

Fees & Charges 2018/19

Final Decision-Maker	Communities, Housing & Environment Committee
Lead Head of Service/Lead Director	Mark Green, Director of Finance & Business Improvement
Lead Officer and Report Author	Ellie Dunnet, Head of Finance
Classification	Public
Wards affected	All

Executive Summary

This report sets out the proposed fees and charges for 2018/19 for the services within the remit of this Committee. Fees and charges determined by the Council are reviewed annually, and this forms part of the budget setting process.

The Committee is invited to consider the appropriateness of the proposals for charges which are set at the Council's discretion.

Charges which are determined centrally have been included in Appendix 1 for information.

This report makes the following recommendations to this Committee:

1. That the proposed discretionary fees and charges set out in Appendix 1 to this report are agreed.
2. That the centrally determined fees and charges set out in Appendix 1 to this report are noted.

Timetable

Meeting	Date
Communities, Housing and Environment Committee	16 January 2018
Policy & Resources Committee	24 January 2018

Fees & Charges 2018/19

1. INTRODUCTION AND BACKGROUND

1.1 An updated Charging Policy was considered and agreed by Policy & Resources Committee on 22 November 2017. The policy seeks to ensure that:

- a) Fees and charges are reviewed regularly, and that this review covers existing charges as well services for which there is potential to charge in the future.
- b) Budget managers are equipped with guidance on the factors which should be considered when reviewing charges.
- c) Charges are fair, transparent and understandable, and a consistent and sensible approach is taken to setting the criteria for applying concessions or discounted charges.
- d) Decisions regarding fees and charges are based on relevant and accurate information regarding the service and the impact of any proposed changes to the charge is fully understood.

1.2 The policy covers fees and charges that are set at the discretion of the Council and does not apply to services where the council is prohibited from charging, e.g. the collection of household waste. Charges currently determined by central government, e.g. statutory licensing fees, are also outside the scope of the policy. However, consideration of any known changes to such fees and charges and any consequence to the medium term financial strategy are included in this report for information.

1.3 Budget managers are asked to consider the following factors when reviewing fees and charges:

- a) The Council's strategic plan and values, and how charge supports these;
- b) The use of subsidies and concessions targeted at certain user groups or to facilitate access to a service;
- c) The actual or potential impact of competition in terms of price or quality;
- d) Trends in user demand including an estimate of the effect of price changes on customers;
- e) Customer survey results;
- f) Impact on users, both directly and on delivering the Council's objectives;
- g) Financial constraints including inflationary pressure and service budgets;

- h) The implications of developments such as investment made in a service;
- i) The corporate impact on other service areas of Council wide pressures to increase fees and charges;
- j) Alternative charging structures that could be more effective;
- k) Proposals for targeting promotions during the year and the evaluation of any that took place in previous periods.

1.4 Charges for services which fall within the remit of this Committee have been reviewed by budget managers in line with the policy, as part of the development of the medium term financial strategy for 2018/19 onwards. The detailed results of the review carried out this year are set out in Appendix 1 and the approval of the Committee is sought to the amended fees and charges for 2018/19 as set out in that appendix.

1.5 Table 1 below summarises the 2016/17 outturn and 2017/18 estimate for income from the discretionary fees and charges which fall within the remit of this committee. It also indicates the proposed budget for 2018/19, taking into account any changes in the fees and charges, as well as expected changes in the volume of transactions. Please note that the table only reflects changes relating to fees and charges and does not include other budget proposals which may impact these service areas.

1.6 The Appendix and tables below show an overall decrease in the budgeted income figure for this Committee for the current financial year of £99,000 (-6.15%). However, this relates to the removal of the income target for the litter enforcement contract, which is offset by the removal of costs associated with this contract. The net budget impact of this change is therefore £nil.

Service Area	2016-17 Outturn £	2017-18 Estimate £	Proposed change in income £	2018-19 Estimate £
Environmental Enforcement & Community Protection	4,804	3,900	0	3,900
Environmental Health	5,100	3,480	0	3,480
Licensing*	30,657	29,560	0	29,560
Hackney Carriage and Private Hire Drivers Licences*	114,899	133,360	0	133,360
HMO Licensing*	21,850	13,380	0	13,380
Marden/Ulcombe Caravan Sites	74,918	66,200	0	66,200
Recycling & Refuse Collection	1,073,603	1,116,380	0	1,116,380
Total income from fees set by the Council	1,325,831	1,366,260	0	1,366,260

Table 1: Discretionary Fees & Charges Summary (CHE)

*Licensing fees will be approved by the Licensing Committee.

