
**Meeting of Executive Members for City
Strategy and Advisory Panel**

11 December 2006

Report of the Director of City Strategy and Director of Resources

**REVENUE BUDGET 2007/08 – CITY STRATEGY FEES AND
CHARGES**

Summary

1. This report advises Members of the proposed fees and charges for the City Strategy portfolio for the financial year 2007/08 and the anticipated increase in income which they will generate. The Annex to the report sets out the detail of the individual charges.

Background

2. The fees and charges for City Strategy are complex and varied. Some are controlled by regulation, some by national guidelines and others by market forces or the cost of administering the service. Elsewhere in these budget papers Members are advised of the effect on the service of budget reductions. The level of fees and charges has been set against this background of severe financial constraint and service reductions. Income from fees and charges is a key factor in setting budgets and totals approximately £11.3 million for the City Strategy portfolio. In ensuring a balanced budget, it is therefore essential that income is at least maintained, if not improved.

Proposals

3. This section sets out the key elements for Members' consideration. Only those with significant income are highlighted.

Transport

Residents Parking

4. Residents parking schemes allow residents and visitors to park near their property. The council recovers the costs of administration and enforcement of residents parking schemes through charges for permits. For 2007-08 it is proposed to increase charges by the rate of inflation with a residents permit increasing from £86 to £88. However, there is no increase proposed for the price of visitor permits.

Car Parks - Review of Performance and Tariffs

5. The current budget for parking income totals £6.4 million and is therefore very important to the overall budget.
6. As part of the 2006/07 budget all car park charges were frozen and a charge of 70p per hour was introduced at Foss Bank Car Park. At the same time the maximum stay at short-stay car parks was increased from 3 to 5 hours. Payment using debit / credit card through a mobile phone was introduced in November 2005 and has proved very successful and is currently being used in excess of 1,000 times each week. Income overall from car parking has increased during the year and it is anticipated that there will be a budget surplus in the region of £433k by the end of the financial year.
7. Given the current buoyancy of car park income, it is proposed to freeze all parking charges for 2007-08.

Review periodic charges for regular users

8. There is no real distinction between an annual season ticket and commercial contract parking permit, other than to restrict the use of a contract permit to a particular car park. To simplify matters, we have discontinued business contract permits and users will be able to buy an annual season ticket which entitles them to park in any council car park.
9. The pricing structure is as follows (unchanged from 2006/07)

Weekly (7 day) parking	£ 40 (pay by mobile phone)
Monthly Season Ticket	£ 100
Annual Season Ticket	£ 995

10. Given the very low volume of sales of current sales of monthly and annual season tickets it is not assumed that there will be a significant impact on income raised by the service.

Summary

11. The proposals set out above aim to protect the council's market share, attract additional users and to support the local economy. The proposals continue to allow choice and flexibility to customers as well as rewarding customers using environmentally friendly vehicles.

Dial and Ride

12. Following a freeze on prices last year, it is proposed to make an increase in concessionary fares from £0.50 to £0.75 (single) and from £1.00 to £1.25 (return) from 1st April 2007. This is to reflect the increased cost of operating the service. The cost for those with no concessionary bus pass will be £1.50 for a single and £2.50 for a return.

Network Management

13. It is proposed to increase prices by inflation which will raise £4k per annum.

Planning

Building Control

14. Following the deregulation of the building control function Members have discretion to set the fees for this service. The Council has agreed to participate in the Local Government Association (LGA) Model Charges Scheme in which all participating authorities agree to set their fees within a + or -10 % band. York, in common with many other authorities, has adopted the prescribed fees. The fees cover three areas of activity: - domestic alterations, housing developments and commercial developments. The LGA have been consulting authorities on the proposed level of charges, however it is not known when any recommendations will be made. Due to Governmental guidance on Building Control income and use of surpluses, it is not intended to increase charges in the forthcoming year.

Land Charges

15. In 2006/7 members established the fee levels for over the counter searches of £133 for domestic properties, £155 for business properties, £40 Solicitors Optional enquiries and £98 for electronic searches received through NLIS (National Land Information Service).
16. Following the publication of the Office of Fair Trading Report and the Department of Trade and Industry response into the Property Search Market, work is now being undertaken jointly by the Department for Communities and Local Government, the Local Government Association, the Department for Constitutional Affairs and the Chartered Institute of Public Finance and Accountancy (CIPFA) in relation to the way in which fees for Local Land Charges Searches are costed. The report recommends that fees should be calculated on a cost recovery basis only. The CIPFA guidance, which is expected to be published for consultation in December 2006 will define how the charges are to be calculated. As a result of this impending change in the way fees are calculated, the current fees will remain unchanged until the full implications of the CIPFA guidance is known. An update will be provided to Members when available.

Planning Advice

17. Many local authorities charge for pre-planning application advice given to customers. It is proposed to introduce a charge of £35 in York to cover this service and is expected to generate an additional £30k.

Consultation

18. This paper commences the Council's budget consultation, both in terms of formal discussions with the Business and Voluntary sectors, but also as a mechanism for the public to comment on the proposals made in the report.

Options

19. Members of EMAP are asked for their comments or alternative suggestions on the fees and charges proposals shown in the Annex.

Analysis

20. All the analysis is provided in the body of the report and the annexes.

Corporate Priorities

21. Fees and Charges proposals are a key element of the Council's budget process. Where fees can increase above inflation to provide savings this can free up resources to deal with key council priorities. The use of discounted prices for short cars and those with low emissions assists in the priority to "increase the use of public and other environmentally friendly modes of transport".

Implications

The implications are:

Financial

22. The financial implications are dealt with in the body of the report.

Human Resources

23. There are no Human Resources implications to this report

Equalities

24. There are no equality implications to this report

Legal

25. There are no legal implications to this report

Crime and Disorder

26. There are no specific crime and disorder implications to this report

Information Technology

27. There are no information technology implications to this report

Property

28. There are no property implications to this report

Other

29. There are no other implications to this report

Risk Management

30. The budget for city strategy is supported by income from fees and charges totalling £11.3m. Fees and charges levels are therefore of major significance in ensuring a balanced budget is set. The income from fees and charges will continue to be monitored through two mid-year monitoring reports and the final Revenue Outturn report for the year.

Recommendations

31. That the Advisory Panel advise the Executive Member to provide comments on the fees and charges proposals for consultation for 2007/08 contained in this report, which will be considered by the Budget Executive on 16 January 2007.
32. The Executive Member is asked to consider the fees and charges proposals for the City Strategy portfolio and provide comments to be submitted to the Executive on 16 January 2007.

Reason: As part of the consultation for the 2007/08 budget setting process.

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Specialist Implications Officer

There are no specialist implications

Wards Affected:

All

For further information please contact the author of the report.

Annex – Fees and Charges Proposals 2007/08