

**Agenda Item No: 9.7**

**Report No: 7/16**

**Report Title: Fees and Charges**

**Report To: Cabinet**

**Date: 7 January 2016**

**Cabinet Member: Councillor Bill Giles**

**Ward(s) Affected: All**

**Report By: Alan Osborne, Director of Corporate Services**

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### **Purpose of Report:**

To propose a revised schedule of fees and charges to apply from 1 April 2016.

### **Officers Recommendation:**

- 1 To approve the revised scale of fees and charges proposed within Appendix 1 to apply from 1 April 2016.
  - 2 To delegate authority to the Director of Service Delivery in consultation with the Cabinet Member for Waste and Recycling to vary commercial trade waste charges upwards or downwards by up to 10% in order to respond to developing market conditions.
  - 3 To implement changes in the statutory fees and charges for services shown within Appendix 1 as and when notified by Government.
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### **Reasons for Recommendation**

- 1 The Council's Constitution requires that all fees and charges, including nil charges, be reviewed at least annually and agreed by Cabinet.

### **Information**

#### **2 Background to this report**

- 2.1 Following a systematic review in light of an Audit Commission report entitled "Positively Charged", Cabinet has approved:

- Guiding Principles for setting fees and charges for inclusion within the Council's Constitution under Part 4 Financial Procedure Rules
- A series of recommended actions as agreed by previous Lead Councillors for their respective Portfolio at that time

**2.2** The Guiding Principles and the recommended actions arising from the systematic review of services have been applied in reviewing and proposing a revised scale of fees and charges to apply from 1 April 2016.

### **3 Fees and Charges Proposals to apply from 1 April 2016**

**3.1** Fees and Charges are reviewed by Cabinet at least once each year, principally during the winter prior to the next financial year. This enables Cabinet's decision to be incorporated in the coming estimate cycle. Cabinet is not restricted to an annual review; it can conduct further reviews at any time in the year with implementation of decisions from any point in the year.

**3.2** As in previous years all of the fees and charges are covered, as far as is practicable, within a single report. In this way Cabinet is able to consider all of the fees and charges which apply to the Council's services as an overall package. There are two exceptions to this:

- licensing fees, which are set by the Licensing Committee.
- Community Infrastructure Levy charges, which Cabinet adopted at its meeting on 24 September 2015 to take effect from 1 December 2015 (see lines 169 to 174 within Appendix 1).

Wave Leisure are responsible for setting the fees and charges applicable at the Council-owned indoor leisure facilities which it manages.

**3.3** Within Appendix 1 to this report there are some significant services, with significant income estimates, where the Council has discretion to set the level of fees and charges. These are summarised below between those services where changes are proposed, those services where no changes are proposed, and those services where the fees are statutory and changes are made by Government.

**3.4** Services where changes to fees and charges are proposed.

<b>Service</b>	<b>Rodent and Pest Control</b>
Appendix reference	lines 40 to 74
Financial impact	The actual income achieved in recent years has been less than budget. The increases proposed are designed to generate sufficient income to allow the budget to be met. Therefore, the income budget remains unchanged.
Reason for increase	Officers have undertaken a wide ranging review of the service looking at current cost, current range of services and the fees for those services, together with what comparator

	providers offer. As a result of the review increases are proposed in the fees for mice, wasp nests and flea treatments.
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<b>Service</b>	<b>Public Health</b>
Appendix reference	Lines 93 and 94
Financial impact	The majority of Public Health charges are statutory (see 3.6 below) but 2 are not. The level of activity for these 2 is small so the income budget remains unchanged.
Reason for increase	An increase of £1.50 is proposed in the fee for food hygiene courses in order to maintain the value of contributions received against cost.

<b>Service</b>	<b>Private Sector Housing</b>
Appendix reference	lines 120 to 122
Financial impact	The level of activity is low so the income budget of £1,500 remains unchanged.
Reason for increase	An increase of £1 is proposed in order to maintain the value of contributions received against cost.

