

The council has set a budget for 2005/06 which seeks to strike a balance between an affordable level of council tax and the need to invest in and improve the key services that the council provides. This approach enables the authority to spend more money on priority service areas while continuing to have the lowest council tax levels on Merseyside. In 2005/06, the council tax for a band 'A' property (which is the relevant property band for the majority of households in Knowsley) will be £669.99, an increase of 4% over 2004/05. When Police and Fire precepts are added, the band 'A' figure is £783.03, an overall increase of 4.1% or 59p per week (excluding parish councils).

The council received a relatively poor government grant settlement for 2005/06 and Knowsley will continue to lobby central government to ensure that future settlements are fair and address the need for funding to be distributed fairly across the whole country.

The council prides itself on providing value for money services and seeks to ensure that all of its resources are targeted precisely, spent effectively and produce performance that is continually improving. Some key information about the council's performance is set out in the Best Value Performance Report on pages 5 to 7 of this booklet.

The council is committed to ensuring that efficiency savings are key to maintaining a strong financial position in the light of increasing budget pressures. The council's Efficiency Plan provides a coordinated and proactive approach to the identification and realisation of efficiency savings and gains. Through effective financial planning and improved links between performance and spending, the council has been able to invest in a number of key priority areas as part of the 2005/06 budget:

- The funding allocated to schools meets the government's 'passporting' requirement and ensures minimum increases of 5% per pupil for all primary schools and 4% per pupil for each secondary school. In addition, extra resources have been allocated to continue the development of the council's highly praised 14-19 Collegiate initiative;
- Money has also been earmarked to allow the continued funding of Neighbourhood Wardens across the whole borough, and as part of the drive to become the cleanest urban borough, further resources have been allocated to improve the collection of grass cuttings and to roll-out kerbside recycling to 61,000 properties; and
- Health and Social Care services have benefited from an increase of funding over three years totalling £1.350m. This planned investment has allowed the council to fund its increased responsibilities and achieve health targets.

Further details of the council's budget are shown on pages 2 to 4 of this booklet, including the impact that the budget has on your council tax. Pages 17 to 25 of this booklet explain how your council tax demand has been calculated. As always, the council will strive to maximise the funds available for service provision by committing itself to collecting the council tax in full. Subject to your circumstances, you may be entitled to council tax benefit, which would reduce the amount you have to pay. In some instances, the reduction can be a full 100% of the council tax demand. If you need assistance or advice with regard to benefits, please contact staff at the one stop shops or contact centre listed on page 25 of this booklet.

Knowsley's Revenue Budget 2005-06

(includes Police & Fire precepts)

The council's 2005/06 expenditure plan will be delivered at a council tax increase of 4%. Within this increase, the council has had to contain the impact of some major expenditure commitments including:

- Increases in pay, pensions, and national insurance;
- The effect of increased demands for our services (such as needing to look after an increasing number of older people);
- The costs of new legislation which must be implemented by the council (for example implications of the new Licensing Act and Fairer Charging requirements for residential care homes);
- Levy increases (such as the Waste Disposal Authority levy) which are above the rate of inflation.

As well as containing these commitments, the council's budget will enable the following key improvements to be made:

- Every school in Knowsley will get a minimum increase - 5% per pupil for primary schools and 4% per pupil for secondary schools. This is a total investment of over £5.9m;
- The council's 14-19 Collegiate initiative will receive an additional £0.381m each year to ensure that it can continue to provide its highly rated work-based learning programmes;
- Additional investment of £0.200m will enable the opening hours for the customer contact centre to be extended to 8.00 am to 8.00 pm Monday to Friday and will mean that the one stop shops will be open on Saturday mornings across the borough;
- An extra £0.227m will be spent on improving the collection of grass cuttings, and a further £0.148m will be devoted to major new recycling initiatives across the borough; and,
- The three-year increase of funding totalling £1.350m (£0.450m per annum) for Health and Social Care services will continue.

The budget also includes the interest and debt charges on the money that the council borrows to pay for its capital programme. In 2005/06, over £17m will be invested in council facilities.

The council is committed to ensuring that efficiency savings are made, and that there continues to be a strong financial position in the light of increasing budget pressures. The council's Efficiency Plan provides a co-ordinated and proactive approach to the identification and realisation of efficiency savings and gains. The Plan covers both corporate efficiencies, which will be managed across the council, and service-based initiatives, which will free up resources to allow re-investment in service provision.

Knowsley's Revenue Budget 2005-06

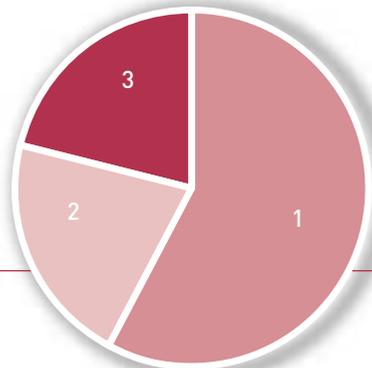
(includes Police & Fire precepts)

