
Meeting: Executive
Date: 10 November 2009
Subject: Fees and Charges 2010/11
Report of: Cllr Maurice Jones, Portfolio Holder for Corporate Resources
Summary: Following the work of the Fees and Charges Member Working Group, this report sets out the Fees and Charges recommended to apply from 1 April 2010.

Advising Officer: Clive Heaphy, Director of Corporate Resources
Contact Officer: Matt Bowmer, Assistant Director Financial Services 0300 300 6147
Public/Exempt: Public
Wards Affected: All
Function of: Executive
Key Decision Yes
**Reason for urgency/
exemption from call-in
(if appropriate)** To enable the Council to publish its Fees and Charges for 2010/11 as soon as possible.

CORPORATE IMPLICATIONS

Council Priorities:

The application of Fees and Charges in a fair and equitable manner will aid the Council in achieving its aspirations around levels of Council Tax.

Financial:

The Council is under a duty to set a balanced budget each year and the application of discretionary Fees and Charges helps achieve that aim.

Legal:

Fees and Charges are applied and comply with powers conferred under the Local Government Act 2003.

Risk Management:

The Member Working Group outcomes reduce the risk of an inconsistent approach to application of fees and charges and help ensure a fair and equitable approach to all customers.

Staffing (including Trades Unions):

None

Equalities/Human Rights:

Under the terms of equality legislation, when developing proposals and making policy decisions, including those about finance and service provision, public authorities must ensure that decisions are made in such a way as to minimise unfairness, and that they do not have a disproportionately negative effect on people from different ethnic groups, disabled people, and men and women.

Fees and Charges have been reviewed to obtain consistency to ensure there are no disproportionate negative effects.

Community Safety:

None

Sustainability:

None

RECOMMENDATIONS:

that the Fees and Charges schedule outlined in Annex 2 of this report be agreed subject to Council approval of the Fees and Charges Policy at its next meeting

Reason for Recommendations: To enable the Council to publish its Fees and Charges for 2010/11 as soon as possible.

Background

1. The Council recently set up a Member Working Group to consider and recommend a new Fees and Charges Policy to the Council as well as review proposals for Fees and Charges that should apply for 2010/11. This report deals only with the proposed fees and charges to apply from 1st April 2010.
2. For information the Fees and Charges Member Working Group (FCWG) was attended by the following Members whose contributions and considerable efforts over the summer period are gratefully acknowledged:
Cllr. A. Fahn (Chair)
Cllr. A. Barker
Cllr. L. Birt
Cllr. R. Egan
Cllr. B. Wells
3. The Fees and Charges being considered today are all discretionary and have been compiled following extensive investigation and discussion with a number of service managers at various meetings held by the FCWG. As such, Members are respectfully requested to confine discussion to points of principle or policy as opposed to querying or re-visiting individual charges.

4. Due to the Committee timing process, today's fees and charges can only be agreed subject to Council approving the Fees and Charges Policy at its meeting of 19th November 2009. Members will recall the Policy was considered at the meeting of Executive on 13th October 2009, but there has been no Council meeting in the meantime. This situation will only apply in this first year of the new Council.

Fees and Charges Working Group

5. Aside from the setting of Policy the FCWG had three main priorities:
 - Resolve the harmonisation of charges that were left over into 2009/10
 - Determine an appropriate rate of inflation to apply for 2010/11
 - Institute a new template for individual services that sets out in detail a number of key points for individual charges.
6. The latter has the advantage of providing Members with detail around individual fees in a standard format that can be updated at each annual review of charges. These have been constructed from scratch and are available of request. Appendix 1 to this report provides a summary of all of the fees and charges.
7. The FCWG quickly came to the conclusion that it is impossible to carry out a fundamental review of every fee or charge in one year, hence the Policy allows for a fundamental review of individual charges over a 3 year cycle. For 2010/11 the FCWG carried out a fundamental review in the following areas:
 - Animal Licences – Riding Establishments
 - Zoos – Granting of new and renewed licences
 - Sex Shop Licences
 - Car Parking
 - Pest Control
 - Dog Control
 - Bulky Waste
 - End of Life Vehicles
 - Fridge and Freezer Collection
 - Registration Service
 - Libraries
8. For clarity the deliberations of the FCWG had a direct impact on the proposed setting of the above charges. However, there were several other areas where the FCWG carried out extensive consultation that resulted in little or no change as the Members were content with the current position or were content that proper actions were in place to review the charges.
 - Housing (HRA) charges
 - Local Land Charges
 - Transport Charges
 - Music Fees
 - Rights of Way

