

JANUARY 2026

## TOURISM TAX

It has been suggested by government that we implement a 'Tourism Tax'. This would be a levy of £2 per night per person charged on accommodation within the County and the City of York, be it a hotel room, B & B or an Air B & B.

If it goes ahead it is estimated that it will generate £52 million per annum and the revenue will go to the Mayor. Needless to say he thinks it is a very good idea. One interesting statistic is that it is estimated that 75% of the revenue will be raised in North Yorkshire and 25% in the City of York.

I am not sure that it will be well received by small businesses. It will be just another tax in most peoples' eyes. Please let me know what you think. Email address is below.

## THE BUDGET.

NYC like all authorities, is legally bound to produce a balanced budget. We are, taking all things into account like the loss of grants and the employer's NI increase, £42.5 million worse off than we were two years ago. An increase in council tax is the only way to increase our spending power. The message from Westminster is, 'Increase your council tax by 4.99% ie. the maximum allowed without a referendum of residents, or we will assume that you don't need any more funding from us'.

A number of councils up and down the country have asked and been granted permission to increase their council tax by more than 4.99% without a referendum. This can only mean that they are perilously close to a section 114 bankruptcy. Not a club we want to be in.

The government have given an indication that they will fund SEND ie. Special Education Needs from 28/29. This is most welcome news, if correct, as SEND is a substantial cost to NYC and all other councils, with a significant overspend being a problem every year. We have been told that further details should be forthcoming by mid February.

So, assuming we implement a 4.99% council tax increase over the next 3 years, the draft shortfall will be:

26/27	27/28	28/29
£17million	£34m	£59m

On the above forecast, we will have used £59 million of reserves by April 29. At that point we will have £40 million of useable reserves left. We are confident that we can deal with this. You have heard me say previously that we could be facing bankruptcy as an authority by in 3 years, but the position has improved to bankruptcy in 4.5 years if we don't take corrective action.

The savings in the current year are now £34 million and the new savings already identified going forwards are:

26/27 £15 million

27/28 £3.5 million

28/29 £2.185 million.

A 4.99% increase in council tax will mean that a band D property will be charged £2,036pa. plus the police and crime charge, and if applicable the parish precept. A 4.99% increase gives an estimated yield of £5.14 million to NYC.

So there is no option but to implement a 4.99% council tax increase. Overall however, it is fair comment to say that the outlook going forwards is a little less bleak than it was even 3 months ago. My eye is constantly on the fact that if the figures above prove to be correct then in 2029 we will only have £40 million of useable reserves left.

## PLANNING.

I am cautiously optimistic that we may have turned a corner in terms of the staffing issues that have plagued us over the last 5 years or more. The team which were working from Mercury House are now working as Richmond and Hambleton Planning from County Hall. Three new members of staff started after the Christmas Break and provided we don't lose any staff..... But who knows?

The one thing which I can be clear about is that the dept. is not under resourced in terms of the budget which is allocated by the council which has shown an underspend in recent times because of staff vacancies. It is a problem up and down the country.

Whilst on the subject of Planning, I would just like to explain that as a member of the Richmondshire Planning Committee I am very careful about attending PC meetings where planning applications are on the agenda. Whilst I support PCs wherever possible with their aspirations in terms of planning applications, I am very careful not to get into the debate regarding the merits or otherwise of individual applications as they may come before the planning committee on which I am sitting, for determination. I could then be accused of pre determining an application, rather than going to the planning meeting and making a decision on the basis of a site visit and the evidence, both in favour and against the application, based on what is laid on the table on the day.

An obvious example of an exception to this rule is the Hope Moor Wind Farm application for 20 wind turbines above Newsham. This is to be determined by the Secretary of State, not the County Planning Authority, and therefore I can get actively involved in resisting this application.

#### HOUSING.

NYC is landlord to 8,500 council homes. We currently have 4% voids. This is higher than our target of 2.5% maximum because as houses come vacant we are doing whatever upgrades are necessary to the property in order to get to a position of EPC C which will almost certainly be the minimum requirement by 2030. So we have 7 additional contractors across the county in order to get the upgrades done as quickly as possible, thus avoiding vacant properties where there is both a loss of rent to the council and people are waiting for a home.

In summary, the council will not let substandard properties.

#### BOUNDARY COMMISSION.

The final recommendation by the Boundary Commission has now been published and contrary to what I thought there have been changes to my current division of North Richmondshire. Stapleton and Cleasby, together with Barton and Skeeby will become part of the new North Richmondshire division which comprises of all villages to the west of these villages right up to Newsham. It will also take in the north part of Richmond ie. the Gilling Road end.

Middleton Tyas, Moulton, Croft, Dalton-on-Tees and North Cowton will go into a new division of Brompton and Scorton, together with East Cowton, Scorton and Brompton-on Swale.

There will be no further alterations or consultations as only Parliament can overturn the Boundary Commission's decisions.

#### SCOTCH CORNER

I'm afraid I have nothing further to report here. The last news I heard was that the developer is hoping to have their financial support in place by the end of February.

#### BUS TRANSPORT.

I have as I have told you in previous reports been trying to get alterations, in some cases minimal, so that school children as well as residents can make greater use of public transport. The cost to parents of students using public transport was outlined by me in a previous report at approx. £394pa assuming the pupil attends every school day of the year.

The Mayor stated at a Richmond Area Constituency Committee earlier last year that he was going to have a public consultation in the autumn asking residents what they wanted in terms of public transport. This would have been an ideal opportunity for residents to give their views for a service which school pupils could use, in many cases by a small re-tweaking of timetables.

As you are no doubt aware the promised consultation hasn't materialised. So I am going to have further discussions with officers and Executive Officers regarding what is required at a local level. I think it should be remembered that the Mayor has been given £6 million by the government to develop rural transport.

#### RICHMOND AREA CONSTITUENCY COMMITTEE.

These meetings are held quarterly in County Hall and any member of the public may attend. The agenda topics relate to the area covered by the Richmond and Northallerton constituency. At the last meeting in November for example, Arriva gave a presentation as a result of much negative feedback regarding many cancellations of the X26 and X27 services between Darlington and Richmond, and what they are doing about the problem.

I asked them to consider the above services going through Middleton Tyas village, rather than going from Barton via Scotch Corner then to Skeeby. This they agreed to look into.

Anyone interested please come back to me and I will forward you the agenda before the next meeting scheduled for 2<sup>nd</sup> March.

Best wishes,

Angus Thompson.

21<sup>st</sup> January 2026.

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