	2005/06 Gross Expenditure £m	2005/06 Income £m	2005/06 Net Expenditure £m	2004/05 Net Expenditure £m
PORTFOLIO REQUIREMENTS				
Regeneration and Development	21.973	-9.989	11.984	11.289
Education and Lifelong Learning	134.062	-40.502	93.560	91.257
Finance and Information Society Technologies	16.143	-6.526	9.617	9.743
Corporate and Customer Services	11.422	-1.004	10.418	9.288
Community Safety and Social Inclusion	7.124	-6.043	1.081	1.250
Leaders Portfolio	4.126	-2.420	1.706	1.500
Environment and Operational Services	26.150	-17.866	8.284	7.884
Leisure, Community and Culture	16.119	-4.890	11.229	10.951
Health and Social Care	70.434	-25.089	45.345	41.137
Total Portfolio Requirements	307.553	-114.329	193.224	184.299
PROVISIONS AND OTHER BUDGETS				
Capital Financing Costs			10.145	10.221
Provisions and Reserves for Inflation and Other Contingencies			11.657	8.660
Efficiency Plan Cash Savings			-0.900	-0.525
Performance Improvement Fund			0.000	0.821
Total			20.902	19.177
COST OF SERVICES PROVIDED DIRECTLY BY THIS COUNCIL			214.126	203.476
CHARGES FOR SERVICES PROVIDED TO THE COUNCIL BY OTHER BODIES				
Coroners Service			0.175	0.169
Flood Defence			0.060	0.050
Waste Disposal			4.507	3.748
Probation			0.005	0.007
Passenger Transport			10.778	10.394
Total			15.525	14.368
KNOWSLEY COUNCIL'S TOTAL REVENUE BUDGET REQUIREMENT			229.651	217.844
FUNDING RECEIVED BY THE COUNCIL				
Revenue Support Grant			-137.258	-136.069
Business Rates			-50.065	-42.143
Total			-187.323	-178.212
AMOUNT OF KNOWSLEY COUNCIL'S BUDGET TO BE FUNDED FROM COUNCIL TAX			42.328	39.632
POLICE PRECEPT				
			4.872	4.518
FIRE AND CIVIL DEFENCE PRECEPT				
			2.269	2.133
			7.141	6.651
TOTAL AMOUNT TO BE FUNDED FROM COUNCIL TAX			49.469	46.283
COUNCIL TAX BILLS				
	Knowsley Council	Police	Fire & Civil Defence	TOTAL
Amount per band 'A' property				
2004/05 (£)	644.22	73.45	34.67	752.34
2005/06 (£)	669.99	77.12	35.92	783.03
Increase (%)	4.0%	5.0%	3.6%	4.1%

Where the council gets its money from

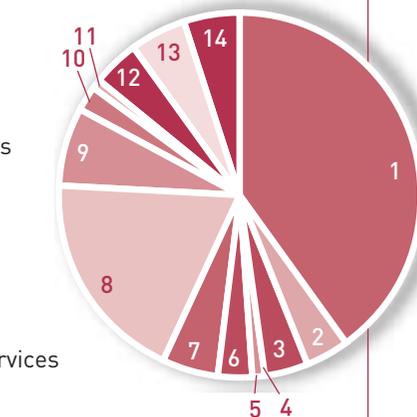
- 1 - Revenue Support Grant
£137.258m
- 2 - Business Rates
£50.065m
- 3 - Council Tax
£49.469m

Total: £236.792m



How the council spends its money

- 1 - Education & Lifelong Learning
£93.560m
- 2 - Finance & Information Society Technologies
£9.617m
- 3 - Corporate & Customer Services
£10.418m
- 4 - Community Safety & Social Inclusion
£1.081m
- 5 - Leader's Portfolio
£1.706m
- 6 - Environment & Operational Services
£8.284m
- 7 - Leisure, Community & Culture
£11.229m
- 8 - Health & Social Care
£45.345m
- 9 - Levies
£15.525m
- 10 - Police
£4.872m
- 11 - Fire
£2.269m
- 12 - Capital Financing Costs
£10.145m
- 13 - Funds for Inflation & Contingencies
£10.757m
- 14 - Regeneration & Development
£11.984m



Total: £236.792m

As a council that prides itself in providing value for money services that are appreciated by our communities, we try to ensure that all monies raised, whether through the council tax or other sources, are targeted precisely, spent effectively and produce performance that is continually improving.

In this section of the Budget and Performance Report we set out some of the key information concerning our performance during 2004/05, performance that is helping us to achieve our overall vision:

“ To be an excellent council – improving people’s lives”

This vision ensures that we stay focused on the needs of our communities and by carefully monitoring our actions, allows us to concentrate our effort on what needs to be achieved.

However, the council does not achieve this alone. We rely on strong working relationships with our partners, such as the Police, Health and indeed the community itself in helping to make Knowsley a better place.

Our vision is supported by a set of council objectives that focus on the services you receive.

The following summary information on our performance is therefore set against each of these priorities over the following pages.

For full details regarding all aspects of our performance, as well as information about our achievements and future commitments, please read our annual Corporate Plan, that will be made available to the public by the end of June 2005.

Performance in the Priority Areas

Putting People First

- Last year saw a 68% increase in turnout at local elections
- We continue to employ more women (33.35% of top 5% earners are female), and people from Black Minority Ethnic groups (BME) in senior positions in the council (4.07% of top 5% earners are BME)
- We implemented our customer care charter that clearly sets out the standards of care our customers can expect
- We successfully implemented the Freedom of Information Act on 1 January 2005

Achievement and Learning for All

- This year, the LEA achieved its best ever results:
 - We were the 5th most improved nationally for Key Stage 2 (11 year olds)
 - National target of 38% of children achieving 5 GCSEs at A*-C grades was met for the first time
 - 14-19 provision, graded 'outstanding' by OFSTED.
 - Sustained improvement in Key Stage 3 (14 year olds) results over last four years
 - Highest attendance in Knowsley schools' history
- We have secured £190m investment to completely update our secondary schools through the Building Schools for the Future programme
- Knowsley children's services were shortlisted for Beacon Council status

Safe, Clean, Vibrant Neighbourhoods

- We have achieved 12 Green Apple Awards over nine consecutive years and 22 park awards over four years
- 97% of the borough now receives kerbside recycling
- We had the largest decrease in accidents of any metropolitan borough in the country, and we received the national road safety award
- We met the national target for robbery reduction (latest full year 1.13/1,000)
- Domestic burglaries are decreasing in the borough (from 17.42 to 16.09 crimes per 1,000 households between 2002/03 and 2003/04)
- Residents are very satisfied with their household waste collection service (89.10%)

