

EXECUTIVE

MONDAY, 15 NOVEMBER 2004 AT 10.30 A.M.

PRESENT:

Councillor Mitchelson (Chairman) (Promoting Carlisle Portfolio)
Councillor Bloxham (Environment Infrastructure and Transport Portfolio)
Councillor Mrs Bowman (Economic Prosperity Portfolio)
Councillor Firth (Policy Performance Management Finance and Resources Portfolio)
Councillor Mrs Geddes (Corporate Resources Portfolio)
Councillor Knapton (Health and Community Activities Portfolio)

DECLARATIONS OF INTEREST

There were no declarations of interest.

EX.231/04: GENERAL FUND REVENUE BUDGET 2005/06 TO 2007/08 (Key Decision)

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Head of Finance (FS.31/04) providing an update on the General Fund Revenue Budget 2005/06 to 2007/08 considering:–

- (a) the revised base revenue estimates for 2004/05 together with the estimates for 2005/06;
- (b) an update of the Government's Spending Review for 2004 and other key budget considerations;
- (c) a reminder of the projected deficit to be funded for the three year period, before the consideration of savings and new bids, in order to give some context to Members when considering the savings and new spending proposals as submitted to this meeting.

The Head of Finance reported that the Government announcement of the Rate Support Grant settlement had been delayed by two weeks and was now expected in early December 2004.

The Executive considered that this delay in the Government announcing the settlement was not helpful to the City Council in considering its Budget for 2005/06.

Summary of options rejected

None

DECISION

1. That the base revenue estimates for 2004/05 (revised) and for 2005/06 be noted.
2. That the key issues to be considered further in the Budget cycle be noted.
3. That the current projected deficit, before consideration of savings and new spending proposals, be noted.
4. That the report be referred to the relevant Overview and Scrutiny Committees for comment.

Reasons for Decision

The information in the report of the Head of Finance will be taken into consideration during the 2005/06 Budget setting process.

EX.232/04: BUDGET 2005/06 – SUMMARY OF NEW REVENUE SPENDING PROPOSALS (Key Decision)

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Head of Finance (FS.30/04) summarising requests for new revenue spending to be considered as part of the 2005/06 budget process. Details of 20 Revenue bids for recurring expenditure and 9 Revenue bids for non-recurring expenditure were submitted.

Councillor Geddes, Corporate Resources Portfolio Holder, reported with regard to the bid for Emergency Planning/Civil Contingencies of £65,000. Councillor Geddes understood that Government funding would be provided for additional responsibilities under the provisions of the Civil Contingencies Bill on a 60%/40% County/District split. It was unclear as yet, the level of overall Government funding which would be available to the City Council but it was likely that this Budget bid would not be required in full.

Councillor Bloxham, Environment, Infrastructure and Transport Portfolio Holder, recommended that the following additional non-recurring bids for funding in 2005/06 be included for consideration as part of the Budget process:

Additional Street Lighting - £40,000;
Additional Litter Bins - £20,000;

The Leader stated that the Executive was concerned at the number of new bids put forward and whether they could all be funded. The Executive would be prioritising bids in line with the Corporate Plan, the City Council's Medium Term Financial Plan and having regard to the Government Rate Support Grant settlement. The Executive's philosophy is only to levy a fair Council Tax for the people of Carlisle. The Executive requested the Executive Management Group to investigate and bring forward further savings proposals, as it was clear that all the submitted bids could not be agreed without more savings being made.

Summary of options rejected

None

DECISION

1. That the summary report on new Revenue spending requests be referred for consideration as part of the 2005/06 Budget process.
2. That non-recurring bids of £40,000 for additional street lighting and £20,000 for additional litter bins be added to the bids to be considered as part of the 2005/06 Budget process.
3. That further information be requested on the Government funding to be made available to Local Authorities under the provisions of the Civil Contingencies Bill as it would impact on the extent of the bid for Emergency Planning/Civil Contingencies.
4. That the Executive Management Group be requested to investigate further savings proposals for consideration by the Executive.
5. That the report be referred to the relevant Overview and Scrutiny Committees for comment.

Reasons for Decision

To make arrangements for new spending requests to be considered as part of the Budget process.