<b>Service</b>	<b>Street Naming and Numbering</b>
Appendix reference	Lines 220 to 229
Financial impact	The level of chargeable activity is relatively low so the income budget of £4,000 remains unchanged
Reason for increase	An increase of £5 is proposed in the charges listed at lines 221 and 222 to bring those fees in line with that of near-neighbour councils.

<b>Service</b>	<b>Allotments</b>
Appendix reference	lines 231 to 232
Financial impact	The number of plots available is fixed so the income budget of £1,600 remains unchanged
Reason for increase	An increase of £2 is proposed in order to maintain the value of the income received.

<b>Service</b>	<b>Cemeteries</b>
Appendix reference	lines 234 to 258
Financial impact	An increase of £10,000 from £140,000 up to £150,000
Reason for increase	The Council's policy is to maintain its charges within the upper quartile of local authority burial charges. The proposed increases are in line with inflation and are intended to maintain the Council's position.

<b>Service</b>	<b>Parks and Open Spaces</b>
Appendix reference	lines 260 to 267
Financial impact	An increase of £900 from £3,000 up to £3,900.
Reason for increase	A number of increases are proposed in order to maintain the value of the income received.

### 3.5 Services where no changes to fees and charges are proposed.

<b>Service</b>	<b>Car Parking</b>
Appendix reference	lines 1 to 33
Reason for no change	The current simplified charging structure has taken time to bed in. However, after a period of decline, income levels have stabilised and some growth is forecast in the 2015/16 financial year. As a consequence the income budget can be increased by £15,400 up to £890,000

<b>Service</b>	<b>Arts Development</b>
Appendix reference	Lines 35 to 38
Reason for no change	Income from advertising has exceeded this year's budget. As a consequence the income budget for 2016/17 can be increased by £2,000 up to £11,000 without increasing fees.

<b>Service</b>	<b>Animal Wardens</b>
Appendix reference	Lines 75 to 80
Reason for no change	Of the 4 charges applicable to this service 1 is statutory and 3 are discretionary. Given the low level of income generated – budget of £2,900 – no change is planned until there is a change in the statutory fee.

<b>Service</b>	<b>Building Control</b>
Appendix reference	lines 124 to 147
Reason for no change	This service underwent a wide ranging review a year ago and the forecast increase in income of £30,000 is being achieved. As a result of this increasing activity the income budget for 2016/17 can be increased by £5,000 up to £350,000 without an increase in fees.

<b>Service</b>	<b>Planning Services</b>
Appendix reference	lines 175 to 218
Reason for no change	The forecast increase in income of £10,000 for 2015/16 is being achieved. As a result of this increasing activity the income budget for 2016/17 can be increased by £1,000 up to £45,000 without an increase in fees.

<b>Service</b>	<b>Waste Collection (excluding Commercial Trade Waste)</b>
Appendix reference	lines 269 to 289
Reason for no change	Officers will be undertaking a thorough review of all waste charges within the next 12 months so are not proposing any changes at this stage.

<b>Service</b>	<b>Council Tax and Business Rates</b>
Appendix reference	lines 291 to 295
Reason for no change	Because both this Council and Wealden Council use the same court the policy has been to keep our fees in line. Therefore, no changes are proposed at this time and the income budget will remain at £186,500 for 2016/17.

<b>Service</b>	<b>Legal Services</b>
Appendix reference	lines 297 to 312
Reason for no change	The current range of the main fees remains appropriate for the relatively small levels of activity.

<b>Service</b>	<b>Land Charges</b>
Appendix reference	lines 314 to 320
Reason for no change	The current fees remain competitive and set to recover costs. Cabinet should be aware that with effective from February 2016 the CON29 fee is likely to become subject to VAT at the standard rate. While this will affect the charges made to customers, it is not expected to have an impact of the Council's level of income.

### 3.6 Services where statutory fees and charges apply.

<b>Service</b>	<b>Port Health</b>
Appendix reference	lines 82 to 90

<b>Service</b>	<b>Public Health</b>
Appendix reference	lines 92 to 118 excluding lines 93 and 94

Service	Development Control
Appendix reference	lines 149 to 166

The current level of fees and charges will continue to apply until such time as the Council is notified by Government of changes. These will be implemented in accordance with the relevant statutory notices.