Better Health and Healthy Living

- We continued to work on reducing health inequalities across the borough
- Teenage pregnancy rates are falling at twice the national level
- Obesity strategy launched
- Cancer reduction is ahead of the national target
- We met our targets for flu vaccinations for over 65s for the first time
- 50% of school meals are healthy options

- The council introduced a no smoking policy across all buildings and sites
- Dental health in the under fives has improved by 24% over eight years
- Infant mortality rate has reduced and is now at national levels (4.6/1,000 <one year olds in Knowsley and 5.3/1,000 <one year olds in Great Britain)
- People are living longer in Knowsley - men's life expectancy is now 73.4 years

Better Work and Leisure Opportunities for Everyone

- Knowsley's economy continues to flourish:
 - Unemployment is now down to 3.7%
 - We are in the UK top 10 for falling claimant rates
 - There has been a 34% increase in jobs over the last five years
 - Knowsley's economic growth is 4.5 times higher than the Merseyside average
- A new £9m leisure centre to be built in Kirkby
- Knowsley Library Service was rated 'good', three star overall service by the Audit Commission
- We won the Ackland Trophy 2004 (Best provider in the Country for Allotment and Leisure gardens)
- Library users very satisfied (96.5%)

Excellent Accessible Services

- 100% of our services are now available electronically, beating the government target of 100% by December 2005 (891 e-enabled services)
- 100% of our public buildings now have disabled access
- Our contact centre and one stop shops served a record number of customers
- There has been significant improvement on benefit claims processed (9.3% improvement in new claims processed over 2004-05)
- 81% of customers are very satisfied with Benefits Office Service
- We are in the top 25% of all authorities for speed of processing planning applications

Charges and Levies

These relate to amounts on your bill which Knowsley is required to pay to other organisations which provide services to Merseyside residents.

Coroners Service

The day to day cost of running the Coroners Service is estimated at £0.577m for 2005/06. This is apportioned between the Councils of Knowsley, Sefton, and St Helens on the basis of population. Knowsley has budgeted for a charge to the council of £0.175m compared to £0.169m in 2004/05 subject to final confirmation from the Coroners Service.

Flood Defence

The Environment Agency carries out work to build, maintain and operate flood defences. It also oversees work carried out by others that affects flood defences and the floodplain. The agency monitors rainfall and river levels 24 hours a day, providing warnings of potential flooding to the public, the emergency services and to local authorities. In the North West the agency maintains over 6,100km of main rivers and more than 200km of sea and estuary defences. In 2005/06 the agency will continue to increase investment in capital improvement schemes and flood warning. Following a review of Flood Defence funding, the service is now financed primarily by grant from the government with a limited amount raised by a levy on local authorities.

ENVIRONMENT AGENCY REVENUE BUDGET 2005/06

	2004/05 Estimate £m	2005/06 Estimate £m
Revenue spend (after receipt of income)	19.350	22.690
Capital spend	14.200	14.689
Transfer to (from) balances	(1.208)	(0.129)
Total funding requirement	32.342	37.250
(Less Government funding)	(29.705)	(34.153)
Levy requirement	2.637	3.097

The levy requirement is apportioned between authorities in the North West on the basis of the number of band 'D' properties. The charge to Knowsley for 2005/06 is £0.060m compared to £0.050m in 2004/05.

Merseyside Waste Disposal Authority

The Merseyside Waste Disposal Authority arranges for the disposal of household and commercial waste collected by your council and also provides Waste Reception Centres for local residents to dispose of or recycle their own waste.

The authority produces a Best Value Performance Plan (BVPP) each year which sets out the principal objectives of the authority and details current performance, future targets and how services will be reviewed. A copy of the BVPP 2005/06 will be available from the authority from 30 June 2005. Whilst recycling on Merseyside continues to increase, the

rate of improvement has not been enough to meet current targets. In 2005/06 we will be agreeing a joint waste strategy with your council to identify the methods and the means to meet targets in the future.

The following performance indicators and targets are of particular importance:

	Target 2003/04	Actual 2003/04	Target 2004/05	Estimate 2004/05	Target 2005/06
Total tonnage of household waste arisings - percentage recycled	7.50%	6.84%	11.00%	9.00%	16.00%
Total tonnage of household waste arisings - percentage composted	4.50%	3.21%	4.00%	4.50%	6.00%
Cost of waste disposal per tonne for municipal waste	£35.80	£38.19	£42.19	£40.09	£44.74
Total tonnage of waste deposited at WRC's - percentage recycled (excluding rubble)	21.40%	19.20%	25.40%	22.00%	37.00%

The amount of biodegradable municipal waste which the authority can send to landfill is now restricted through the Landfill Allowance Scheme. Due to the level of landfill currently required, the authority must budget for the purchase of additional allowances to meet its needs. This together with an increase of £3 per tonne in landfill tax, increases in waste arisings and the need to invest in new facilities has significant impact on the authority's budget. The authority's revenue budget for 2005/2006 is shown below along with the comparative figures for 2004/2005.

MERSEYSIDE WASTE DISPOSAL AUTHORITY REVENUE BUDGET 2005/06

	2004/05 £m	2005/06 £m
Operational and other costs	27.6	32.1
Landfill tax	11.9	14.4
Total expenditure	39.5	46.5
Less: Income	(1.1)	(1.3)
Net expenditure	38.4	45.2
Authority balances used	-	-
The levy	38.4	45.2

The authority's levy is financed by the five Merseyside District Councils, apportioned on their respective council tax bases. The levy for Knowsley is £4.507m compared to £3.748m in 2004/05.

The authority's contact details are:

Merseyside Waste Disposal Authority,
6th Floor, North House, 17 North John Street, Liverpool L2 5QY.
Tel: 0151 255 1444 Fax: 0151 227 1848 Email: enquiries@merseysidewda.gov.uk

The authority's levy on district councils in 2005/06 has increased by a total of £4.1m compared with the previous year. Although the increase averages 4.4%, it ranges from 3.7% to 5.4% for individual district councils due to changes in the local population base used to apportion the levy.

