

Agenda Item No: 9.6

Report No: 6/17

Report Title: Fees and Charges

Report To: Cabinet

Date: 4 January 2017

Cabinet Member: Councillor Bill Giles

Ward(s) Affected: All

Report By: Alan Osborne, Deputy Chief Executive

Contact Officer(s):

Name(s): Stephen Jump
Post Title(s): Head of Finance
E-mail(s): steve.jump@lewes.gov.uk
Tel No(s): 01273 484043

Purpose of Report:

To propose a revised schedule of fees and charges to apply from 1 April 2017.

Officers Recommendation:

- 1 To approve the revised scale of fees and charges proposed within the Appendix to apply from 1 April 2017
 - 2 To delegate authority to the Director of Service Delivery in consultation with the Lead Cabinet Member 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 the Appendix 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 Councillor's 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 2017.

3 Fees and Charges Proposals to apply from 1 April 2017

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 within this report:

- licensing fees are excluded because these are set by the Licensing Committee.
- Building Control fees are excluded because of the Cabinet decision of 16 November 2016 to support the principle of a partnership agreement with Wealden District and Eastbourne Borough Councils, and potentially Hastings and Rother Councils. If a partnership agreement is not in place by 1 April 2017 then the current schedule of fees will continue to apply.

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

3.3 Within the Appendix 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.

Service	Arts Development
Appendix ref	Lines 35 to 41
Financial impact	The income budget for 2017/18 can be increased by £2,500 up to £13,500.
Reason for change	Some additional charges are proposed to recognise the different offer for exhibiting artists and for businesses.

Service	Tourism
Appendix ref	Lines 43 to 46
Financial impact	A new income budget for 2017/18 of £6,200 can be introduced.
Reason for change	New charges for the Stay Lewes Coast and Country visitor information website have been introduced.

Service	Rodent and Pest Control
Appendix ref	lines 47 to 78
Financial impact	The income budget for 2017/18 is reduced by £2,500 down to £9,500 establishing a new baseline to reflect actual income generated in recent years.
Reason for change	The increases proposed are designed to recover a larger share of the costs of operation without adversely affecting demand for the service.

Service	Street Naming and Numbering
Appendix ref	Lines 201 to 211
Financial impact	The income budget for 2017/18 can be increased by £1,000 up to £5,000.
Reason for increase	An increase of £10 is proposed in the charge listed at line 202 to bring that fee into line with that of near-neighbour councils.

Service	Allotments
Appendix ref	lines 213 to 214
Financial impact	Income has under performed against budget over the past two years and as a consequence the income budget is reduced by £600 down to £1,000
Reason for increase	An increase of £2 is proposed in order to maintain value.

Service	Cemeteries
Appendix ref	lines 216 to 237
Financial impact	Income has under performed against budget over the past two years and as a consequence the income budget is reduced by £8,000 down to £142,000
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 intended to maintain the Council's position.

Service	Parks and Open Spaces
Appendix ref	lines 239 to 294
Financial impact	The income budget for 2017/18 can be increased by £16,300 up to £56,000.
Reason for increase	The experience of operating the hire of sports pitches in-house over the past two years has led to a review of fees and charges that seek to make them easier and fairer for hirers at the same time as maintaining the recovery of costs.

Service	Waste Collection (excluding Commercial Trade Waste)
Appendix ref	lines 296 to 317
Financial impact	Income has under performed against budget over the past two years and this year the service has lost further business. As a consequence the income budget for 2017/18 is reduced by £21,000 down to £135,000
Reason for increase	The relatively small price increases are designed to recover cost increases and to achieve the 2017/18 income budget albeit from a smaller base.

Service	Legal Services
Appendix ref	lines 325 to 337
Financial impact	Supports the viability of the shared legal service.
Reason for increase	Maintains recovery of costs and positioning with other local authorities.

