
EXCERPT FROM THE MINUTES OF THE ENVIRONMENT AND ECONOMY OVERVIEW AND SCRUTINY PANEL HELD ON 1 DECEMBER 2011

EEOSP.75/11 BUDGET

Revenue Budget Reports

(a) Summary of New Revenue Spending Pressures

The Assistant Director (Resources) (Mr Mason) submitted report RD.64/11 that summarised the new revenue spending pressures and reduced income projections that would need to be considered as part of the 2012/2013 budget process.

The Executive had, on 22 November 2011 (EX.146/11), received the report and decided:

“That Report RD.64/11 on the new revenue spending pressures be received and forwarded to the relevant Overview and Scrutiny Panels for consideration as part of the 2012/13 budget consultation process.”

Members then considered the new pressures which fell within the remit of the Panel and raised the following comments and questions:

- *The shortfall in Development Control charges could be due to less planning applications being submitted. Was there any flexibility with regard to setting charges?*

The Assistant Director (Economic Development) (Mrs Meek) advised that the figures were set nationally and there was no legislation for Local Authorities to set their own charges although that issue was currently under debate and it may be possible to lobby in that respect.

- *Members expressed their respect for the staff within the Development Control department who held a wealth of knowledge.*

RESOLVED: 1. That report RD.64/11 be noted.

2. That Officers and Members lobby Government to enable Local Authorities to set their own charges in respect of Development Control.

(b) Summary of Savings Delivered and New Proposals

Report RD.65/11 had been circulated to the Panel by way of background information.

The Executive had, on 22 November 2011 (EX.147/11), received the report and decided:

“1. That the proposed reduction to the base budget from 2012/13 onwards, as set out in Report RD.65/11, be received and forwarded to the relevant Overview and Scrutiny Panels for consideration as part of the budget consultation process.

2. That it be noted that the Senior Management Team would continue to investigate efficiencies and savings in accordance with the Transformational Savings Strategy.”

Mr Mason advised that the Senior Management Team had undertaken a savings review that challenged, prioritised and reviewed current base budgets. Recommendations from the review were submitted to the Executive and Overview and Scrutiny Panels. The results of the review indicated that, in order to achieve a balanced budget for 2013/2013 to 2016/2017, additional transformation savings would have to be identified in order to address the identified budget pressures as detailed within report RD.64/11. At present the level of those additional savings was anticipated to be £200,000 recurring savings but that would depend upon which budget pressures and additional income proposals were supported by Members. Recruitment advertising and non-staffing reductions had been identified as additional recurring savings from the 2011/2012 budget monitoring process. Carry forwards of £80,000 had also been identified as not being required and so could be taken as a saving in 2012/2013.

In response to a query from a Member Mr Mason explained that there were several packages within the Asset Management Business Plan and that some of the assets would generate a saving.

Mr Mason advised that Phase 1 of the review was complete and that Phase 2 was currently underway. The Chairman confirmed that a review of the report would be presented to a future meeting of the Members of the Resources Overview and Scrutiny Panel and would be available to all Members.

RESOLVED: That report RD.65/11 be noted.

(c) Summary of Charges Review

- **Local Environment – LE.23/11**

Mr Mason submitted report LE.23/11 that set out the proposed fees and charges for 2012/2013 relating to those services that fell within the responsibility of the Local Environment Directorate.

The Executive had, on 22 November 2011 (EX.141/11), received the report and decided that the Executive:

“1. agreed for consultation the proposed charges, as set out in Report LE.23/11, relevant Appendices and the Addendum; and noted the impact of those charges on income generation, as detailed within the report. (The Executive would agree an implementation date at their December 2011 meeting.)

2. granted delegated responsibility to the Assistant Director (Local Environment), in consultation with the Environment and Housing Portfolio Holder, for making any changes to the charges set out for the use of parks and green spaces and to have the Scheme of Delegation amended accordingly.”

City Centre Events Charges – In view of the current economic climate it was proposed to retain the current charge levels to help maintain demand and the current budgeted level of revenue.

- *There had been a fall-off of events coming forward. Could that be improved by further marketing or publicity?*

The Strategic Director (Mr Crossley) advised that all Officers involved in events had met with regard to events to be held during the current year and the next to enable a better understanding of spending in relation to events. Discussions would be held with the Portfolio Holder and a report would be submitted in due course.

- *Would the proposed charges be used towards clean up and reinstatement costs? If not would it be possible to increase the charges to participants?*

The Assistant Director (Local Environment) (Ms Culleton) advised that the City Centre Manager discussed those issues with events holders and that the charges included a general contribution to the costs of the City Council to stage those events.

- *A Member stated that he would prefer to see specific charges for events with regard to street cleaning, etc.*

The Environment and Housing Portfolio Holder stated that as people resided in the City Centre it was important to draw a balance between their living conditions and holding events.

- *What was the demand for events within the City Centre? Had any requests for events been turned away? And had there been any work undertaken to indicate the economic benefits of events in the City Centre?*

Ms Culleton explained that she was not aware that anyone had been refused permission to hold an event although there was some management in respect of buskers and “chuggers”.