The levy rise reflects inflation, the impact of committed developments, and costs in respect of a variety of new capital projects undertaken in partnership with district councils and other organisations as part of Merseyside's Local Transport Plan.

Merseytravel has partially accommodated the extra costs by a package of savings and the full use of working balances. Scope has been found within the budget for a number of operating improvements, funded by a more effective deployment of resources.

The levy rise complies with a strategic objective of the authority to keep it at the lowest possible level after taking account of the implications of the LTP. Similarly, the levy rise has been the subject of consultations with the district councils. The increase will enable the authority to continue its initiatives to improve public transport facilities throughout Merseyside, and to deliver its strategic vision to create 'a single integrated public transport network with access to all'.

MERSEYSIDE PASSENGER TRANSPORT AUTHORITY REVENUE BUDGET 2005/06

	Gross Expend £m	Service Income £m	Grants/ Balances £m	Net Levy £m
Bus services	30.739	9.243	1.483	20.013
Rail services	90.886	-	89.370	1.516
Travel concessions	66.088	24.832	-	41.256
Facilities & promotion	16.183	3.157	-	13.026
Corporate policy & planning	11.274	5.201	-	6.073
Support services	3.809	3.809	-	-
Funds management	22.177	1.010	4.635	16.532
Mersey ferries	5.407	2.988	-	2.419
Mersey tunnels	32.670	35.633	-	(2.963)
Internal recharges	(12.914)	(12.914)	-	-
Total spending	266.319	72.959	95.488	97.872
Levy changes	2004/05	Pay/Price	Population	2005/06
	Levy	Increases	Changes	Levy
	£m	£m	£m	£m
Knowsley	10.394	0.461	(0.077)	10.778
Liverpool	30.411	1.336	(0.049)	31.698
St. Helens	12.171	0.537	(0.029)	12.679
Sefton	19.404	0.857	(0.060)	20.201
Wirral	21.367	0.934	0.215	22.516
Total	93.747	4.125	-	97.872

Notes:

- Staffing:
Merseytravel currently has a total permanent establishment of 908. At this time no new posts are envisaged, other than for the Spaceport Visitor Centre which opens at Seacombe in the Summer 2005.
- Capital Programme
Expenditure on capital projects in 2005/06 is estimated at £154.3m to be financed by borrowing £19.4m, grants £108.9m, partner contributions £12.0m, reserves £5.0m and toll income £9.0m.
- Rail Services
Rail Services income belongs wholly to the train operators (Serco/Nedrail) operating on Merseyrail (Northern and Wirral Lines) and Northern Rail (City Line).

J. R. BARCLAY BSC MBA CPFA

Director of Resources

Merseyside Passenger Transport Authority and Executive (Merseytravel)

24 Hatton Garden, Liverpool, L3 2AN.

Telephone: 0151 227 5181

The Police Authority has set a net budget requirement for 2005/06 of £306.627m. The precept, which provides the balance of funding not covered by government grant, is set at £48.895m equivalent to £77.12 at band 'A' and £115.68 at band 'D', an increase of 5% (£3.67p.a. at band 'A' or equivalent to £0.07 per week; £5.51p.a. at band 'D' or equivalent to £0.11 per week) over the current year's level.

The authority was awarded a net increase in general grants of 3.75% in the Local Authority Finance Settlement 2005/06, plus an amount which represents an amendment to the levels of grant received in 2003/04 of a further 0.2%. This falls significantly short of the requirements to meet the planned level of service, with particular regard to the continuation funding of the additional 250 operational police officers introduced throughout 2004/05. It is also insufficient to meet the additional costs of police pensions of some £4.1m and the police reform programme of a further £1m. Furthermore, it is significantly the lowest settlement awarded to any Metropolitan Force in the country, when set against the background of an average Metropolitan increase of 5.12%. In addition to this disappointment the authority faced a real risk of having its budget capped by the government if it set its precept increase above 5%, even though a 5% rise in precept, combined with the poor grant increase, would mean the authority facing a deficit of some £12.7m.

Therefore, in order to balance the budget at a 5% precept, it has been necessary to introduce a package of savings and cost reductions amounting to £12.7m. This has been achieved by implementing a series of 'one off' financing measures, including the utilisation of reserves and balances amounting to £4.9m, along with the identification of base budget reductions of £7.8m. Included within the latter are service savings of £3.6m which have been offered by the Chief Constable which while significant, are designed in such a way as to protect officer numbers and not impact upon the front line service delivery. This has however, only been achieved at the cost of no service developments being afforded during 2005/06.

Given the disappointing settlement, and the risks inherent in the budget agreed by the authority, it is now more crucial than ever that the authority's voice is heard within central government, particularly given the planned reviews of both the funding formula and the way in which pensions are to be funded. To this end a concerted lobbying campaign is to be launched in April 2005.

Knowsley's contribution to the total precept requirement is £4.872m compared to £4.518 in 2004/05.

