 times the cost per pupil in Hampshire.*

Chorley Council believes:

1. *That data from Pupil Premium spending shows that increasing the spend per pupil has clear and measurable effects on children's development and future life chances*
2. *By removing money from the schools in Chorley to the extent of approximately £5,000 p.a. compared to comparable LEAs is proving a disadvantage to all children in the Borough and damaging to their futures.*

Chorley Council resolves that:

The Chief Executive writes to the Chair of United Utilities, the Water Regulator (OFWAT), the Secretary of State for Education, and the two Members of Parliament covering the Borough to express our complete dismay at the disadvantages being placed on the children in Chorley because public funds aimed at their education are being diverted to United Utilities' balance sheet."

In debating this motion, proposed by Councillor Alistair Bradley and seconded by Councillor Chris France, there was unanimous support and it was **RESOLVED that the motion be agreed.**

Chair

Date