

# AGENDA ITEM 8

## RURAL, ECONOMIC & ENVIRONMENTAL AFFAIRS COMMITTEE

31<sup>st</sup> AUGUST 2016

### REPORT OF HEAD OF CENTRAL SERVICES

#### A CORPORATE REVIEW OF CHARGES 2017-18

#### 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 1<sup>st</sup> April 2017.

#### 2.0 RECOMMENDATIONS

- 2.1 That the committee determines the level of charges for 2017-18 for each of the services set out in the attached table to operate from 1<sup>st</sup> April 2017.
- 2.2 That the committee determines that new charges, as referred to in paragraph 3.7, are to operate from 1<sup>st</sup> October 2016.

#### 3.0 BACKGROUND

##### All charges

- 3.1 As set out in the constitution only new proposed charges or charges that were proposed to be increased above or below inflation are considered by members. As such statutory charges have not been included within the report for consideration by members. Those that are increased in line with inflation are approved by the Head of Central services under delegated authority.
- 3.2 Appendix A shows the proposed charges for services that fall outside delegated authority. The table also summarises the financial objective of the current charging policy, the existing charges, the current level of any subsidy and the reason for the recommended charge.
- 3.3 There is a charging policy included in the MTFs; this should be used as a guideline when setting fees and charges. The current charging policy is under review and will be presented to PFA in September, which incorporates the recommendations arising from a recent internal audit report around fees and charges. The fees and charges review has taken on board the proposed changes in the new proposed policy.
- 3.4 As part of the review process managers are asked to complete a “review of charges form for 2017-18” 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.
- 3.5 For information Appendix B shows the list of services that are currently provided free of charge, this is due to a number of reasons such as information being provided as a result of Freedom of Information requests, information being accessible via the website or there being limited demand. This has been extended to provide explanations from budget holders as to why charges have not been introduced.

### 3.6 **Building Control**

- 3.6.1 As previously approved by the REEA Committee, delegated authority has been given to the Head of Regulatory Services to deviate from the standard Building Control fees. In accordance with the Building (Local Authority Charges) Regulations 2010; certain fees can be assessed on an individual job by job basis based on the level of risk of non-compliance of the Building Regulations.
- 3.6.2 The Building (Local Authority Charges) Regulation 2010 requires that building regulation charges relate to the costs of carrying out the building regulations chargeable service. The CIPFA guidance on the Charges Regulations 2010 states that Local Authorities are to calculate charges to achieve full cost recovery by relating the hourly charge of Local Authority building control officers to the time spent carrying out their *chargeable* building control regulation functions and advice. The Regulations also require the chargeable functions to break even over a reasonable period of time, normally three years. Currently, the chargeable function rolling three year position is a deficit of £17k (relating to 2013/14, 2014/15, 2015/16), reducing from £34k from the previous 3 year rolling period (2012/13, 2013/14, 2014/15). An element of this deficit has therefore been built into the hourly rate calculation to reduce it. The impact of on the fees can be seen in Appendix C.

### 3.6.3 **Charges for Taxi Licences**

- 3.6.4 In common with previous years, the fees for taxi licences requires review in order to accurately reflect current working practices. For 2016/17 fees were set using a new 'best practice' toolkit and the inputs into this will require updating. Members will also recall that one aspect of the toolkit was the recovery/discount of deficits and surpluses from the preceding year and as such it is planned that the proposed fees for 2017/18 are brought to the January Committee once the toolkit and time recording data have been reviewed.

### 3.7 **New Charges**

- 3.7.1 Contained in Appendix A are some new charges to be introduced from 1<sup>st</sup> October 2016. The majority of the new charges are services the council has previously provided 'free of charge'. The new charges are detailed in 3.7.2 and include one within the Pest Control service, three within the Building Control service and one within both the Licensing and Development Control services. It is difficult to predict the impact that the new charges will have on demand of the services, all of the new charges will be closely monitored and reviewed accordingly.

#### 3.7.2

Pest Control	Commercial – Advice Only
Building Control	Street Naming and Numbering
	Clerk of works' service for Council projects
	Demolition Applications
Licensing	Variation Fee – non-invasive procedures
Development Control	E enquiries ('Do I need planning permission')
Waste	Collection of sharps

### 4.0 **POLICY & CORPORATE IMPLICATIONS**

- 4.1 The fees and charges set out in this report are the ones that do not meet the charging policy set in line with 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 Financial and resource implications have been addressed within paragraph 3. Once approved, these charges will be built into the 2017/18 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 Local Government funding continues to be reviewed and there is great uncertainty surrounding funding in later years although almost certainly will be reduced. This is reflected in the Council's MTFs and places a greater onus on the Council to seek to maximise its income from other sources.

## **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 (EIA) has been completed for the charging policy previously agreed by PFA. The EIA will be reviewed in conjunction with the updated charging policy and implications arising will be presented to PFA in September.

## **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.

## **12.0 WARDS AFFECTED**

12.1 All wards are affected.

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Date: 10<sup>th</sup> August 2016

Appendices: Appendix A – Review of Fees and Charges  
Appendix B – Services provided free of charge  
Appendix C – Building Control Fees

Background Papers: Forms for the Review of Charges  
Charging Policy

Reference: X:\Cttee, Council & Sub Cttees\Rural Economic & Environmental Affairs  
Committee\2016-17\310816