9. There are additional areas that require special mention. The charges for Adult Community Learning are undergoing review by the respective services and the Registration, Outdoor Centres and Archive services are shared services with the Borough Council and as such will be subject to separate reports that will come through the democratic process in the usual way. Charges subsequently agreed in this area, will be included in the published fees and charges schedule as soon as possible.
10. In addition it has been recognised that all charges around Children's Services are internal recharges figure between the corporate 'centre' and the Schools themselves. They are not charges that are borne by the public for use of a service and as such, whilst they need to be calculated annually, they are not appropriate for the publicly distributed schedule of fees and charges. In due course they will appear on the Intranet and be accessible to Schools for their own financial management purposes.
11. It is, of course, not practical within this report to set out all the detail behind the extensive deliberations of the FCWG, suffice to say that the charges set in respect of those services outlined in para. 9 above have been set following extensive examination and discussion with Service Manager's by the FCWG.
12. In respect of harmonisation of charges, nearly all such issues were tackled as part of the work carried out in the areas above and with one exception those charges were set followed a detailed examination of how much officer time went into the activity and ensured those charges were fair and not used to make unacceptable 'profit' from the activity as prescribed in the Local Government Act 2003.
13. In respect of outstanding harmonisation issues that did not warrant detailed review, the FCWG agreed that the harmonisation strategy that was agreed by the Central Bedfordshire Shadow Authority on 16th December 2008 should be applied. In the main these were around relatively minor areas such as charges for photocopies or planning documents with the exception being charges for food inspection service which is set out in the 'Food' template with appropriate notes.
14. The individual templates contain appropriate notes around the determined allocation of charges where necessary.

Budget implications

15. In broad terms the review of fees and charges does no more that allocate an assumed inflation rate of 1.8% for 2010/11. This is based upon the prevalent rate of Consumer Price Index (CPI) at the time of writing, and was felt by the FCWG to be the most persuasive in terms of justification.

16. It was felt that “crystal ball gazing” as to what level of CPI might be more appropriate either by January 2010 when the budget report is finalised or even at April 2010, when the new charges come into force was too speculative, hence the decision to apply 1.8%. For practical purposes, especially around lower scale charges, the inflation uplift varies from between 1.6 – 2%, but on average is applied at 1.8%. Where harmonisation has taken place a clear calculation of inflation uplift is not possible.
17. In respect of the budget the proposals in the report today are likely to prove neutral in overall income terms. Discretionary charges are relatively small scale compared to statutory charges in areas like Planning, and could never in themselves do more than make a minor contribution to any budget savings target. Members may be assured that the individual consequences will be built into each cost centre for the purposes of budget setting and initial indications of the budget impact for each area are shown on the templates in Appendix A.
18. The FCWG has had to take balanced view of charges weighed against both statutory obligations and the need to generate more income. The current economic situation precludes any wholesale increase in Fees and Charges, which in any event would have to be justifiable, but Members were mindful of the Council’s own budget situation and have not sought to review charges in a manner that might lead to any substantial loss of income either.

General

19. It is historically the case that Members prefer to see Fee and Charge prices rounded as far as possible. Broadly speaking the Fees and Charges being considered today have been rounded at the VAT inclusive level where it applies and which is the amount the customer pays. This means that on the templates a number of the ex VAT charges are by definition not rounded. The alternative is to round the Ex VAT charges but by adding VAT at 17½ %, a non-rounded charge is inevitably the result.
20. Members are asked to accept that the proposed charges to be paid by the public are as “customer friendly” on rounded amounts as possible, but that this may not be the case for all areas.

Appendices:

Appendix A – Published list of Fees and Charges

Background Papers (open to public inspection):

Audit Commission’s “Positively Charged” report of 2008
CIPFA Practical Guide for LA’s on Income Generation – Fully Revised 2nd Edition 2008
Central Bedfordshire Fees and Charges Policy (Council 19th Nov 2009)
Service templates of Fees and Charges

Location of papers: Priory House, Chicksands