Service	Land Charges
Appendix ref	Lines 339 to 345
Financial impact	The 2017/18 income budget can be maintained at the current level of £140,000.
Reason for increase	<p>To cover the additional costs of processing additional questions on the CON29. One of these requires information from East Sussex County Council which incurs a charge of £10 and therefore accounts for the bulk of the increase from £67 up to £81.</p> <p>Her Majesty's Revenue and Customs (HMRC) has for some time indicated that the CON29 fee is likely to become subject to VAT at the standard rate and at the time of writing this report preparations are being made to implement this from 1 January 2017. While this will affect the charges made to customers, it is not expected to have an impact on the Council's level of income.</p>

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

Service	Car Parking
Appendix ref	lines 1 to 33
Reason for no change	The current simplified charging structure is now well established. Income levels have outperformed budgets over the past two years and it is reasonable to expect this trend to continue into the 2017/18 financial year. As a consequence the income budget is increased by £12,500 up to £902,500

Service	Animal Wardens
Appendix ref	Lines 80 to 85
Reason for no change	Income has under performed against budget over the past two years. Given that of the four charges applicable to this service one is statutory and three are discretionary, and given the low level of income generated no change is planned until there is a change in the statutory fee. As a consequence the income budget is reduced by £1,900 down to £1,000

Service	Public Health
Appendix ref	lines 98 and 99
Reason for no change	Income has under performed against budget over each of the last three years. Activity levels are not consistent with the current budget and as a consequence the income budget for 2017/18 is reduced by £6,400 down to £4,000

Service	Community Infrastructure Levy (CIL)
Appendix ref	lines 147 to 151
Reason for no change	The Charging Schedule implemented on 1 December 2015 remains relevant and appropriate. CIL regulations require that fees are uplifted each year by indexation.

Service	Planning Services
Appendix ref	lines 156 to 199
Reason for no change	Officers judge that the current fees remain at the appropriate levels for the services on offer. The income budget will remain at £45,000 for 2017/18.

Service	Council Tax and Business Rates
Appendix ref	lines 319 to 323
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 2017/18.

3.6 Services where statutory fees and charges apply.

Service	Port Health
Appendix ref	lines 87 to 95

Service	Public Health
Appendix ref	lines 97 to 123 excluding lines 98 and 99

Service	Development Control
Appendix ref	lines 128 to 145

Service	Register of Electors
Appendix ref	lines 347 to 353

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

The Appendix 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. 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 Lead 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, along with the impact on the budget of variations in demand, is set out at service level below:

	2016/17 income estimate	<u>Financial impact of:</u>		Average percentage increase in fees %	2017/18 income forecast
		change in usage £	change in fees £		
Car Parking	890,000	12,500	0		902,500
Arts Development	11,000	2,500	0		13,500
Tourism	0	6,200	0		6,200
Rodent and Pest Control	12,000	-2,800	300	3.3	9,500
Public Health	10,400	-6,400	0		4,000
Planning Services	45,000	0	0		45,000
Street Naming and Numbering	4,000	600	400	8.7	5,000
Allotments	1,600	-600	0		1,000
Cemeteries	150,000	-13,000	5,000	3.6	142,000
Parks and Open Spaces	39,700	14,600	1,700	3.1	56,000
Waste Collection	156,000	-24,200	3,200	2.4	135,000
Council Tax and Business Rates	186,500	0	0		186,500
Land Charges	140,000	0	0		140,000
Discretionary fees – set by LDC	1,646,200	-10,600	10,600		1,646,200
Animal Wardens	2,900	-1,900	0		1,000
Development Control	375,000	0	0		375,000
Register of Electors	1,000	0	0		1,000
Statutory fees – set by Government	378,900	-1,900	0		377,000
Total income estimates	2,025,100	-12,500	10,600		2,023,200

5.2 If Cabinet chooses to amend the proposed charges the impact will be reflected in the final budget report to be presented to Cabinet on 8 February 2017.

5.3 For the discretionary fees set by the Council the overall increase in income from changes in fees will offset the reduction in income from changes in usage. For the statutory fees set by Government there will be a reduction in income from a change in usage.

5.4 The overall net effect is a year on year reduction from income estimates of £1,900. The forecast in the medium term budget strategy was that income would grow by 2.5% which would contribute £50,000 towards the Council's savings target for 2017/18. As a consequence of this year's review that contribution will not be forthcoming.

- 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 2016. No potential negative impacts were identified.
- 9. Background Papers** – Lewes District Council Guiding principles for setting fees and charges
- 10. Appendix** - Lewes District Council Fees and Charges Proposals 2017/18