Car Parking – It was anticipated that there would be a shortfall in income from Contract Parking Fees and Car Parking Penalty Charge tickets. The sale of car park tickets was also expected to deliver a shortfall. There was concern about the continuing fall in usage levels of the City Council’s car parks measured both by tickets sold and length of

stay. It was decided to commission consultants to examine how the Council's objectives, in relation to the operation and charging policy in its car parks, could be operated as an alternative to annually increasing the price of car parking. The final report had been received and a proposed charging policy had been developed. The matter was discussed further following the presentation later on the agenda.

Parks and Green Spaces – It was proposed to increase allotments charges in line with the current Medium Term Financial Plan expectation. Discounts would continue to be available for individuals in receipt of a state pension and tenants' associations that run 5 sites in the City.

Charges for the use of parks had been implemented and although there had to date been only one such chargeable event it was proposed that a standard charge be introduced. The Executive had been requested to issue the Assistant Director (Local Environment) (Ms Culleton) with delegated responsibility for making any changes to the charges set for the use of parks and green spaces and to have the scheme of delegation amended accordingly.

- *Would there be any issues around insurance?*

Ms Culleton explained that Officers would confirm that anyone applying for a licence had Public Liability Insurance.

- *An area of Bitts Park had been driven on and was very muddy.*

Ms Culleton confirmed that she would ask Officers to look into the matter and take enforcement action if necessary.

- *Would revenue from the charges be ring-fenced for work within Green Spaces?*

Ms Culleton confirmed that the funds would be used to reinstate the area.

- *Was it still possible to hire the sports fields?*

Ms Culleton confirmed that it was.

- *What was the cost to the Council to clean up after the annual fireworks event?*

Mr Crossley advised that those costs were taken into account when organising the event.

Ms Culleton explained that there would be new charges in relation to Bereavement Services with regard to the out of hours service.

Talkin Tarn – It was proposed that the current parking charges at Talkin Tarn be retained for 2012/2013. Other charges were currently prevalent at Talkin Tarn and it was proposed that the existing charge levels for 2011/2012 were maintained. However it was proposed to introduce a further income stream during 2012/2013 in respect of an

annual registration fee for swimmers. Ms Culleton explained that legal advice had been taken in respect of those charges. The charges would enable the Council to manage the risks of people carrying out that activity. It was envisaged that the main activities would be triathlon events and would involve people from around the country.

Clean Neighbourhoods and Environment Act – It was proposed that the fixed penalty notice for offences under the Clean Neighbourhood and Environment Act were maintained but with a prompt payment reduction introduced in respect of dog fouling, dogs not on leads, fly posting and graffiti offences.

- *Was it possible to increase the fees?*

Ms Culleton advised that the fees were set nationally but it may be possible to lobby Government for the Council to set or increase the fees where necessary.

- *Would it be possible to publicise the number of fines that had been issued and paid?*

Ms Culleton explained that while it may be possible to publish those figures in the future it would not be possible to name the offenders. Ms Culleton added that work on a new database was underway from which that information could be extracted.

- *A Member had been advised that if he wished for a new litter bin to be provided within his Ward, it was possible that another would have to be removed.*

Ms Culleton explained the rationale behind that information and it was agreed that the matter of litter bins and dog fouling control would be an agenda item for a future meeting. Ms Culleton confirmed that it would be possible to extract that information on a Ward by Ward basis within the next 6 months and that a report would be submitted to the Panel on a 6-monthly basis.

Waste Services – Bulky Waste – It was proposed to increase the charge for special/bulky collections from £15 to £16 with effect from 1 April 2012.

- *Was the shortfall in income due to a reduction in the number of requests for the collection of bulky items? If so could that be due to the economic recession?*

Ms Culleton advised that there had been no significant rise in respect of fly-tipping and added that the increase in the charges was to reflect the inflation rate. She also believed that householders may be taking the items to the household waste refuse centre personally.

- *What was the cost to the City Council to administer the collection of bulky items?*

Ms Culleton confirmed that no invoices were issued and that the fee was taken at the point of booking the collection.

The Environment and Housing Portfolio Holder suggested that advice could be given with regard to organisations such as Centre 47 who collect certain items free of charge.

It was also acknowledged that some companies removed old items when new replacement items were purchased.

Summary of Income Generated – with the exception of Talkin Tarn, the income of which was ring-fenced, and Car Parking income, which would be evaluated upon receipt of the consultant's report referred to earlier, acceptance of the charges highlighted within the report would result in an anticipated level of income of £1,287,200 against the Medium Term Financial Plan target of £1,299,100 in 2012/2013 which represented a shortfall of £11,900 against the Medium Term Financial Plan target.

RESOLVED: 1. That report LE.23/11 be noted.

2. That the panel supported the charges in respect of events and looked forward to the results of the review on events.

3. That the Panel supported the proposed charges but recommended that more discussion be held with Officers in Legal Services.

4. That litter and dog fouling control be considered at a future meeting of the Panel.

- **Economic Development – ED.39/11**

Mr Mason submitted report ED.39/11 that set out the proposed fees and charges for 2012/2013 relating to those services that fell within the responsibility of the Economic Development Directorate.