EX.233/04: BUDGET 2005/06 – SUMMARY OF SAVINGS AND ADDITIONAL INCOME PROPOSALS (Key Decision)

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Head of Finance (FS.33/04) summarising proposals for savings and additional income generation to be considered as part of the 2005/06 Budget process.

Summary of options rejected

None

DECISION

1. That the summary report on proposals for savings and additional income generation be referred for consideration as part of the 2005/06 Budget process.
2. That it is noted that the revised budgets for 2004/05 will be amended in the light of the proposed reductions identified of £115,000.
3. That the report be referred to the relevant Overview and Scrutiny Committees for comment.

Reasons for Decision

To make arrangements for the proposals for savings and additional income generation to be considered as part of the 2005/06 Budget process.

EX.234/04: CHARGES REVIEW – LICENSING (Key Decision)

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Licensing Manager (EP.73/04) setting out the charges review undertaken in respect of the licensing functions of the Environmental Protection Services Business Unit and which had been accepted by the Licensing and Regulatory Panel at their meeting on 20 October 2004.

Summary of options rejected

None

DECISION

That the Licensing charges review be noted.

Reasons for Decision

To note the outcome of the licensing charges review as undertaken by the Licensing and Regulatory Panel.

**EX.235/04: CHARGES REVIEW – LEGAL AND DEMOCRATIC SERVICES
(Key Decision)**

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Head of Legal and Democratic Services (LDS.47/04) setting out options for fees and charges for areas falling within the responsibility of the Legal and Democratic Services Business Unit.

Summary of options rejected

None

DECISION

That the report be referred for consideration as part of the 2005/06 Budget process.

Reasons for Decision

The report will be considered as part of the 2005/06 Budget process.

**EX.236/04: CHARGES REVIEW – ECONOMIC AND COMMUNITY
DEVELOPMENT SERVICES (Key Decision)**

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Head of Economic and Community Development (ECD.19/04) setting out options for fees and charges for areas falling within the responsibility of the Economic and Community Development Services Business Unit.

Summary of options rejected

None

DECISION

That the report be referred for consideration as part of the 2005/06 Budget process.

Reasons for Decision

The report will be considered as part of the 2005/06 Budget process.

EX.237/04: CAR PARK CHARGES REVIEW 2005/06 (Key Decision)

Portfolio Environment, Infrastructure and Transport

Subject Matter

To consider a report from the Head of Commercial and Technical Services (CTS.15/04) reviewing the car park charges for 2005/06 having regard to income, contribution to the Local Transport Plan for Carlisle and maintaining the economic vitality of the City Centre.

The following options were put forward for the Executive to consider:-

(a) Increase Contract Parking Charges

Contract parking charges have remained unchanged for the last two years. An increase in the 5 day contract permit from £420 to £456 and the 6 day contract permit from £528 to £576 would produce additional income of £11,000 after deducting VAT. These charges still represented a 38% discount on the normal daily rate.

(b) Green Travel Plan for Staff/Members

Members and staff currently receive free parking permits. Prior to giving consideration to charging staff for permits, Officers could investigate the option of introducing a Green Travel Plan for Council staff and Members, in support of the County Local Transport Plan.

(c) Charging for Bank Holidays

If car parking charges were introduced on Bank Holidays at a £1 daily charge, additional income of £9,000 would be generated.

(d) Sunday Charging at Weekday Rates

If Sunday charges were increased from £1 per day to normal daily charges, £38,500 would be generated after deducting VAT. There was, however, concern from City Centre retailers that such a move may harm Sunday shopping in Carlisle.

(e) Increase Long Stay Charges for Stays above 5 Hours

Long Stay charges could be increased from £3 to £3.50 (5 - 6 hours) and £3.50 to £4 (over 6 hours), generating additional income of £30,000 after deducting VAT.

(f) Charge Social Services for Car Parking

Introducing charges for staff parking permits held by County Social Services staff could produce income of £15,000 from either Social Services or more public spaces.

(g) Water Street Car Park

Use an area of land under Council ownership at Water Street as a contract car park. The land would be tidied up but not resurfaced as it was being marketed by Property Services for other purposes. A discounted rate of £210 could be charged for a contract parking space. If 30 permits could be sold, then income of £5,200 would be generated after deduction of VAT.

