

CHESHIRE EAST COUNCIL

REPORT TO: Local Service Delivery Committee - Crewe

Date of Meeting: 31st October 2011
Report of: Vivienne Quayle – Head of Performance, Customer Services and Capacity
Lisa Quinn- Director of Finance and Business Services
Subject/Title: Local Service Delivery – Transfer and Devolution
Portfolio Holder: Cllr Rachel Bailey
Cllr Michael Jones

1.0 Report Summary

- 1.1 This report and Appendices provides detailed information to support the costs associated with the list of assets that could potentially form the calculation for a special expense levy for 2012/13. The report at the previous meeting gave background information and set out the main financial implications. This report builds on that information and presents the financial position in more detail.
- 1.2 This information it is intended to assist members in making an informed decision on those existing services that they wish to see provided in the currently unparished area of Crewe (consistent with those transferring to parishes areas) and the associated budgets that related to those services.
- 1.3 This is the first time any such special expenses levy has been considered and the financial information needs to be clear and transparent. Service and finance officers will be available at the meeting to answer questions of clarification.

2.0 Decision Requested

- 2.1 The Committee is asked to make a recommendation to Cabinet on the level of service and related budgets they wish to see continue to be provided in the unparished area of Crewe potentially leading to the levying on a relevant charge.

3.0 Reasons for Recommendations

3.1 Crewe Town is currently an unparished area and as such has no local Council (at a lower tier than Cheshire East) at present to make decisions about service delivery. To ensure that the area of Crewe has similar opportunities and choices as the parished areas and that all areas of Cheshire East are treated consistently, it has been necessary to set up this specific committee to carry out the functions as outlined in the Terms of Reference.

4.0 Wards Affected (either fully or partially)

- 4.1 Crewe East
- 4.2 Crewe West
- 4.3 Crewe South
- 4.4 Crewe North
- 4.5 Crewe Central
- 4.6 Crewe St Barnabas.
- 4.7 Leighton

5.0 Local Ward Members

5.1 All Crewe members

6.0 Policy Implications including – Carbon Reduction - Health

6.1 This initiative aligns with the first priority of the Sustainable Community Strategy “nurturing strong communities” and is part of Cheshire East’s stated drive to ensure that working locally is at the heart of what we do.

6.2 National policy is designed to decentralise government and give communities power to make a difference in their area. This initiative clearly aligns with this national drive.

7.0 Financial Implications

7.1 Appendix A of this report provides detailed financial information, broken down by service area. Members of the Committee may wish to pay particular attention to the summary, which provides an indication of the likely special expense levy if the services were to be maintained at their current level.

7.2 Appendix B is for information purposes only and is a copy of the budget for the Chartered Trustees as requested at the previous meeting.

7.3 In order to provide a consistent approach across Cheshire East a special expense levy is being proposed within Crewe. By way of background information, the Council Tax (or in this case, the Special Expenses Council Tax) is simply calculated by taking the net cost of Services provided in an area and dividing by the tax base (being the number of Band D equivalent properties). A summary of the tax base calculations for the current financial year, 2011/12, is attached in Appendix C, illustrating the tax base for Cheshire East, along with the particular calculation for Crewe unparished area. Clearly, the tax bases for 2012/13 are being prepared and will be slightly different to the current year figures (i.e. to reflect changes in total numbers of properties, incidence of discounts etc.), but any change is not expected to be too material.

8.0 Legal Implications

8.1 The legal implication of setting a levy will be considered once the communication from Department of Communities and Local Government (DCLG) has been received in relation to the freeze on Council Tax.

9.0 Risk Management

9.1 There is a potential risk that inconsistencies could occur where services are continued to be funded centrally. If services are continued to be delivered in this way then it will be important that the reasoning behind this is clearly communicated.

9.2 There is a risk that the charge on the people of Crewe is unclear given the potential for a special expense and a charter trustee level as well as the usual Council Tax. This is part of the reason for setting up this Local Delivery Committee and communication of the results for this Committee's recommendations and the Council decision will be designed to give as much clarity as possible to residents.

10.0 Background and Options

10.1 At the first meeting of Local Service Delivery Committee for Crewe Members of the Committee asked for further detailed financial information on the services that will form the special expense payment.

10.2 As part of Cheshire East Council's initiative to transfer and devolve services to Town and Parish Councils, Full Council agreed that Local Service Delivery Committees are required to represent the unparished areas in the Borough to determine the level of local services required by communities. This decision was taken in November 2010.

- 10.3 The list of the relevant services is contained in the report to Cabinet on 5th September 2011. (The report was circulated to members of the Committee prior to the last meeting).
- 10.4 In order to be consistent with the overall Cheshire East policy, it is necessary to carry out an assessment of the cost of the relevant services within the unparished area for consideration by this local service delivery committee. This may result in a special expense levy on the Cheshire East Council (CEC) Council Tax bill. This is designed to be an equivalent to a precept for local services provided by a Town or Parish Council. If and when a Town or Parish Council is established in these areas, the Local Service Delivery Committee will no longer be required.

11.0 Access to Information

- 11.1 The background papers relating to this report can be inspected by contacting the report writers:

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