- 1.7 The review of fees and charges has resulted in a small number of increases to counteract the impact of inflation and increased contract costs, although these changes are not expected to give rise to any net increase in the Council's income budget. It is proposed that charges for recycling collection are held at the current level for 2018/19, with a view to increasing these to £40 (for a 240 litre bin) by 2020/21.
- 1.8 A more significant increase to the fixed penalty notice charge for littering was agreed by this Committee at its December meeting, although at present this is still dependent on the government agreeing the new legislation required to make the change.
- 1.9 Income budgets for licensing are included above for information. Licensing fees are agreed by the Licensing Committee who will consider the proposed 2018/19 fees for approval.
- 1.10 Table 2 below summarises the income due from fees which are set by the government. There is no change in the level of charge or income expected for the forthcoming financial year and it is therefore proposed that the budget for these income streams remains at the level set for 2017/18:

Service Area	2016-17 Outturn	2017-18 Estimate	Proposed increase in income	2018-19 Estimate
	£	£	£	£
Environmental Enforcement & Community Protection	111,524	101,520	-99,000	2,520
Environmental Health	12,746	9,570	0	9,570
Licensing (statutory)*	163,205	131,320	0	131,320
Statutory fees & charges (included for information)	287,475	242,410	-99,000	143,410

Table 2: Statutory Fees & Charges Summary (CHE)

*Licensing fees will be considered by the Licensing Committee.

- 1.11 For some of the charges in this area, the maximum amount chargeable is set by the government, although local authorities do have discretion to reduce the charge below this level. Charges are currently set at the maximum level.

2. AVAILABLE OPTIONS

Option 1

- 2.1 The Committee could approve the recommendations as set out in the report, adopting the revised fees and charges as proposed in Appendix 1. As these proposals have been developed in line with the Council's policy on fees and charges they will create a manageable impact on service delivery whilst maximising income levels.

Option 2

- 2.2 The Committee could agree different increases to those proposed within Appendix 1. Any alternative increase may not be fully compliant with the policy, would require further consideration before implementation and may not deliver the necessary levels of income to ensure a balanced budget for 2018/19. The impact on demand for a service should also be taken into account when considering increases to charges beyond the proposed level.

Option 3

- 2.3 The Committee could reject the proposed changes and leave all fees at the current level. However, this would limit the Council's ability to recover the cost of delivering discretionary services, and could result in the Council being unable to set a balanced budget for 2018/19.

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 Option 1 as set out above is recommended as the proposed fees and charges shown within Appendix 1 have been developed by budget managers in line with the Council's Charging Policy. The proposed charges are considered appropriate and are expected to create a manageable impact on service delivery whilst maximising cost recovery.

4. RISK

- 4.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 No specific consultation has been completed on these fees and charges but the previous resident's survey included questions relating to direct payment for services and this option was seen by residents as the second most popular way of managing pressures on council budgets, with 19.7% of responders voting in favour of this option.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 Fees and charges are being considered by service committees throughout December and January, with an overarching report to Policy & Resources Committee on 24 January 2018.
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7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<ul style="list-style-type: none"> The Council's policy on charging 	Head of Finance
Risk Management	<ul style="list-style-type: none"> Risk implications have been set out in section 4 of the report. 	Head of Finance
Financial	<ul style="list-style-type: none"> We expect accepting the recommendations will ensure that inflationary and contract increases can be met from additional fee income. If agreed, this income will be incorporated into the Council's medium term financial strategy for 2018/19 onwards. 	Head of Finance
Staffing	<ul style="list-style-type: none"> We will deliver the recommendations with our current staffing. 	Head of Finance
Legal	<ul style="list-style-type: none"> Section 93 of the Local Government Act 2003 permits best value authorities to charge for discretionary services provided the authority has the power to provide that service and the recipient agrees to take it up on those terms. The authority has a duty to ensure that taking one financial year with another, income does not exceed the costs of providing the service. A number of the fees and charges made for services by the Council 	Keith Trowell, Interim Team Leader (Corporate Governance)

	<p>are set so as to provide the service at cost. These services are set up as trading accounts to ensure that the cost of service is clearly related to the charge made. In other cases the fee is set by statute and the Council must charge the set fee. In both cases the proposals in this report meet the Council's obligations.</p> <ul style="list-style-type: none"> • Where a customer defaults the fee or charge for a service must be defensible, in order to recover it through legal action. Adherence to the policy on setting fees and charges provides some assurance that appropriate factors have been considered in setting these charges. 	
Privacy and Data Protection	<ul style="list-style-type: none"> • No specific impact identified. 	Legal Team
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Equalities and Corporate Policy Officer
Crime and Disorder	<ul style="list-style-type: none"> • No specific impact identified. 	Head of Finance
Procurement	<ul style="list-style-type: none"> • No specific impact identified. 	Head of Finance

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix 1: Proposed fees & charges 2018/19 (Communities, Housing & Environment Committee)
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9. BACKGROUND PAPERS

Charging Policy: <http://aluminum:9080/documents/s58019/Appendix%201%20-%20Charging%20Policy%20November%202017.pdf>