The Executive had, on 22 November 2011 (EX.143/11), received the report and decided:

“That the Executive agreed for consultation the proposed charges, as set out in the relevant Appendices to Report ED.39/11, with effect from 1 April 2012; noting the impact those would have on income generation as detailed within the report.”

Tourism and City Centre Management – it was considered that there was little scope for increasing charges from the sale of tickets for other organisations around the country. However a wider range of tickets such as fishing licences continued to be sold to try to maintain income. Other income streams such as accommodation booking and retail sales were under downward pressure due to reduced numbers passing through the Tourist Information Centre and the increased use of the internet.

- *How much publicity was there in respect of ticket sales for events outside Carlisle?*

The Economic Development Portfolio Holder advised that there was no publicity but that it could be included as part of the current review.

Assembly Room – The proposal to re-furbish and upgrade facilities in the Old Town Hall was subject to a current review. If the works proceeded it would curtail the use of

the Assembly Room during that period. There was little scope to increase revenue in a substantial manner, especially if no refurbishment or improvements were made. It was considered that a small increase of around 3% and a budget figure of £2,100 for 2012/2013 was considered realistic in the circumstances.

- *Some Members believed that the Assembly Rooms should remain as a Civic amenity and not offered to a commercial organisation.*

The Economic Development Portfolio Holder advised that usage of the Assembly rooms was poor and reminded Members that the report that had been presented previously stated that any refurbishment would take place at a quieter period in the calendar. Members agreed that it was more practical to carry out any refurbishments prior to encouraging an increase in usage. The Assistant Director (Local Environment) (Mrs Meek) recommended that a fundamental review could be carried out with regard to the services provided and the building itself.

Advertising – In previous years income had been generated by charging for advertising space with regard to tourist accommodation in publications produced by the City Council to promote Carlisle. The previous 2 years had broken even and that was expected to continue in 2012/2013. It was anticipated that income would be raised from advertising through the new Discover Carlisle website. However that had been minimal to date. The potential for developing that further would form part of the overall review of Tourism support that would occur by 1 April 2012.

Enterprise Centre – Market forces suggested that there was little scope for increasing rental values and income in the foreseeable future. It was proposed that service charges be raised 5% for 2012/2013 in line with inflation. It was anticipated that the Enterprise Centre would deliver a shortfall in 2012/2013. However a substantial review of the Enterprise Centre would be undertaken by 1 April 2012 including rental figures, service charges and miscellaneous income.

A report on the Enterprise Centre was an item to be considered later in the meeting.

Planning Services – It was anticipated that income from planning applications was likely to deliver a shortfall and it was unlikely that there would be any increase in planning fees which were set nationally. Many Planning Authorities charged for services other than planning fees and while those charges would not generate a large amount of income it was proposed that they should be introduced on 1 April 2012. It was also proposed to increase charges for technical reports and data. New regulations had allowed local discretion to set Building Control fees. In order to ensure that the service remained competitive a review of charges in January 2012 was proposed that would include a comparison with the Council's competitors.

Summary of Income Generated

The acceptance of the charges indicated within the report, with the exception of Building Control which was self financing, would result in an anticipated level of income of

£560,900 against the Medium Term Financial Plan target of £696,400 making a shortfall of £135,500.

RESOLVED: That report ED.39/11 be noted.

Capital Budget Reports

(d) Revised Capital Programme 2012/2013 and Provisional Capital Programme

Mr Mason submitted report RD.66/11 that detailed the revised capital programme for 2011/2012 together with the proposed method of financing. The report also summarised the proposed programme for 2012/2013 to 2016/2017 in the light of new capital pressures identified, and summarised the estimated, and much reduced, capital resources available to fund the programme.

The Executive had, on 22 November 2011 (EX.148/11), received the report and decided that the Executive:

- “1. noted the revised capital programme and relevant financing for 2011/12 as set out in Appendices A and B of Report RD.66/11;
2. recommended that the City Council approve slippage of £4,257,000 from 2011/12 into 2012/13;
3. had given initial consideration to the capital spending requests for 2012/13 to 2016/17 contained in Report RD.66/11 in the light of the estimated available resources; and
4. noted that any capital scheme for which funding had been approved by the Council may only proceed after a full report, including business case and financial appraisal, had been approved.”

Mr Mason explained that vehicle and plant requirements would be considered over the next 5 years.

- **Town Hall** – the capital programme was included in the budget and a lot of work was required to ensure funding was available for the proposed works.
- *Would the refurbishment of the Town Hall be given a higher priority? Could funding set aside for projects that were not now going ahead be utilised for that work?*

Mrs Meek advised that it would be difficult to make any decision until completion of the review into the building and services provided.

- *What was the current situation in respect of the Asset Management Business Plan?*

Mr Mason explained that the Council would continue with the Asset Management Business Plan in accordance with the profile it contained.

RESOLVED: That report RD.66/11 be noted.

The Chairman announced that there would be a short adjournment of 10 minutes after which there would be the presentation on the Car Parking Study followed by agenda items A.5 and A.6.