STEVE HOUSTON

Treasurer

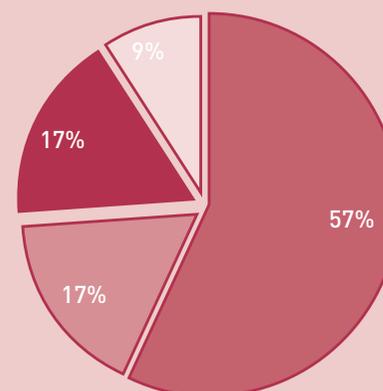
Merseyside Police Authority
PO Box 101a, West House, Mercury Court, Liverpool
Telephone: 0151 236 4748

MERSEYSIDE POLICE AUTHORITY REVENUE BUDGET 2005/06

2004/05 £m		2005/06 £m		
337.559	GROSS EXPENDITURE	350.445		
(14.511)	Gross income	(16.067)		
(20.622)	Specific government grants	(18.883)		
302.426	NET OPERATING REQUIREMENT	315.495		
(7.560)	Use of provisions, reserves & general balances	(8.868)		
294.866	NET BUDGET REQUIREMENT	306.627		
				%
(135.220)	Less: Police general grant	(139.876)		46.0
(94.642)	Revenue support grant	(95.677)		31.0
(18.536)	Business rate income	(22.164)		7.0
(0.227)	Surplus on collection fund	(0.015)		0.0
46.241	PRECEPT REQUIREMENT	48.895		16.0

ANALYSIS OF BUDGETED GROSS EXPENDITURE IN 2005/06

Police Pay	57%
Police Pensions	17%
Support Staff Pay	17%
Other Expenditure	9%
Total	100%



HOW SPENDING HAS CHANGED

	£m
NET BUDGET REQUIREMENT 2004/05	294.866
Inflation & pay awards	9.330
Police reform	1.049
Police pensions	3.098
FYE of additional Police Officers	2.103
Other committed growth	1.992
Capital financing costs	0.094
Other grant funded initiatives	1.960
Local government pension scheme	0.350
Reduction in specific grants	1.739
Budget Reductions:	
- Chief Constables efficiency savings	(3.620)
- Additional income from pension Contributions	(0.750)
- Reduction in contributions to Insurance	(0.500)
Provision	
- Financing measures	(1.600)
- Increase in use of balances	(1.757)
- Base budget savings achieved	(1.224)
Amendment grant	(0.503)
NET BUDGET REQUIREMENT 2005/06	306.627

Merseyside Fire and Civil Defence Authority Precept

The authority has set a budget of £74.785m for 2005/06. This represents an increase of £1.3m or 1.8% compared to the budget for 2004/05. As a result of this the Fire Authority's part of your council tax has increased by 3.6%.

This expenditure increase is because of:

Forecast impact of pay and prices increases		£2.5m	
Unavoidable expenditure increases			
Increasing pension costs	£1.1m		
Integrated risk management plan investment	£1.3m		
Other unavoidable issues	£0.9m	£3.3m	
Contributions from reserves		(£2.6m)	
Efficiency savings			
Restructure and efficiency savings		(£1.9m)	
Net increase		£1.3m	

The Fire Service is going through its biggest change in over 30 years. The basis for providing fire response cover has fundamentally changed from being based upon response times. Fire Services are now required to prepare and plan their service delivery on the basis of risk assessment. The authority has prepared its plan and is in its second year for service delivery under the new regime - The Integrated Risk Management Plan - this document will determine the future strategic direction for the authority. (Available on our website at www.merseyfire.gov.uk).

The authority budget makes significant provision for the authority's world leading community fire safety work:

- Carrying out home fire risk assessments
- Fitting free smoke alarms
- Bilingual fire safety advocates
- Community work with the most vulnerable to fire
- Awarded Beacon Council Status for its innovative work with older people
- Working with young people to reduce fire-setting

This work has already successfully reduced the incidence of death and injury from fire in Merseyside.

To get a home fire risk assessment ring Fire Service Direct 0800 731 5958 free. (Visit our website www.merseyfire.gov.uk or call your Community Fire station)

The formula the government uses for awarding grant is based on Formula Spending Shares (FSS). Merseyside's FSS was £63.556m for 2005/06. The government support we received was £52.019m an increase of only £0.380m or 0.07% after taking into account transitional funding received in 2004/05 (£0.927m). This compares to the increase in fire-fighters pay costs of 4.2% in 2005/06. (Uniformed staff pay makes up 56% of costs).

The authority has issued a precept on the five Merseyside District Councils of £22.773m, which is equivalent to council tax of £53.88 for a band 'D' property. This is an increase of 3.6% compared to the 2004/05 band 'D' council tax of £52.00. Knowsley's contribution to expenditure financed by precept is £2.269m, which represents 10% of the total precept.

Merseyside Fire and Civil Defence Authority Precept

MERSEYSIDE FIRE AND CIVIL DEFENCE REVENUE BUDGET 2005/06

2004/05 Estimate £m		2005/06 Estimate £m	Per head of population £
78.836	Total expenditure	82.585	
- 5.710	Less income	- 5.162	
73.126	NET EXPENDITURE	77.423	
0.450	Contribution (from) / to reserves	- 2.638	
73.576	BUDGET REQUIREMENT	74.785	54.82
- 37.530	Revenue support grant	- 36.258	- 26.58
- 13.182	Non-domestic rates	- 15.761	- 11.55
- 0.927	Transitional funding	0.000	0.00
- 0.111	Collection fund surpluses	0.007	0.00
21.826	PRECEPT REQUIREMENT	22.773	16.69

WHERE IS THE MONEY SPENT (Analysis of Net Expenditure)

2004/05 £m		2005/06 (Estimate) £m
5.293	Community fire safety	6.203
50.941	Fire fighting and rescue	53.457
15.802	Fire fighters pensions	17.179
0.545	Emergency planning	0.000
0.545	Corporate and democratic core	0.584
73.126	NET EXPENDITURE	77.423

Contact Us:

The Authority values the opinions of the people it serves. If you wish to comment about the services of the Fire Authority contact Fire Service Headquarters on 0151 296 4000.

KIERAN TIMMINS CPFA

Executive Director of Finance, ICT & Procurement

Fire Service Headquarters

Bridle Road, Bootle, Liverpool L30 4YD

Telephone: 0151 296 4202 Fax: 0151 296 4224

Email: kierantimmins@merseyfire.gov.uk

The six parish councils within the Knowsley Borough 'precept' for their own budget requirements. If you live in a parish you will contribute according to your property valuation the fourth element shown on your account. A summary of the parish precepts is shown at page 18.