(h) Increase Short Stay and Long Stay Car Parking Charges

If long and short stay charges were increased so that each hour's parking cost 70p for stays up to 4 hours (short stay) and up to 6 hours (long stay) additional income after VAT of £37,800 (long stay) and £30,000 (short stay) would accrue. Should the Executive wish to incorporate the increase in the over 6 hours fee from £3.50 to £4 as mentioned in (e) above, then the overall additional income after VAT for long stay would be £58,300 rather than £37,800.

(i) Sands Car Park

Following the change from long stay to short stay of the Sands car park in April 2004, usage has been slow to build up and a projected shortfall of £24,317 in anticipated income is currently expected.

Options were to leave the Sands car park as short stay, revert to long stay or keep the 66 spaces outside The Sands short stay with the remainder reverting to long stay. It was not expected that these changes would result in any change in income.

(j) Devonshire Walk Car Park

Introduce free parking or reduced charges on this car park. Free parking would produce a loss of income of £70,000 at present usage levels and up to £200,000 if the car park became used to capacity by drivers transferring from other 'pay' car parks. A table of suggested reduced charges was submitted which, although likely to increase usage of the car park, would result in a loss of £30,000 income overall due to drivers relocating from more expensive car parks.

(k) Shaddongate Car Park

This car park is not well used and consideration could be given to reducing the charges to encourage increased use. A reduction of £3,000 in income

would result as the income lost from existing users was not likely to be made up by additional users in view of the condition of this car park.

(l) Extended Stays

Requests were regularly received from drivers wishing to park a car for several days while they travel by public transport, eg take a train to London for a two day meeting. The Council was shortly to purchase new ticket machines which could be programmed to accept multi-day purchases. This facility could initially be offered on the Upper Viaduct Long Stay Car Park. It was not envisaged that there would be any significant income generation from this initiative.

A summary of car park income for the last 7 years for each car park was submitted. It was pointed out that in the current year's budget, income of £70,000 had been included from car parking at Newark Terrace and proposed extensions of Town Dyke Orchard and Bitts Park. This car parking provision had not been provided and the £70,000 expected income would not now be achieved.

For 2005/06 a minimum increase in income from car parking of £52,890 was required to satisfy the Corporate Charging Policy requirement to raise income by 3.5%.

Summary of options rejected

The following options were rejected:-

- (a) Increasing Sunday charges from £1 per day to normal daily rates;
- (b) Introducing free or reduced charges on the Devonshire Walk car park;
- (c) Reducing charges on the Shaddongate car park;

DECISION

1. That the Executive recommend the following options for increasing car parking charges in 2005/06 to be introduced on 1 April 2005 as the basis for consultation:-

- (a) Increasing contract parking charges to produce an additional income of £11,000;
- (b) Introducing car parking charges at a £1 daily rate on Bank Holidays to produce an additional income of £9,000;
- (c) Charge Social Services for staff permits to produce an additional income of £15,000;

(d) Using land at Water Street as a contract car park to generate income of £5,200;

(e) Increasing short stay and long stay car parking charges to produce an additional income of £58,300 (long stay) and £30,000 (short stay), including increasing long stay charges over 6 hours from £3.50 to £4.00;

2. That the Head of Commercial and Technical Services be requested to liaise with the County Council and other interested parties to develop a draft Green Travel Plan for City Council staff and Members.

3. That the Head of Commercial and Technical Services, in conjunction with the Head of Legal and Democratic Services, be requested to alter the designation of The Sands car park with the 66 spaces nearest The Sands Centre being retained as a short stay car park and the remaining 210 spaces reverting to long stay use.

4. That multi-day purchases on the Upper Viaduct Long Stay Car Park be introduced following the installation of new ticket machines.

5. That the reduced income of £70,000 in 2004/05 following the non-implementation of proposals for car parking at Newark Terrace and proposed extensions of Town Dyke Orchard and Bitts Park be noted.

6. That the report be referred for consideration as part of the 2005/06 Budget process.

Reasons for Decision

To review car parking provision in the City and recommend alterations to charges to ensure compliance with the City Council's Corporate Charging Policy, whilst also having regard to the Local Transport Policy for Carlisle.

