

## Lancashire County Council budget and priorities

We want to ask you some questions on what you think about the county council's service priorities, and the Council Tax we charge. First, here is some brief background information about the budget and Council Tax.

### Spending priorities

In this financial year April 2008 to March 2009 the county council will spend £1,723 million (just over £1.7 billion). Of that spending, £1,040 million comes from the government for specific services and from charges we make for certain services, and the largest item within this total is £651 million of government grant to fund schools.

This leaves net spending of £683 million. The table below shows the services we will spend this on.

Spending	£ million	%
Children and young people	147	22
Adult services	289	42
Highways and environmental management	62	9
Community services (including recreation, tourism and libraries)	23	3
Waste management	41	6
Financing charges (borrowing costs for capital schemes, for example long-term road and building projects)	35	5
Public transport	11	2
Public protection (including emergency planning, trading standards, county analyst and registrars)	9	1.5
Supporting economic development in Lancashire	2	0.5
Contribution to reserves	10	1.5
Contribution to capital schemes	10	1.5
Other services	44	6
<b>Total</b>	<b>683</b>	<b>100</b>

### Council Tax

Our spending is funded by business rates, the Revenue Support Grant and Council Tax. The first two of these are fixed amounts we receive from the government. We set Council Tax based on how much more than these amounts we need to cover our total spending.

The table below shows our funding for 2008/09.

	£ million	% of total
Business rates	239	35
Revenue Support Grant	33	5
Council Tax	411	60
<b>Total</b>	<b>683</b>	<b>100</b>

For 2008/09 we set a spending budget of £683 million. This included £10 million of new efficiency savings and a £6 million reduction in financing charges. We received £272 million from the government, leaving £411 million to be raised from Council Tax. This meant an annual Council Tax charge of £1,077.06 for a property in band D, an increase of 2.95% on the previous year. The Council Tax set by the county council is included together with the Council Tax set by your borough or district council and the police and fire authorities in one bill sent out by your borough or district council.

### **Next year**

For the first time, the government has given us a three-year grant settlement, rather than an annual settlement. So our funding position for the next two years (2009/10 and 2010/11) is more certain than it has been in the past. Taking into account this settlement and estimated Council Tax resources, we have made budget forecasts for the next two years.

- The budget forecast for 2009/10 is £720 million, an increase of £37 million (5.4%) over 2008/09. This would result in a Council Tax increase of 4.3%.
- The budget forecast for 2010/11 is £768 million, an increase of £48 million (6.7%) over 2009/10. This would result in a Council Tax increase of 7.2%.

The county council's cabinet is determined to minimise increases in spending and Council Tax, and have called on service executive directors to identify and deliver additional annual efficiency savings over the two years 2009/10 and 2010/11. This approach ties in with the government requirement that local authorities deliver 3% new cashable efficiency savings each year over the three years of the forecast. This is equivalent to around £20 million a year for the county council.

### **The questions**

Based on the information above, we'd like to hear your views on:

- what our spending priorities should be over the next year; and
- the level of Council Tax increase that we should aim for next year.

**26**

a) Which three or four of the following services should be the highest priorities for spending in 2009/10? PLEASE TICK UP TO FOUR BOXES

b) And which three or four of these services should be the lowest priorities for spending in 2009/10? PLEASE TICK UP TO FOUR BOXES

	a) Highest spending priorities	b) Lowest spending priorities
Nursery education	11%	20%
Primary and secondary education	53%	3%
Pupils who are socially disadvantaged and children with special educational needs	21%	5%
Children's social care (protecting vulnerable children)	30%	2%
Libraries	9%	20%
Museums	2%	47%
Adult education	7%	30%
Services for adults with disabilities	17%	4%
Services for older people (including care in their own homes and in residential homes)	57%	1%
Repairing roads and bridges (including emergencies and fixing potholes)	27%	4%
Traffic management (making road travel safer and reducing congestion)	18%	16%
Keeping local bus services running	29%	10%
Waste management (household waste disposal and recycling)	28%	8%
Country parks, open spaces and picnic sites	13%	24%
Support for businesses and attracting investment to Lancashire	15%	25%
Crime prevention (working with partner organisations to help prevent crime and disorder and reduce the fear of crime)	50%	4%
Trading standards (consumer protection)	6%	29%
Welfare rights (helping people get the financial support they are entitled to)	11%	33%
Youth and community services (activities and support for young people)	22%	13%
None of these	0%	4%
Don't know	2%	10%

**27****Which of the following most closely matches your opinion on what the council should do about increasing Council Tax next year?**

PLEASE TICK ONE BOX ONLY

No increase in Council Tax over this year, which would mean very significant reductions in county council services 28% → **END**

An increase in Council Tax of significantly less than 5% 52% → **GO TO Q30**

An increase in Council Tax of around 5% 19% → **GO TO Q30**

An increase in Council Tax of over 5% 2% → **GO TO Q30**

**28****And what level of increase do you feel you could support?**

PLEASE TICK ONE BOX ONLY

(Note: figures are shown for band D and for the lowest and highest bands, A and H, to illustrate the full range. The effects for the other bands would fall within the ranges shown.)

	<b>Band A</b>	<b>Band D</b>	<b>Band H</b>	
<b>Current 2008/09 Council Tax a week</b>	<b>£13.81</b>	<b>£20.71</b>	<b>£41.43</b>	
With a 2% increase	£14.09	£21.12	£42.25	33%
With a 3% increase	£14.22	£21.33	£42.67	29%
With a 4% increase	£14.36	£21.54	£43.09	14%
With a 5% increase	£14.50	£21.75	£43.50	21%
With a 6% increase	£14.63	£21.95	£43.92	1%
With a 7% increase	£14.78	£22.16	£44.33	3%