The estimated gross expenditure for those parishes/town councils issuing a precept in excess of £100,000 is:

	2004/05 £m	2005/06 £m
Halewood	0.367	0.390
Whiston	0.206	0.212
Knowsley	0.269	0.287
Prescot	0.373	0.399

Halewood: The town council continues to operate the Arncliffe Community Centre, and Hollies Hall Community Centre, and is responsible for most of the public open spaces, (including football pitches and playgrounds), in the township. It also maintains an overview of a number of facets of life in the parish, and as runner-up nationally as Local Council of the Year 2004, continues to contribute to environmental, planning and highway issues, as well as inter-agency liaison. The town council has continued to invest in a number of capital initiatives, but has again restricted the precept increase in 2005/06 to 2%, well below the rate of inflation.

Whiston: The town council have increased the precept for 2005/06 to enable essential work to be carried out at both the Town Hall and Lickers Lane Community Centre and on the recommendation of the Internal Auditor to increase reserves. The three Community Centres operated by the council (Whiston Town Hall, Lickers Lane and Robert Foulkes Centre) are being used extensively which is reflected in an increase in income. In 2004/05 over 66,750 people have used the centres.

Knowsley: The parish council continues to provide and maintain facilities for organisations to meet and partake in activities throughout the parish area, it also provides considerable financial support for youth and play provision, particularly during the school summer holidays. The council has embarked on a programme of boundary improvements to the public open spaces it has and is planting hedgerows wherever practicable. The increase in the precept is in line with the rate of inflation and is necessary to maintain existing services.

Prescot: Due to the closure of the outside all weather pitches at Prescot Leisure Centre together with the resultant loss of income therefore, the Town Council have had to increase the precept above anticipated levels to enable the Town Council to once again substantially support the ongoing maintenance and running costs of the leisure centre itself. Besides the expenditure on the leisure centre the Town Council expect to provide substantial expenditure on the open spaces that provide sports and play facilities to enable security fencing to be provided. The Town Council will once again be providing the funding for the Town Carnival that is to take place in June.

THE FOLLOWING NOTES FORM PART OF YOUR COUNCIL TAX DEMAND AND SHOULD BE READ CAREFULLY

Council tax valuation bands

Most dwellings will be subject to council tax. There will be one bill per dwelling, whether it is a house, bungalow, flat, maisonette, mobile home or houseboat, and whether it is owned or rented.

Each dwelling has been allocated to one of eight bands according to its open market capital value at 1 April 1991:

Valuation Band	Range of values
A	Up to and including £40,000
B	£40,001 - £52,000
C	£52,001 - £68,000
D	£68,001 - £88,000
E	£88,001 - £120,000
F	£120,001 - £160,000
G	£160,001 - £320,000
H	More than £320,000

Your council tax bill states which band applies to your dwelling. Valuations have been completed by the District Valuer (address given on page 26).

Your council tax account

The account you have received includes a charge for at least three services:

- Knowsley Services - pages 2 to 11
- Police - pages 12 to 13
- Fire and Civil Defence - pages 14 to 15

Some parts of the borough fall within one of six Parish/Town Councils. These are discussed on page 18.

The actual amount billed will vary dependant upon which of the eight valuation bands has been allocated to your dwelling, as follows:

	Net Requirement £m	Property Bands								% Change
		A £	B £	C £	D £	E £	F £	G £	H £	
Knowsley	42.328	669.99	781.66	893.32	1004.99	1228.32	1451.65	1674.98	2009.98	4.0%
Police	4.872	77.12	89.97	102.83	115.68	141.39	167.09	192.80	231.36	5.0%
Fire & Civil Defence	2.269	35.92	41.91	47.89	53.88	65.85	77.83	89.80	107.76	3.6%
TOTALS	49.469	783.03	913.54	1044.04	1174.55	1435.56	1696.57	1957.58	2349.10	4.1%

In addition residents who live in parishes will have to contribute towards the cost of their parish council. These additional costs are as follows:

	Total Precept £m	Property Bands								% Change
		A £	B £	C £	D £	E £	F £	G £	H £	
Cronton	0.009	12.50	14.58	16.67	18.75	22.92	27.08	31.25	37.50	4.7%
Halewood	0.300	33.82	39.46	45.09	50.73	62.00	73.28	84.55	101.46	2.0%
Knowsley	0.267	55.65	64.93	74.20	83.48	102.03	120.58	139.13	166.96	4.4%
Prescot	0.187	38.09	44.44	50.79	57.14	69.84	82.54	95.23	114.28	9.9%
Tarbock	0.004	3.40	3.97	4.53	5.10	6.23	7.37	8.50	10.20	0.0%
Whiston	0.200	35.55	41.47	47.40	53.32	65.17	77.02	88.87	106.64	9.3%
Total Parish	0.967									

Exempt Dwellings

There are certain classes of dwellings that are exempt from council tax. They are:

- **Unoccupied categories**

- an unoccupied and unfurnished dwelling that has been so for less than six months. (Class C)
- an unoccupied dwelling that requires or is undergoing structural alteration or major repair work to make it habitable; or such alterations or works have been completed for less than six months. Following legislative changes, from April 2000 this exemption is time limited to a maximum of 12 months. Those properties which have been exempt under this class for 12 months or more at 1 April 2000, will now be subject to a 50% charge. (Class A)
- a dwelling that has been unoccupied for up to six months and is owned by a charity. (Class B)
- an unoccupied dwelling left empty by a person who has gone to prison (except those in prison for non payment of council tax or a fine). (Class D)
- an unoccupied dwelling left empty by a person who is now resident in a hospital or a nursing home. (Class E)
- an unoccupied dwelling where the last occupier has died and the personal representative is waiting for a grant of probate or letters of administration or less than six months have elapsed since such a grant was made. (Class F)
- a dwelling, the occupation of which is prohibited by law. (Class G)
- an unoccupied dwelling waiting to be occupied by a minister of religion. (Class H)
- an unoccupied dwelling where a person has moved out to receive personal care. (Class I)
- an unoccupied dwelling where a person has moved to provide personal care to another person. (Class J)
- an unoccupied dwelling which was last occupied solely by students. (Class K)
- an unoccupied dwelling which has been repossessed by a mortgagee. (Class L)
- an unoccupied dwelling that forms part of another dwelling and which may not be let separately. (Class T)
- an unoccupied dwelling which is the responsibility of a bankrupt's trustee. (Class Q)
- an unoccupied caravan pitch or boat mooring. (Class R)