EX.238/04: CHARGES REVIEW – ENVIRONMENTAL PROTECTION SERVICES (Key Decision)

Portfolio Policy, Performance Management, Finance and Resources and Environment, Infrastructure and Transport

Subject Matter

To consider a report from the Executive Director (EPS.70/04) setting out options for fees and charges for areas falling within the responsibility of the Environmental Protection Services Business Unit.

Summary of options rejected

None

DECISION

That the report be referred for consideration as part of the 2005/06 Budget process.

Reasons for Decision

The report will be considered as part of the 2005/06 Budget process.

EX.239/04: CHARGES REVIEW – CULTURE, LEISURE AND SPORT SERVICES (Key Decision)

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Head of Culture, Leisure and Sport (CLS.14/04) setting out options for fees and charges for areas falling within the responsibility of the Culture, Leisure and Sport Business Unit.

Summary of options rejected

None

DECISION

That the report be referred for consideration as part of the 2005/06 Budget process.

Reasons for Decision

The report will be considered as part of the 2005/06 Budget process.

EX.240/04: CHARGES REVIEW – PLANNING SERVICES (Key Decision)

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Head of Planning (P.50/04) setting out options for fees and charges for areas falling within the responsibility of the Planning Services Business Unit. Fees for Building Control and Development Control application fees are set nationally.

Summary of options rejected

None

DECISION

That the report be referred for consideration as part of the 2005/06 Budget process.

Reasons for Decision

The report will be considered as part of the 2005/06 Budget process.

EX.241/04: PROVISIONAL CAPITAL PROGRAMME 2004/05 TO 2007/08 (Key Decision)

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Head of Finance (FS.34/04) detailing the revised capital programme for 2004/05 together with the proposed method of financing.

The report also summarised the proposed programme for 2005/06 to 2007/08 in the light of the capital bids submitted to date for consideration and summarised the estimated capital resources available to fund the programme.

Details of the 16 capital bids put forward by Officers were submitted.

Councillor Bloxham, Environment, Infrastructure and Transport Portfolio Holder reported that a bid for capital funding of £76,000 for recycling initiatives had been considered by the Executive on 8 November 2004 and should be added to the list of Capital Bids for 2005/06.

Summary of options rejected

None

DECISION

1. That the Executive approves the revised capital programme and relevant financing for 2004/05 as set out in Appendices A and B for recommendation to the City Council.
2. That the capital spending requests for 2005/06 to 2007/08 contained in Report FS.34/04, and including £76,000 for recycling, be referred for consideration as part of the 2005/06 Budget process.
3. That it is noted that any capital scheme approved by the City Council may only proceed after a full report, including a financial appraisal, has been approved by the Executive.

Reasons for Decision

To note details of the revised capital programme and method of financing for 2004/05 and to make arrangements for new capital bids to be considered as part of the 2005/06 Budget process.

EX.242/04: HOUSING REVENUE ACCOUNT ESTIMATE 2004/05 (Key Decision)

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Head of Finance (FS.38/04) summarising the current position on the Housing Revenue Account in respect of both 2003/04 and 2004/05 including the forecast closure of the Housing Revenue Account as at 31 March 2005.

Summary of options rejected

None

DECISION

That the Executive notes:–

- (a) that the Housing Revenue Account balance as at 31 March 2004 is forecast to be £3,037,216, though subject to audit.
- (b) that the Housing Revenue Account Balance as at 31 March 2005 is forecast to be £3,234,000.
- (c) that the balance at 31 March 2005 will transfer to the General Fund, subject to the consent of the Office of the Deputy Prime Minister to the closure of the City Council's Housing Revenue Account as at that date.
- (d) the position on closure of the Housing Revenue Account and that a further report will be brought to the Executive later in the budget cycle.

Reasons for Decision

To note the current position on the Housing Revenue Account in respect of both 2003/04 and 2004/05 including the forecast closure of the Housing Revenue Account as at 31 March 2005.

EX.243/04: RENEWAL RESERVE – PROGRESS REPORT (Key Decision)

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Head of Finance (FS.32/04) concerning the performance review of the Renewals Reserve undertaken by Internal Audit, the results of which were reported to the Corporate Resources Overview and Scrutiny Committee on 12 January 2004. The recommendations following the review were submitted.

