

AGENDA ITEM 14

POLICY, FINANCE AND ADMINISTRATION COMMITTEE

28 SEPTEMBER 2011

REPORT OF HEAD OF CENTRAL SERVICES

REVIEW OF CHARGES 2012/13

1.0 PURPOSE OF REPORT

- 1.1 To provide information on the various fees and charges that are made by this Committee.
- 1.2 To recommend charges to operate from 1 April 2012.

2.0 RECOMMENDATION

- 2.1 **That the Committee determines the level of charges for 2012/13 for each of the services set out in the attached table at Appendix A.**
- 2.2 **The setting of local land charges for individual enquiries for each of the specific questions on the LLC1 form are delegated to the Head of Regulatory Services in consultation with the Head of Central Services –see 3.6 below**

3.0 KEY ISSUES

All Charges

- 3.1 It was agreed at the meeting of the Budget & Strategic Planning Working Group on 20th June 2011 that in future charges would only be considered by members on an exception basis i.e. only charges that were proposed to increase above or below inflation would be considered by members in line with delegated authority set out in the constitution by members. However, for this committee all charges have been included for consideration
- 3.2 The proposed charges for services within this Committee's control for the financial year 2012/13 are set out in the attached table at Appendix A. The table also summarises the financial objective of the charging policy, the existing charges, the current level of any subsidy and the reason for the recommended charge. The charges for Parkside have only recently been approved by this committee and until the actual usage is known they have been maintained at the current level in the report.
- 3.3 As part of the review process Managers are asked to complete a "review of charges 2012/13" form for each distinct charging area. The aim of this process is to gather background information to the charges being reviewed. A set of completed forms are available for further information.

Land Charges

- 3.4 Personal Search Companies are continuing to compete with the Local Authorities for business and it is necessary for Local Authorities to be competitive to maintain a share of the market and maximise income although they cannot be profit making.
- 3.5 Legislative changes in August 2010 removed the ability of Council's to charge for access to the records that make up a search (on the basis it is Environmental Information to which citizens have a right to inspect under the Regulations) and as a result the Council is significantly disadvantaged in terms of providing basic search information when compared to 'personal searchers'.

This has reduced the income the Council receives (it is estimated approximately £5,000 per annum was acquired through personal searchers) but there has been no reduction in workload as the materials to be inspected still need to be collated and delivered for inspection purposes.

- 3.6 The continued downturn in the housing market has also had an effect on the number of land search applications received and they remain substantially lower than at pre 2008 levels. However, restructuring arrangements in 2009 have resulted in a significant reduction of resources dedicated to Land Charges to reflect this downturn and responsibility has transferred to Regulatory Services (within the administration team). This has had a significant impact on costs with an overall reduction in the region of £35,000. This is approximately in balance with the income levels, despite the trends described above. In view of the competitive environment in which land charges operates, the current fee receipts and this reduction, and because of the cost recovery requirements of this area of activity, it is not considered that fees could be justifiably increased.
- 3.7 The regulations relating to Land Charges require Authorities to respond to the individual questions comprised within the LLC1 form, and allows a charge to be made for each of these based on the staff time required to respond. These were introduced in April 2009 and have been calculated for the current year. However, they comprise a very limited proportion of overall income and it is necessary to collate reliable data on which to calculate them. Due to their limited number, it is preferable to make these calculations at the end of the year. Members are recommended to approve the delegation of setting these charges to the Head of Regulatory Services in consultation with the Head of Central Services.

4.0 **POLICY & CORPORATE IMPLICATIONS**

- 4.1 There are no further policy and corporate implications arising from this report.

5.0 **FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

- 5.1 All financial and resource implications have been addressed within paragraph 3. Once approved, these charges will be built into the 2012/13 revenue budget process.
- 5.2 Some services include chargeable and non-chargeable elements. In line with the charging policy the best estimate of under/over recovery of costs is included in Appendix A. Members may wish to review whether it is appropriate for those services receiving a subsidy to continue to do so.
- 5.3 The Council is taking part in an income generation review that is currently being undertaken across East Midlands Councils. If the conclusion of this review identifies areas for increases or new areas for charging this will be brought back to the next meeting.

6.0 **LEGAL IMPLICATIONS/POWERS**

- 6.1 Local Authorities have certain limited freedoms to charge for discretionary services under the Local Government Act 2003. Where appropriate any other relevant legislation is noted within the Appendix A to this report.

7.0 **COMMUNITY SAFETY**

- 7.1 There are no direct links to community safety arising from this report.

8.0 **EQUALITIES**

- 8.1 An equalities impact assessment has been completed for the charging policy previously agreed by Policy, Finance and Administration Committee.

9.0 RISKS

9.1 A possible risk to the Council is that budgeted revenue income may not be achieved if services are not taken up due to any charges increase. Income budgets are regularly monitored and where a downturn in demand is identified appropriate action is taken.

10.0 CLIMATE CHANGE

10.1 There are no climate change issues directly arising from this report.

11.0 CONSULTATION

11.1 Budget Holders carried out the review with the assistance of the Service Accountant as required with reference to current budget monitoring protocols. Where appropriate budget holders have also considered the charging policies of our neighbouring authorities and those within our audit group.

12.0 WARDS AFFECTED

12.1 All wards are affected.

Contact Officer: Robert Child

Date: 18 August 2011

Appendices: Appendix A – Review of Charges

Background Papers: Review of Fees/Charges Forms for all Service Areas/Charging Policy

Reference: X/C'tees, Council & Sub-C'tees/PFA/2011-12 /280911/DG - Review of Charges 2012/13