- **Occupied categories**

- a hall of residence provided predominantly for students. (Class M)
- a dwelling wholly occupied by students. (Class N)
- forces barracks, married quarters and accommodation for visiting forces. (Classes O and P)
- a dwelling occupied only by a person or persons under the age of 18. (Class S)
- a dwelling occupied by a severely mentally impaired person or persons. (Class U)
- a dwelling occupied only by diplomats or their non British spouse. (Class V)
- a dwelling that is a separate unit within a property and is occupied by a dependant relative of the tax payer of that property. (Class W)

If you consider that your property falls into one of the above categories and should be exempt, please contact the council tax office for an application form.

Discounts

Single Person and Unoccupied Property Discounts

Your council tax bill comprises two elements, 50% property element and 50% personal element. A full council tax bill assumes that there are at least two qualifying adults resident in the household.

Where only one adult lives in a dwelling, and it is their main or sole residence, the council tax bill is reduced by 25%, this is known as single person discount.

If a dwelling is no-one's main residence, then the owner is entitled to a 50% discount. This can apply to empty and unoccupied dwellings and second homes.

Status discounts (Disregards)

Certain people will not be counted when looking at the number of adults resident in a dwelling. This means that it is possible to qualify for a discount where there are two or more adult residents.

These disregarded adults can be classified as follows:

- full time students, student nurses, apprentices and youth training trainees
- patients resident in hospital
- people who are being looked after in care homes
- people who are mentally impaired

- people staying in certain hostels and night shelters
- 18 and 19 year olds who are at or who have just left school after completing a qualifying course of education
- careworkers working for low pay, usually for charities
- people caring for someone with a disability who is not a spouse, partner or child under 18
- members of visiting forces and certain international institutions
- members of religious communities (monks and nuns)
- people in prison (except those in prison for non-payment of council tax or a fine)
- spouses of students who are not of British citizenship and who are prevented by the terms of their stay in the United Kingdom from taking paid employment or from claiming benefit
- Diplomats and their non British spouse

If you think you may be entitled to a discount and none is shown on your bill, please make your application in writing to the council tax office.

If your bill has been reduced by a discount, the code adjacent to the discount on your bill will indicate which of the following circumstances apply:

25% discount single occupancy - one adult occupier only **or** two or more occupiers but only one person is not disregarded.

50% discount zero occupancy - property which has been empty more than six months **or** is no ones sole or main residence **or** where all occupiers are disregarded.

50% discount second home - property is unoccupied but still furnished.

If your bill indicates that a discount has been allowed, you must tell the council of any change of circumstances which affects your entitlement. If you fail to do so you may be required to pay a penalty.

People with Disabilities

If you or someone who lives with you, is disabled, you may qualify for a reduction in the amount of council tax payable. These reductions take the form of charging council tax at a rate one valuation band lower than the banding shown in the valuation list for the property concerned.

The person liable to pay the council tax is eligible for this reduction if the dwelling meets certain conditions. These are:

- a disabled person must be resident in the dwelling, **and**
- the dwelling contains a room **other than** a bathroom, kitchen or lavatory which is predominantly used by and is required for meeting the needs of the disabled person, **or**
- the dwelling contains an **additional** kitchen or bathroom which is required for meeting the needs of the disabled person, **or**
- there is sufficient floor space in the dwelling to permit the use of a wheelchair, and the disabled person needs the use of a wheelchair within the dwelling.

From April 2000, if you live in a band 'A' property, you may now qualify for reduction. The amount of the reduction in these cases will be 1/9th of the band 'D' charge for your area.

If you require more information or an application form for disabled reductions, please contact the council tax office.

Benefits

You can get help with paying your council tax if you are in receipt of Income Support, Job Seekers Allowance or you have a low income. If you already receive council tax benefit, this will be shown on your bill. If you wish to apply for council tax benefit you must fill in an application form (available from the one stop shops, see page 25 for details).

Council tax benefit like housing benefit is based on the circumstances of yourself and any partner, taken into account are:

- Money you and your partner have coming in, including earnings, some benefits, tax credits and things like occupational pensions. The figure used for earnings and pensions is that after any tax and national insurance that you pay have been taken off.
- Your savings and your partner's savings. If you are under 60 the first £3000 you have is ignored, if you are over 60 the first £6000 is ignored.
- Your circumstances, such as your age.
- The ages and size of your family, whether you or any of your family are disabled, and whether anyone who lives with you could help with the rent.

Check the table opposite to see if you may be entitled to council tax benefit.

