

RURAL, ECONOMIC & ENVIRONMENTAL AFFAIRS COMMITTEE

8th SEPTEMBER 2010

REPORT OF HEAD OF FINANCIAL SERVICES

REVIEW OF CHARGES 2011-12

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 changes to these charges to operate from 1st April 2011, with the exception of Building Control fees, new legislation requires these to be implemented by 1st October 2010.

2.0 RECOMMENDATIONS

- 2.1 **That the committee determines the level of charges for 2011-12 for each of the services set out in the attached table.**
- 2.2 **That delegated authority is given to the Head of Regulatory Services in consultation with the Chair of this Committee and Head of Financial Services to implement the new Building Control charges on 1st October 2010 (para 3.4 refers)**
- 2.3 **That the committee decides whether a full options appraisal in relation to a new income stream from pre-application discussions is desirable (para 3.6 refers)**

3.0 BACKGROUND

- 3.1 The proposed charges for services within this Committee's control for the financial year 2011-12 are set out in the attached table. 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.
- 3.2 Charges are being recommended in line with the Council's charging policy as approved by the Policy, Finance and Administration Committee
- 3.3 As part of the review process managers are asked to complete a "review of charges form for 2011-12" 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 will be available at the meeting.
- 3.4 Building (Local Authority Charges) Regulations 2010 are due to come into force on 1st October 2010. The Leicestershire Building Control group are currently establishing a uniform schedule of works, although actual fees will be set by individual authorities based on hourly rates. These fees will be set with the aim of cost recovery. As the uniform schedule of works is still being established the new charges will not be available in time for this meeting, therefore a report detailing these charges will be taken to the next meeting of this committee.
- 3.5 The Private Water Regulations 2009 have introduced the ability for local authorities to charge for activities in relation to private water supplies, namely risk assessments, sampling, sample analysis and investigations. These activities and a sliding scale of potential charges have been noted in appendix A. These services will be completed over a five year period and as yet it is not known who needs to be charged and how much.

Therefore it is proposed that any income achieved as a result of these regulations is subject to a budget reduction.

- 3.6 Members are advised that it may be possible to generate a fresh revenue stream for Development Control if charges for pre-application discussions were to be introduced. This has been examined in the past but rejected because of the complexity of administering charges. Also because of concerns regarding the deterrent it might create to hold such discussions, which may lead to further costs at later stages through ill considered and badly presented applications. However, there are a series of models that establish how charges can be introduced and Members are asked to advise whether they consider it desirable for a full options appraisal of the introduction of charges to be presented at a later date.

4.0 POLICY & CORPORATE IMPLICATIONS

- 4.1 Each charging policy meets corporate and service objectives, these vary according to the service provided. More detailed explanations on each service's corporate implications can be found on the forms available at the meeting.

5.0 FINANCIAL & 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 2011-12 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 In light of the current economic climate now is the time to assess what opportunities are available to raise additional income, the introduction of charging for pre application discussions is such an opportunity.

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 Admin 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.

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Date: 10th August 2010

Appendices: Appendix A – Review of Fees and Charges with SMT comments

Background Papers: Forms for the Review of Charges
Charging Policy

Reference: X: Committees/REEA/2010-11/8-09-10/DG – Review of Charges