The Head of Finance reported that the majority of the recommendations have not been completed for the following reasons:-

- The recommendations involve a considerable amount of detailed work to resolve and, unfortunately, there are significant pressures arising from other work areas and there have not been resources available to undertake this work;
- The level of Renewals Reserve required is to be linked to the Information Systems Group recommendations regarding the level of IT hardware and software that is required for the Authority. The work of this Group has not yet been concluded;
- The Head of Finance was currently in discussions with Sector, the City Council's Treasury Management advisors, regarding the issue of options appraisal and, in particular, decisions on 'Lease vs Buy'. This work has not been concluded as yet.

Whilst the progression of this piece of work is important, it is not critical to the budget process or the overall finances of the Authority at the present time. There are sufficient other reserves and balances available to the Authority, and it is more important that the Renewals Reserve is set at an appropriate level to ensure there is an adequate replacement programme covering all of the Authority's assets.

Summary of options rejected

None

DECISION

That the current position be noted and the Head of Finance continue as quickly as possible to conclude the recommendations in the Internal Audit report and submit a further report to a future meeting of the Executive.

Reasons for Decision

To note the current position on the performance review of the Renewals Reserve undertaken by Internal Audit.

EX.244/04: CORPORATE PERFORMANCE MONITORING – APRIL TO SEPTEMBER 2004 (Non-Key Decision)

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Acting Town Clerk and Chief Executive (CE.32/04) providing the first Corporate Performance Monitoring Report of the City Council for April to September 2004. The report contained a summary report of the twelve Business Units' Performance Monitoring Reports for the same period. The report sought to identify how the City Council was performing against the key priorities of the Corporate Plan. The report was being submitted to the Overview and Scrutiny Committees for scrutiny.

Members considered that the report provided useful information on the Council's performance. It was noted that 50% of the indicators where improvements could be made were for functions for which the City Council only had a supporting role, eg crime and disorder.

The Acting Town Clerk and Chief Executive reported that crime and disorder issues were the joint responsibility of the City Council and the Police. A Working Group of Officers from across the Authority had recently been set up to investigate ways in which the City Council could improve performance in these areas.

Summary of options rejected

None

DECISION

1. That the Corporate Performance Monitoring Report for the period April to September 2004 be noted.
2. That Portfolio Holders will work with Business Unit Heads on performance monitoring issues and investigate areas where the City Council's performance can be improved.

Reasons for Decision

To note the Corporate Monitoring Report for the period April to September 2004 and arrange for Portfolio Holders to work with Business Unit Heads on performance monitoring issues to investigate areas where the City Council's performance can be improved.

EX.245/04: BUDGET OVERVIEW AND MONITORING REPORT (Non-Key Decision)

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Head of Finance (FS.28/04) providing an overview of the budgetary position for April to September 2004, summarising the main changes to the budgets between approval in February 2004 and the year to date for both General Fund Revenue and Capital Budgets. The report also provided summary monitoring information for April to September 2004 for all Business Units.

Summary of options rejected

None

DECISION

1. That the overall budgetary position for the period April to September 2004 as set out in the report be noted.
2. That the report be referred for consideration by the Corporate Resources Overview and Scrutiny Committee on 22 November 2004.

Reasons for Decision

To note the overall budget position of the Council for the period April to September 2004.

EX.246/04: TREASURY MANAGEMENT 2004/05 AND 2005/06 (Non-Key Decision)

Portfolio Policy, Performance Management, Finance and Resources

Subject Matter

To consider a report from the Head of Finance (FS.35/04) providing the regular quarterly report on treasury transactions and the interim report on Treasury Management in 2004/05 as required under the Financial Procedure Rules.

The report also considered the outlook for the City Council's Treasury Management forecasts in 2005/06 with projections to 2007/08 and the requirements of the Prudential Code.

Summary of options rejected

None

DECISION

That the report be received and the projections for 2005/06 to 2007/08 be considered as part of the 2005/06 Budget deliberations.

Reasons for Decision

To receive the quarterly report on Treasury transactions and the interim report on Treasury Management in 2004/05 in accordance with the Council's Constitution.

The outlook for the City Council's Treasury Management forecasts in 2005/06 and projections to 2007/08 will be considered as part of the 2005/06 Budget deliberations.

(The meeting ended at 11.05am)