### **3.7 Charges for the provision of professional services and advice**

Appendix 1 sets out some specific charges for services offered by planning officers for the pre-application service, and by the shared legal service for professional services. These represent the majority of professional services for which a charge is made.

However, requests are also received from customers for professional advice on other matters where, for example, this sits outside the scope of advice that is a normal part of the delivery of services or where it is for information that is not provided free of charge, like environmental information. Rather than seeking to list each and every eventuality where this may be the case, in principle charges are set to at least recover the full cost of officer time and any related disbursements.

## **4 Commercial Trade Waste**

- 4.1** The current fees for the collection and disposal of commercial trade waste were approved by Cabinet on 6 January 2014. Due to commercial confidentiality these were considered and approved by Cabinet in an exempt report. They are not reproduced in this report.
- 4.2** This year's review shows that the current charges remain competitive. They need to be so if the Council is to retain its market share. As a consequence no change in the current charges is proposed. However, given the very competitive nature of this business, and the officers' desire to grow the business, it is recommended that the Director of Service Delivery be given delegated authority, in consultation with the Cabinet Member for Waste and Recycling, to vary charges upwards or downwards by up to 10% in order to respond to developing market conditions.

## **5. Financial Appraisal**

- 5.1** The effect of the proposed increases in fees and charges, which also takes into account variations in demand, is set out at service level overleaf:

	2015/16 income estimate £	<u>Financial impact of:</u> change in usage      change in fees		2016/17 income forecast £
Car Parking	874,600	15,400	0	890,000
Arts Development	9,000	2,000	0	11,000
Rodent and Pest Control	12,000	0	0	12,000
Private Sector Housing	1,500	0	0	1,500
Building Control	345,000	5,000	0	350,000
Planning Services	44,000	1,000	0	45,000
Street Naming and Numbering	4,000	0	0	4,000
Allotments	1,600	0	0	1,600
Cemeteries	140,000	8,600	1,400	150,000
Parks and Open Spaces	3,000	800	100	3,900
Waste Collection	105,900	100	0	106,000
Council Tax and Business Rates	186,500	0	0	186,500
Land Charges	140,000	0	0	140,000
Register of Electors	500	500	0	1,000
<b>Discretionary fees – set by LDC</b>	<b>1,867,600</b>	<b>33,400</b>	<b>1,500</b>	<b>1,902,500</b>
Animal Wardens	2,900	0	0	2,900
Port Health	0	0	0	0
Public Health	10,400	(400)	0	10,000
Development Control	330,000	45,000	0	375,000
<b>Statutory fees – set by Government</b>	<b>343,300</b>	<b>44,600</b>	<b>0</b>	<b>387,900</b>
<b>Total income estimates</b>	<b>2,210,900</b>	<b>78,000</b>	<b>1,500</b>	<b>2,290,400</b>

**5.2** If Cabinet chooses to amend the proposed charges the impact will be reflected in the final budget to be reported to Cabinet on 8 February 2016.

**5.3** The increases in income from usage together with the increases in income from fees will add an additional £79,500 to the income estimates for 2016/17. This is more than the £37,500 forecast in the medium term budget strategy when income was expected to grow by 1.7%. As a consequence of this income generated from fees and charges will contribute £42,000 towards the Council's savings target for 2016/17.

**6. Legal Implications** – No legal implications have been identified for this report.

**7. Risk Management Implications** - I have completed the Risk Management questionnaire and this report does not require a risk assessment because the issues covered by the recommendations are not significant in terms of risk.

**8. Equality Screening** - The Equality Screening process for this Report took place in November 2015. No potential negative impacts were identified.

**9. Background Papers** – LDC Guiding principles for setting fees and charges

**10. Appendices** – Appendix 1 Fees and Charges Proposals 2016/17  
Appendix 2 Equality Analysis Report