	Weekly maximum eligible council tax							
	£11.00	£13.00	£16.00	£20.00	£24.00	£29.00	£35.00	£45.00
Your family	You can claim if your weekly assessable income is less than:							
Single person aged under 25	£97.00	£107.00	£122.00	£142.00	£162.00	£187.00	£217.00	£267.00
Single person aged 25 to 59	£108.70	£118.70	£133.70	£153.70	£173.70	£198.70	£228.70	£278.70
Single person aged 60 or over	£161.95	£171.95	£186.95	£206.95	£226.95	£251.95	£281.95	£331.95
Lone parent aged 18 to 59 with 1 child under 16	£168.68	£178.68	£193.68	£213.68	£233.68	£258.68	£288.68	£338.68
Lone parent aged 18 to 59 with 2 children under 16	£212.56	£222.56	£237.56	£257.56	£277.56	£302.56	£332.56	£382.56
Lone parent 18 to 59 with 3 children under 18	£256.44	£266.44	£281.44	£301.44	£321.44	£346.44	£376.44	£426.44
Couple, both aged under 60	£140.65	£150.65	£165.65	£185.65	£205.65	£230.65	£260.65	£310.65
Couple, both aged under 60 with 1 child under 16	£200.63	£210.63	£225.63	£245.63	£265.63	£290.63	£320.63	£370.63
Couple, both aged under 60 with 2 children under 16	£244.51	£254.51	£269.51	£289.51	£309.51	£334.51	£364.51	£414.51
Couple, both aged under 60 with 3 children under 16	£288.39	£298.39	£313.39	£333.39	£353.39	£378.39	£408.39	£458.39
Couple, at least one aged 60 or over	£219.55	£229.55	£244.55	£264.55	£284.55	£309.55	£339.55	£389.55
If you need more details or wish to claim please call in to any of the one stop shops for further assistance.								

Second Adult Rebate

Even if the council tax payer does not qualify for benefit based on their own income, Benefit may be awarded on the basis of other people living in the dwelling. In order to qualify, the liable person has to be a single person (unless the claimant or partner is disregarded for discount purposes). The liable person must share the property on a non commercial basis with a person or persons who are getting Income Support, Job Seekers Allowance or have a low income. The income of the liable person is not relevant in this situation.

If you wish to apply for Second Adult Rebate, application forms are available in all one stop shops, (see page 25 for details).

Recovery procedure

If you experience genuine difficulty in meeting your payments, you should contact the council tax office as soon as possible rather than wait until recovery action has been taken. Every effort will be made to alleviate personal difficulties.

If however you do not meet your payments the following recovery procedure will take place:

- We will send you a reminder notice if you don't pay your council tax on time
- If you don't bring your payments up to date within seven days you will lose your right to pay by instalments and, without further notice, after a further period of seven days, we will ask you to pay the full amount you owe for the year
- We will only send a maximum of two reminder notices in any financial year. If the payment is not brought up to date in accordance with the reminder notice or we do not hear from you, you will be sent a summons and this will incur costs and charges. Unless the summons is incorrectly served, we will not normally withdraw it
- At the court hearing, which you have a right to attend, we will apply for a Liability Order, which will give us additional powers to collect the money you owe
- We will notify you if we are granted a Liability Order and request that you complete a form about your financial position. Failure to complete this form could result in a maximum fine of £500 from the Magistrates Court
- Once we have obtained a liability order, we can deduct a set amount from your salary or wages. If you receive job seekers allowance or Income Support, we can ask the Department of Works & Pensions to deduct the money from your benefit

- If all other attempts to reach a payment arrangement fail, we will pass the debt to our bailiffs to collect. You will incur further costs and charges and if the bailiffs are unsuccessful, we can apply to the Magistrates Court for committal proceedings
- We can also commence proceedings to make you bankrupt or put a charging order on your property. These further courses of action will incur further costs and charges

Assistance with council tax or benefit enquiries

The one stop shops listed below will be pleased to assist personal or telephone callers with council tax enquiries or advice on how you may seek help under the benefit scheme.

		Telephone (Minicom)
Halewood:	Halewood One Stop Shop Raven Court, Leathers Lane Monday - Friday 9.00am - 5.00pm Saturday Closed	0151 443 2004 (0151 443 4444)
Huyton:	Huyton One Stop Shop Municipal Buildings, Archway Road Monday - Friday 9.00am - 5.00pm Saturday 9.30am - 1.00pm	0151 443 3543 (0151 443 4444)
Kirkby:	Kirkby One Stop Shop Municipal Buildings, Cherryfield Drive Monday - Friday 9.00am - 5.00pm Saturday Closed	0151 443 4248 (0151 443 4444)
Prescot:	Prescot One Stop Shop Prescot Shopping Centre, Aspinall Street Monday - Friday 9.00am - 5.00pm Saturday 9.30am - 1.00pm	0151 443 4676 (0151 443 4444)

Information on council tax exemptions, discounts and benefits can be found from page 17 onwards. For enquiries regarding your council tax account please contact us on 0151 443 4476. For enquiries regarding other council services please ring 0151 489 6000.

Appeals

Valuation matters

There is no longer a general right of appeal against the valuation band allocated to your property.

The grounds for appeal against the banding of your property are:

- if you believe that the banding is incorrect because there has been a material increase or reduction in the dwellings value.
- if you start or stop using part of your dwelling for business purposes, or the balance between domestic and business elements change.
- if the Listing Officer has altered a list without a proposal having been made by a taxpayer.
- if you have become the new occupier of a property, you have six months to make an appeal, but only if the same appeal has not been previously lodged.

Making an appeal does not allow you to withhold payment of tax owing in the meantime. If your appeal is successful you will be entitled to a refund of any overpaid tax. Appeals should be addressed to:

The District Valuer and Valuation Officer, 72 Church Street, Liverpool, L1 3AY.
(Telephone: 0151 802 1000).

Non valuation matters

You may appeal against the authority's decision that a dwelling is a chargeable dwelling, that you are the liable person for council tax, that a dwelling is or is not exempt or decisions made in respect of the granting of a discount, disability reduction or council tax benefit.

In the first instance such appeals should be made in writing to the Director of Finance, Municipal Buildings, Cherryfield Drive, Kirkby, Knowsley, Merseyside, L32 1TX.

KNOWSLEY COUNCIL FRAUD HOTLINE



IT'S TIME TO POINT THE FINGER

**Housing Benefit, Council Tax Benefit and Insurance Claim
cheats – why should you meet the cost?**

Knowsley MBC is committed to protecting your money.
Please ring the freephone number below to report in confidence
those who claim benefit that they are not entitled to.

0800 0730 532
24 hours a day, 7 days a week



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KNOWing the value of excellent service



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