
Decision Session
Executive Member for City Strategy

1st February 2011

Report of the Director of City Strategy and Director of Customer & Business Support Services

REVENUE BUDGET 2011/12 – CITY STRATEGY FEES & CHARGES

Summary

1. This report advises the Executive Member of the proposed fees and charges for the City Strategy portfolio for the financial year 2011/12 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. In the City Strategy Revenue budget report elsewhere on the agenda, the Executive Member is 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 £9.5 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. In most cases it is proposed to increase charges at a minimum in line with inflation. More detail is provided below where there are further proposals.

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. Officers carried out a review to base permit charges on DVLA bands with smaller cars in bands A, B & C paying less and larger vehicles in bands J, K, L & M paying more. The new charges were introduced on 1st April 2010.
5. For 2011/12 it is proposed to increase standard parking permit charges by an average of 2%. For vehicles in the higher bands (J,K,L and M) a 10% rise is

proposed whilst vehicles in the lower band it is proposed to freeze the charge for a further year at £44 for the first vehicle.

6. It is proposed that visitor passes will remain at £0.90 each.

Car Parking

7. The current budget for parking income totals over £6 million and is therefore very important to the council's overall budget.
8. Given the increase in VAT on 4th January 2011, Members agreed to an increase of 10p per hour in off-street car parks for non residents. It was agreed however that the price for mobile phone users would not increase.
9. Given the reduction in council funding generally it is not financially possible to maintain car park charges at the current level and it is proposed that all charges rise by 10p per hour. It is proposed that the increase is introduced in October 2011 which means charges will remain at current levels through the peak summer period. It is also proposed to maintain the 10p discount for mobile phone users to encourage this more efficient means of payment.
10. Investment in improved car park ticket machines that will enable payment by either debit or credit cards has continued in more car parks following a successful trial at Piccadilly. New machines came into operation in autumn 2010 at Castle, Esplanade, Bootham, Nunnery Lane and Marygate car parks. There are therefore a number of alternative options for customers in how to pay for parking.
11. If the new technology and improvements in the economy result in increased revenue from parking in 2011/12 it will not be necessary to implement the proposed 10p increase.

Dial & Ride

12. Dial & Ride is currently part of a review of community transport within the city and its operation is being tendered later in the year. It is proposed to leave the increase in fares until 3 October 2011 when the new contract will come into operation.

Highways Licences

13. Officers are recommending above inflation increases of c 5% on the majority of highway licences and permits in order to generate additional income. It is proposed over the next year however to undertake a fuller review of fees to ensure they are reasonable and equitable and achieve the council's objectives; for example, keeping the highway clear and penalising non-compliance.

Cycle Training

14. The cost of cycle training is borne between the council and the school / parents of the child being trained. Currently the council funds approximately 75% of the

total cost of the provision which equates to £90k per annum. It is not considered that this can continue given current funding pressures and it therefore necessary to review the charges. It is proposed to increase charges by £3 for a basic session from £12 to £15. In conjunction with operational savings this should result in a reduced subsidy for the service.

Development Management

15. Members agreed to the introduction of pre application planning charges at the Executive 30th November 2010. These charges came into effect from January 2011. It is not proposed to amend these charges until a review of their impact after a year of operation.
16. The council has responded to the Government's consultation regarding local authorities being able to locally set planning fees. The fees and charges in this area will be reviewed if there is an opportunity in the future to set fees independently.

Consultation

17. This paper forms part of the Council's budget consultation. The results of consultation to date are included in the main budget report elsewhere on the agenda. These include a Your City Questionnaire, YouChoose, an online questionnaire, a public meeting led by the Leader of the Council and Director of Customer and Business Support Services where participants were presented with information on pressures facing each directorate, and a further session with the business communities of the city.

Options

18. The Executive Member is asked for comments or alternative suggestions on the fees and charges proposals shown in the Annex.

Analysis

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

Corporate Priorities

20. 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 sustainable city corporate priority.

Implications

Financial

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

Equalities

22. The review of fees and charges have maintained current concessions to vulnerable groups. Examples include free residents parking and parking at car parks for disabled residents and visitors.

Other Implications

23. There are no Human Resources, Legal, Crime and Disorder or Information Technology, Property or Other implications to this report

Risk Management

24. The budget for city strategy is supported by income from fees and charges totalling £9.5m. Fees and charges levels are therefore of major significance in ensuring a balanced budget is set especially since the income generated is often dependent on external factors such as housing market, general economic climate. The income from fees and charges will continue to be monitored as part of the budget monitoring cycle.

Recommendations

25. The Executive Member is invited to provide comments on the fees and charges proposals for consultation for 2011/12 contained in this report.

Reason: As part of the consultation for the 2011/12 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 A – Fees and Charges Proposals 2011/12